



Ontario  
Securities  
Commission

Commission des  
valeurs mobilières  
de l'Ontario

P.O. Box 55, 19<sup>th</sup> Floor  
20 Queen Street West  
Toronto ON M5H 3S8

CP 55, 19<sup>e</sup> étage  
20, rue queen ouest  
Toronto ON M5H 3S8

---

**IN THE MATTER OF THE *SECURITIES ACT*  
R.S.O. 1990, C.S.5, AS AMENDED**

**- AND -**

**IN THE MATTER OF  
CHRISTOPHER FREEMAN**

**STATEMENT OF ALLEGATIONS  
OF STAFF OF THE ONTARIO SECURITIES COMMISSION**

Staff of the Ontario Securities Commission (“Staff”) make the following allegations:

**Background**

1. Throughout 2003 and 2004, Christopher Freeman (“Freeman”) was an officer and director of Interquest Incorporated (“Interquest”), NIR Diagnostics Inc. (“NIR Diagnostics”) and International CHS Resource Corporation (“International CHS”).
2. Interquest is a reporting issuer in Ontario which previously traded under the ticker symbol of “IQT” on the TSX Venture Exchange but which was delisted on February 21, 2005.
3. NIR Diagnostics and International CHS are also reporting issuers in Ontario. NIR Diagnostics and International CHS trade on the TSX Venture Exchange under the respective ticker symbols of “NID” and “ICJ”.

4. Throughout 2003 and 2004, Freeman maintained a number of nominee trading accounts over which he had control, including accounts at CIBC World Markets Inc., Standard Securities Capital Corporation, Union Securities Ltd., First Associates Investments Inc., Edward Jones, Transfer Services Inc. and Computershare Trust Company of Canada.

#### **Failure to File Insider Trading Reports**

5. Throughout 2003 and 2004, Freeman directed a number of transactions in his various trading accounts, including:
  - (a) a minimum of 38 transactions in the shares of Interquest;
  - (b) a minimum of 10 transactions in the shares of International CHS; and
  - (c) a minimum of 4 transactions in the shares of NIR Diagnostics.
6. Section 107(2) of the *Ontario Securities Act*, R.S.O. 1990, C.s.5. as amended (the “*Act*”) required Freeman to file a report of each change in his control or direction over securities of Interquest, International CHS and NIR Diagnostics. Section 107(2) of the *Act* required Freeman to file the reports within 10 days from the day the change took place.
7. Notwithstanding that he executed an aggregate of over 50 transactions in Interquest, International CHS and NIR Diagnostics in his various trading accounts throughout 2003 and 2004, Freeman has not filed any section 107(2) reports in respect of those transactions.

**Conduct Contrary to the Public Interest**

8. By failing to make timely insider trading reports as required by s. 107(2), Freeman has repeatedly breached Ontario securities law and engaged in conduct contrary to the public interest.

**DATED AT TORONTO** this 8<sup>th</sup> day of August, 2005