

MANAGEMENT PROXY CIRCULAR

**QUEBECOR INC.**

612 Saint-Jacques Street
Montreal, Quebec
Canada
H3C 4M8

SOLICITATION OF PROXIES

This Management Proxy Circular (the “Circular”) is furnished in connection with the solicitation of proxies by Management of Quebecor Inc. (the “Company”) for use at the Annual Meeting of shareholders of the Company to be held on Thursday, May 10, 2007 (the “Meeting”) at the time and place and for the purposes mentioned in the Notice of Meeting and at any and all adjournments thereof.

Except as otherwise indicated, the information contained herein is given as at **March 9, 2007**. All dollar amounts appearing in this Circular are in Canadian dollars, except if another currency is specifically mentioned. On December 29, 2006, the Bank of Canada quoted the closing exchange rate between the Canadian dollar and the U.S. dollar at CDN\$ 1.1654 per US\$ 1.00.

Proxies are solicited primarily by mail. However, proxies may also be solicited by officers and employees of the Company, but without additional compensation. In addition, the Corporation shall, upon request, reimburse brokerage firms and other custodians for their reasonable expenses in forwarding proxies and related material to beneficial owners of shares of the Company. The cost of soliciting proxies shall be borne by the Company. This cost is expected to be nominal.

APPOINTMENT OF PROXYHOLDERS

The persons named as proxyholders in the accompanying form of proxy are directors and officers of the Company. **A shareholder has the right to appoint as proxyholder a person (who is not required to be a shareholder) other than the persons whose names are printed as proxyholders in the accompanying form of proxy, by striking out said printed names and inserting the name of his chosen proxyholder in the blank space provided for that purpose in the form of proxy.**

To be valid, proxies must be received at the Corporate Secretariat of the Company, 612 Saint-Jacques Street, 12th floor, Montreal, Quebec, Canada, H3C 4M8, or by Computershare Investor Services Inc., 100 University Avenue, 9th floor, Toronto, Ontario, Canada, M5J 2Y1, no later than May 8, 2007 at 5:00 p.m.

REVOCAION OF PROXIES

A shareholder giving a proxy may revoke the proxy by instrument in writing executed by the shareholder or by his attorney authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized, and deposited either at the Corporate Secretariat of the Company, 612 Saint-Jacques Street, 12th floor, Montreal, Quebec, Canada, H3C 4M8, at any time up to and including the last business day preceding the Meeting, or any adjournment thereof, or with the Chairman of such Meeting, on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

VOTING OF SHARES

The persons named in the enclosed proxy will vote the shares in respect of which they are appointed in accordance with the instructions of the shareholder appointing them. **Unless otherwise indicated, the voting rights attaching to the shares represented by a form of proxy will be voted "FOR" in respect of all matters described herein.**

The enclosed proxy confers discretionary authority upon the persons named therein with respect to all amendments to matters identified in the Notice of Meeting and to any other matter which may properly come before the Meeting. At the time of printing this Circular, Management of the Company knows of no such amendments, variations or other matters to be brought before the Meeting.

Unless otherwise indicated, the resolutions submitted to a vote at the Meeting must be passed by a majority of the votes cast at the Meeting, in person or by proxy, by the holders of Class A Multiple Voting Shares (the "**Class A Shares**") and Class B Subordinate Voting Shares (the "**Class B Shares**"), voting as a single class.

VOTING BY NON-REGISTERED SHAREHOLDERS

Non-registered shareholders may vote shares that are held by their nominees in two manners. Applicable securities laws and regulations, including *Regulation 54-101 Respecting Communication with Beneficial Owners of Securities of a Reporting Issuer*, require nominees of non-registered shareholders to seek their voting instructions in advance of the Meeting. Non-registered shareholders will receive (or will have received) from their nominees or from Computershare Investor Services Inc. either a request for voting instructions or a form of proxy for the number of shares held by their nominee. The voting instructions or forms of proxy will contain instructions relating to signature and return of the document and these instructions should be carefully read and followed by non-registered shareholders to ensure that their shares are voted accordingly at the Meeting.

Moreover, non-registered shareholders who wish to vote their shares in person at the Meeting must insert their own name in the space provided on the request for voting instructions or proxy form, as the case may be, in order to appoint themselves as proxyholders and follow the signature and return instructions provided by their nominees. Non-registered shareholders who appoint themselves as proxyholders should present themselves at the Meeting to a representative of Computershare Investor Services Inc. Non-registered shareholders should not otherwise complete the form sent to them as their votes will be taken and counted at the Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The shares of the Company conferring the right to vote at the Meeting are the Class A Shares and the Class B Shares. Each Class A Share carries the right to ten votes and each Class B Share carries the right to one vote. The Class B Shares are "restricted securities" (within the meaning of the relevant Canadian regulations respecting securities) in that they do not carry equal voting rights to those attached to the Class A Shares. In the aggregate, all of the voting rights associated with the Class B Shares represented, as of March 9, 2007, 16.27% of the voting rights attached to all of the issued and outstanding voting securities. As of March 9, 2007, there were 21,855,371 Class A Shares and 42,461,651 Class B Shares outstanding. The Articles of the Company provide that in the event a take-over bid regarding Class A Shares is made to holders of Class A Shares without being made concurrently and under the same terms to holders of Class B Shares, the Class B Shares will be converted into Class A Shares on a one-for-one basis for the sole purpose of allowing the holders of Class B Shares to accept the offer. The holders of Class A Shares and the holders of Class B Shares whose names appear on the list of shareholders prepared at the close of business on March 21, 2007 (the "**Record Date**") will be entitled to vote at the Meeting and any adjournment thereof if present or represented by proxy thereat. If a shareholder transfers all or part of his Class A Shares or Class B Shares after the Record Date, the transferee of those shares is entitled to vote those shares at the Meeting and at any adjournment thereof if he produces properly endorsed share certificates for such shares or if he otherwise establishes that he owns the shares and if he requires, not later than ten days before the Meeting, that his name be included on the list of shareholders entitled to vote at the Meeting.

