

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

**- AND -**

**IN THE MATTER OF  
STERLING CENTRECORP INC.,  
AND SCI ACQUISITION INC.**

**- AND -**

**IN THE MATTER OF  
FIRST CAPITAL REALTY INC. AND GAZIT CANADA INC.**

**ORDER**

(Sections 104 and 127 of the *Securities Act*, R.S.O. 1990, c. S.5 (the “Act”))

**WHEREAS** a group of directors and officers (the “Insiders”) of Sterling Centrecorp Inc. (“Sterling”) have initiated a transaction to acquire all outstanding issued common shares of Sterling (the “Going Private Transaction”), through the acquisition vehicle SCI Acquisition Inc. (“SCI Acquisition”);

**AND WHEREAS** the Insiders, collectively, own or control 35.3% of the voting rights attached to all outstanding common shares of Sterling and also purport to exercise control, through a series of Support Agreements with supporting shareholders, over more than half of the voting rights attached to the outstanding common shares not owned or controlled by the Insiders;

**AND WHEREAS** the Going Private Transaction was approved at Sterling’s Annual and Special Meeting of Shareholders on April 30, 2007 (the “Meeting”) taking into account all of the votes pursuant to the Support Agreements, within the “majority of the minority” calculation required by Ontario Securities Commission Rule 61-501 – *Insider Bids, Issuer Bids, Going Private Transactions and Related Party Transactions* (the “Rule 61-501 Calculation”);

**AND WHEREAS** on April 25, 2007, First Capital Realty Inc. (“First Capital”) and Gazit Canada Inc. (“Gazit”) made an application (the “Application”) requesting that the Commission convene a hearing to consider matters in connection with the Going Private Transaction and to seek relief under sections 104 and 127 of the Act;

**AND WHEREAS** a hearing was held on May 17, 2007, to consider the issues raised in the Application;

**AND WHEREAS** the parties to the Application have requested a decision from the Commission in advance of a court hearing scheduled for June 8, 2007;

**AND UPON HAVING CONSIDERED** the written and oral submissions made by counsel for First Capital and Gazit, SCI Acquisition, Sterling, the Special Committee of Sterling Centrecorp Inc., and Staff of the Commission;

**AND FOR THE REASONS** to be released shortly, including a finding that the parties to the Support Agreements, other than David Kosoy and First National Investments Inc., are not “joint actors” with the Insiders and/or SCI Acquisition within the meaning of Rule 61-501;

**IT IS ORDERED THAT,**

1. Pursuant to subsections 104(1) and 127(1) of the Act, Sterling shall correct the record of the votes cast at the Meeting held on April 30, 2007 in respect of the Going Private Transaction, to exclude from the Rule 61-501 Calculation, the votes attached to all common shares and other securities of Sterling held by David Kosoy and First National Investments Inc.

2. The Application is otherwise dismissed.

**DATED** at Toronto this 4<sup>th</sup> day of June, 2007.

“Lawrence E. Ritchie”  
Lawrence E. Ritchie

“Harold P. Hands”  
Harold P. Hands

“Carol S. Perry”  
Carol S. Perry