



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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

AND

**IN THE MATTER OF
INNOVATIVE GIFTING INC., TERENCE LUSHINGTON, Z2A CORP.,
and CHRISTINE HEWITT**

**ORDER
(Section 127)**

WHEREAS on March 2, 2010, the Commission issued a Notice of Hearing to consider, *inter alia*, whether to make orders, pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”), against Innovative Gifting Inc. (“IGI”), Terence Lushington (“Lushington”), Z2A Corp. (“Z2A”) and Christine Hewitt (“Hewitt”) (collectively the “Respondents”);

AND WHEREAS on March 2, 2010, Staff of the Commission issued a Statement of Allegations against the Respondents;

AND WHEREAS Staff served the Respondents with the Notice of Hearing dated March 2, 2010 and Staff’s Statement of Allegations dated March 2, 2010. Service by Staff was evidenced by the Affidavit of Service of Joanne Wadden, sworn on March 4, 2010, which was filed with the Commission;

AND WHEREAS on March 5, 2010, the Commission ordered that the hearing with respect to the matter be adjourned to April 12, 2010;

AND WHEREAS on April 12, 2010, counsel for Staff, counsel for IGI and Lushington, and counsel for Z2A and Hewitt appeared before the Commission and made submissions;

AND WHEREAS on April 13, 2010, the Commission issued an order that, *inter alia*, the hearing with respect to the Notice of Hearing dated March 2, 2010 be adjourned to July 21, 2010 at 10:00 a.m., at which time a pre-hearing conference will be held;

AND WHEREAS on July 21, 2010, a pre-hearing conference was commenced and counsel for Staff, counsel for IGI and Lushington, and counsel for Z2A and Hewitt appeared before the Commission and made submissions;

AND WHEREAS on July 21, 2010, the Commission issued an order that, *inter alia*, the hearing with respect to the Notice of Hearing dated March 2, 2010 be adjourned to September 9, 2010 at 10:00 a.m., at which time the pre-hearing conference will be continued;

AND WHEREAS on September 9, 2010, the pre-hearing conference was continued and counsel for Staff and counsel for IGI and Lushington appeared before the Commission and made submissions. Counsel for Z2A and Hewitt did not attend but counsel for Staff advised the Commission of counsel's submissions;

AND WHEREAS on September 9, 2010, all counsel submitted that the hearing be adjourned;

AND WHEREAS on September 9, 2010, the Commission ordered, *inter alia*, that the hearing with respect to the Notice of Hearing dated March 2, 2010 be adjourned to November 4, 2010 at 3:00 p.m., at which time the confidential pre-hearing conference will be continued and dates will be fixed for the hearing on the merits in this matter;

AND WHEREAS on November 3, 2010, all parties requested, in writing, that the pre-hearing conference scheduled for November 4, 2010 be adjourned to 10:00 a.m. on December 6th, 2010 and at that time dates will be fixed for the hearing on the merits in this matter;

AND WHEREAS on November 4, 2010, the Commission ordered that, *inter alia*, the hearing with respect to the Notice of Hearing dated March 2, 2010 be adjourned to December 6th, 2010 at 10:00 a.m., at which time the confidential pre-hearing conference will be continued and dates will be fixed for the hearing on the merits in this matter;

AND WHEREAS on December 6, 2010, all parties attended the pre-hearing conference and all parties made submissions to the Commission;

AND WHEREAS on December 6, 2010 the Commission ordered the hearing on the merits in this matter to commence on May 2, 2011 and continue until May 16, 2011, with the exception that the hearing on the merits would not be heard on May 3, 2011;

AND WHEREAS on December 6, 2010, the Commission also scheduled Z2A and Hewitt to make a motion to the Commission on March 30, 2011 at 2:00 p.m. for severance of the hearing as to the allegations relating to them;

AND WHEREAS on March 29, 2011, the Commission approved a Settlement Agreement dated March 24, 2011 between Staff and Lushington and IGI;

AND WHEREAS on April 26, 2011 counsel for Z2A and Hewitt (the “Remaining Respondents”) and Staff attended a pre-hearing conference at which time a motion was scheduled for April 28, 2011 at 11:00 a.m. before the panel scheduled to hear this matter on the merits, to hear the Remaining Respondents’ request to adjourn the hearing of this matter;

AND WHEREAS on April 28, 2011, the Commission ordered that the hearing on the merits be adjourned to June 6, 2011 and continue until June 10, 2011 and, if necessary, continue

on June 15 and 16, 2011, commencing each day at 10:00 a.m., with the exception of June 7, 2011, which hearing day would commence at 2:00 p.m. and continue until 5:00 p.m.;

AND WHEREAS on June 6, 2011, the Commission ordered that the hearing on the merits of this matter be adjourned to and commence on July 18, 2011 peremptory on the Remaining Respondents and continue on July 20, 21, 22 and 25, 2011 commencing each day at 10:00 a.m.;

AND WHEREAS the Remaining Respondents sought, through their counsel, at the commencement of the hearing on July 18, 2011, an adjournment of the hearing on the merits on the basis that Hewitt was ill and not able to attend;

AND WHEREAS on July 18, 2011, the panel adjourned the hearing to July 20, 2011 to assess any evidence to be provided by the Remaining Respondents as to Hewitt's medical condition;

AND WHEREAS on July 20, 2011, the Commission vacated the hearing dates and ordered that a conference call be scheduled for July 27, 2011 to review the status of Hewitt's health in relation to her ability to attend the hearing on the proposed hearing dates of August 3, 4, 5 and 15, 2011;

AND WHEREAS on July 27, 2011, the Commission ordered that the hearing be adjourned and commence on October 3, 2011 and continue on October 4, 5, 6 and 12, 2011;

AND WHEREAS the hearing commenced on October 3, 2011 and continued on October 4 and 5, 2011;

AND WHEREAS the Remaining Respondents advised, through their counsel, on the morning of October 6, 2011 that Hewitt was unable to attend the continuation of her cross-examination scheduled to take place that day, due to illness;

AND WHEREAS the Remaining Respondents sought, through their counsel, on October 12, 2011, an adjournment of the hearing on the basis that Hewitt was ill and not able to attend;

AND WHEREAS the Remaining Respondents, consent, through their counsel to adjourning the hearing to October 24, 2011 and advise that in the event that Hewitt is unable to attend the hearing on October 24, 2011 due to illness, the Remaining Respondents will call their final witness on October 24, 2011, with the continued cross-examination of Hewitt to take place on another date;

AND WHEREAS the Commission is of the view that it is in the public interest to make this order;

IT IS ORDERED that the Remaining Respondents provide, by the close of business on October 14, 2011, medical records confirming Hewitt's inability to attend the hearing on October 6 and 12, 2011;

IT IS FURTHER ORDERED that the hearing is adjourned to October 24, 2011, commencing at 10:00 a.m. and will continue on November 8, 2011 at 2:30 p.m.; and

IT IS FURTHER ORDERED that the Remaining Respondents provide, by the close of business on October 20, 2011, an update as to Hewitt's ability to attend the hearing on October 24, 2011 and, if the Remaining Respondents take the position that Hewitt is unable to attend the hearing on October, 24, 2011, that they provide medical records as to Hewitt's medical condition.

DATED at Toronto this 12th day of October, 2011.

"Paulette L. Kennedy"

Paulette L. Kennedy