To the knowledge of the directors and executive officers of the Company, the only legal persons who, on March 9, 2007, beneficially owned or exercised control over more than 10% of the shares of any class of voting shares of the Company were Fiducie spéciale Pierre-Péladeau (“**Fiducie Péladeau**”), a trust constituted for the benefit of Erik Péladeau and Pierre Karl Péladeau, and Fidelity Management & Research Company, Fidelity Management Trust Company and Fidelity International Limited (collectively called “**Fidelity**”). As at March 9, 2007, Fiducie Péladeau controlled 17,508,964 Class A Shares, representing 80.11% of the outstanding Class A Shares, and 19,800 Class B Shares, representing in total 67.09% of all the voting rights attached to all the issued and outstanding shares of the Company. Based on information available to the Company, Fidelity exercised control on 5,494,000 Class B Shares, being 12.94% of the outstanding Class B Shares, representing 2.10% of all the voting rights attached to all the issued and outstanding shares of the Company.

MANAGEMENT’S REPORT AND FINANCIAL STATEMENTS

Management’s report, the consolidated financial statements and the Auditor’s report thereon, for the fiscal year ended December 31, 2006, will be presented to shareholders at the Meeting, but no vote thereon is required or expected.

ELECTION OF DIRECTORS

The Articles of the Company provide that the Board of Directors shall consist of a minimum of three and a maximum of fifteen directors and they further provide that the members of the Board of Directors shall be divided into two classes of directors. The holders of Class B Shares, voting separately as a class, are entitled to elect 25% of the entire Board of Directors or, if 25% of the entire Board of Directors is not a whole number, the next higher whole number of members of the Board of Directors which shall constitute at least 25% of the entire Board of Directors (the “**Class B Directors**”). The holders of Class A Shares, voting separately as a class, are entitled to elect the remaining members of the Board of Directors (the “**Class A Directors**”). Both classes of directors shall serve the same term of office and shall be equal in all respects. The term of office of each director elected will expire upon the election of his or her successor, unless he or she resigns from office or his or her office becomes vacant by death, removal or other cause.

The election of the following eleven nominees as directors is proposed. It is not contemplated that any of the nominees will be unable, or for any reason will become unwilling, to serve as a director but, if that should occur prior to the election, the persons named in the accompanying form of proxy reserve the right to vote for another nominee in their discretion, unless the shareholder has specified that his shares are to be withheld from voting on the election of directors.

Except where authority to vote on the election of directors is withheld, the persons named in the accompanying form of proxy will vote “**FOR**” the election of the eleven nominees whose names are hereinafter set forth.

The following table sets forth certain information in respect of the nominees for election to the Board of Directors. All the nominees for the position of director submitted herein are currently directors of the Company. Except as otherwise indicated or as disclosed in previous management proxy circulars of the Company, each of the nominees named hereinbelow has held the principal occupation indicated opposite his or her name for more than five years.

