



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 February 20, 2009, the Ontario Securities Commission (the “Commission”) issued a temporary cease trade order pursuant to subsections 127(1) and 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”) ordering, *inter alia*, that all trading in securities by Innovative Gifting Inc. (“IGI”) shall cease (the “Temporary Order”);

AND WHEREAS on February 20, 2009, the Commission ordered that the Temporary Order shall expire on the 15th day after its making unless extended by order of the Commission;

AND WHEREAS on February 23, 2009, the Commission issued a Notice of Hearing to consider, among other things, the extension of the Temporary Order, to be held on March 6, 2009 at 10:00 a.m.;

AND WHEREAS the Notice of Hearing set out that the Hearing was to consider, *inter alia*, whether, in the opinion of the Commission, it was in the public interest, pursuant to subsections 127(7) and (8) of the Act, to extend the Temporary Order until the conclusion of the hearing, or until such further time as considered necessary by the Commission;

AND WHEREAS on March 6, July 10, November 30, 2009 and on February 3, 2010, hearings were held before the Commission and the Commission ordered that the Temporary Order be extended;

AND WHEREAS on February 3, 2010, the Commission ordered that the Temporary Order be extended until March 8, 2010 and the hearing with respect to the matter be adjourned to March 5, 2010;

AND 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 Act, against 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 Temporary Order be extended until April 13, 2010 and 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 12, 2010, counsel for Staff requested an extension of the Temporary Order as against IGI;

AND WHEREAS on April 12, 2010, counsel for IGI and Lushington consented to the extension of the Temporary Order as against IGI;

AND WHEREAS on April 12, 2010, counsel for Staff provided counsel for the Respondents with Staff’s initial disclosure in this matter;

AND WHEREAS on April 13, 2010, the Commission issued an order that: (1) the Temporary Order is extended as against IGI until July 22, 2010; and (2) the hearing with respect to the Notice of Hearing dated March 2, 2010 and with respect to the Temporary Order is 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, counsel for Staff requested an extension of the Temporary Order as against IGI and counsel for IGI and Lushington consented to the extension of the Temporary Order as against IGI;

AND WHEREAS on July 21, 2010, the Commission issued an order that: (1) the Temporary Order be extended as against IGI until September 10, 2010; and (2) the hearing with

respect to the Notice of Hearing dated March 2, 2010 and with respect to the Temporary Order 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 counsel for Staff requested an extension of the Temporary Order as against IGI, and counsel for IGI and Lushington consented to the extension of the Temporary Order as against IGI;

AND WHEREAS on September 9, 2010, the Commission ordered that the Temporary Order be extended as against IGI until November 5, 2010 and that the hearing with respect to the Notice of Hearing dated March 2, 2010 and with respect to the Temporary Order 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 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 3, 2010, counsel for IGI advised, in writing, that IGI consented to the extension of the Temporary Order as against IGI until after the new date set for the continuing pre-hearing conference;

AND WHEREAS on November 4, 2010, the Commission ordered that the Temporary Order be extended as against IGI until December 7th, 2010 and that the hearing with respect to the Notice of Hearing dated March 2, 2010 and with respect to the Temporary Order 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 the Commission is of the view that it is in the public interest to make this order;

IT IS ORDERED that the hearing on the merits in this matter shall commence on May 2, 2011 and continue until May 16, 2011, with the exception that the hearing on the merits will not be heard on May 3, 2011;

IT IS FURTHER ORDERED that counsel for Z2A and Hewitt will make a motion to the Commission on March 30, 2011 at 2 p.m. for severance of this matter; and

IT IS FURTHER ORDERED that the Temporary Order as against IGI is extended until the conclusion of the hearing on the merits.

DATED at Toronto this 6th day of December, 2010.

“James E. A. Turner”

James E. A. Turner