CLASS A DIRECTORS	
<p>Alain Bouchard Quebec (Canada)</p> <p>Shares⁽¹⁾ : 2,000 Class B Shares</p> <p>Units⁽²⁾ : 17,033</p>	<p>Chairman of the Board, President and Chief Executive Officer, Alimentation Couche-Tard Inc. (convenience stores chain)</p> <p>Alain Bouchard, who is 58 years old, is the founder of the business enterprise within which Alimentation Couche-Tard Inc. has emerged. The company operates a network of convenience stores where approximately 38,000 people work in Canada and the United States. He is also a member of a number of charitable organizations.</p> <p>Details as member of the Board of Quebecor :</p> <ul style="list-style-type: none"> • Director since 1997 • Independent • Member of the Compensation Committee <p>Additional disclosure :</p> <ul style="list-style-type: none"> • Member of the Board of Directors of Alimentation Couche-Tard inc. and of Atrium Biotechnologies Inc.
<p>Robert Dutton Quebec (Canada)</p> <p>Shares⁽¹⁾ : —</p> <p>Units⁽²⁾ : 7,349</p>	<p>President and Chief Executive Officer, RONA Inc. (hardware retailer)</p> <p>Robert Dutton is 51 years old. Throughout his career, Robert Dutton has occupied various executive positions at RONA Inc. He has been leading the company since 1992 which has become the most important Canadian distributor and retailer of hardware products as well as renovating and gardening supplies. He is also a member of a number of social and community organizations.</p> <p>Details as member of the Board of Quebecor :</p> <ul style="list-style-type: none"> • Director since 2002 • Independent • Member of the Nominating and Corporate Governance Committee <p>Additional disclosure :</p> <ul style="list-style-type: none"> • Member of the Board of Directors of each of RONA Inc. and Sobeys Inc.
<p>Pierre Laurin Quebec (Canada)</p> <p>Shares⁽¹⁾ : —</p> <p>Units⁽²⁾ : 4,871</p>	<p>Chairman of the Board, Atrium Biotechnologies Inc. (Manufacturer and marketer of products for the cosmetics, pharmaceutical, chemical and nutrition industries)</p> <p>Pierre Laurin is 67 years old. For a major part of his career, Pierre Laurin headed HEC Montréal (previously known as l'École des Hautes Études Commerciales) after which he moved over to the position of Vice-President, Planning and Administration, at Aluminium Company of Canada, then to that of founding President of SOCCRENT, a venture capital company, and thereafter to President of Merrill Lynch, Quebec. Currently, he serves, on a voluntary basis, as an invited Executive in-Residence of the HEC Montréal. He also serves on a number of Boards of Directors. He is an Officer of the Order of Canada, and he is also Chevalier of l'Ordre du Mérite de la République Française.</p>

	<p>Details as member of the Board of Quebecor :</p> <ul style="list-style-type: none"> • Director since 1991 • Independent • Président of the Nominating and Corporate Governance Committee • Member of the Audit Committee <p>Additional disclosure :</p> <ul style="list-style-type: none"> • Chairman of the Board, Atrium Biotechnologies Inc. and member of the Board of Directors of Aeterna Zentaris Inc.
<p>The Right Honourable Brian Mulroney, P.C.,C.C.,LL.D. Quebec (Canada)</p> <p>Shares⁽¹⁾ : 1,000 Class A Shares</p> <p>4,900 subordinate voting shares of Quebecor World Inc.</p> <p>Units⁽²⁾ : 12,521</p>	<p>Senior Partner, Ogilvy Renault LLP (Barristers and Solicitors)</p> <p>The Right Honourable Brian Mulroney, who is 67 years old, practiced law before assuming the presidency of Iron Ore Company of Canada. He subsequently entered politics as Leader of the Progressive Conservative Party which he led to victory in September 1984. He was Prime Minister of Canada until 1993. He then returned to the practice of law, and joined the well established Canadian law firm of Ogilvy Renault based in Montreal. The Right Honourable Brian Mulroney serves on a number of Boards of Directors and committees in Canada as well as abroad. He is also Compagnon de l'Ordre du Canada as well as grand officier de l'Ordre national du Québec</p> <p>Details as member of the Board of Quebecor :</p> <ul style="list-style-type: none"> • Director since 1999 • Non-independent <p>Additional disclosure :</p> <ul style="list-style-type: none"> • Chairman of the Board of Quebecor World Inc. and member of the Board of Directors of Quebecor Media Inc., Archer-Daniels-Midland Company, Barrick Gold Corporation, Cendant Corporation and Trizec Properties Inc.
<p>Jean Neveu Quebec (Canada)</p> <p>Shares⁽¹⁾ : 65,614 Class B Shares</p> <p>4,033 subordinate voting shares of Quebecor World Inc.</p> <p>1,000 class B shares of TVA Group Inc.</p> <p>Units⁽²⁾ : —</p>	<p>Chairman of the Board of the Company and Chairman of the Board of TVA Group Inc. (broadcasting corporation)</p> <p>Jean Neveu, who is 66 years old, joined Quebecor Inc. in 1969 as Controller, and he occupied several management positions before leaving the Company in 1979 to become part of a major publishing house and magazine distributor.</p> <p>In 1988, Jean Neveu returned to Quebecor Inc. to initially serve as Vice-President, Dailies, and later moved on to Senior Vice-President.</p> <p>When Quebecor Printing Inc. was created in January 1989, Jean Neveu became Chairman and Chief Executive Officer of this corporation. In December 1997, he was appointed to the position of President and Chief Executive Officer of Quebecor Inc., a position he has held until April 1999, when he became the Chairman of Quebecor Inc. Moreover, Mr. Neveu served as Chairman of the Board and Chief Executive Officer of Quebecor World Inc. from 1987 to 1997 and was Chairman of the Board from 1997 to 2002. From March 2003 until March 2004, Mr. Neveu served as interim President and Chief Executive Officer of Quebecor World Inc. He is an active member of a number of social organizations.</p>

	<p>Details as member of the Board of Quebecor :</p> <ul style="list-style-type: none"> • Director since 1988 • Independent <p>Additional disclosure :</p> <ul style="list-style-type: none"> • Member of the Board of Directors of each of Quebecor World Inc. and Quebecor Media Inc., and Chairman of the Board of TVA Group Inc.
<p>Pierre Parent Quebec (Canada)</p> <p>Shares⁽¹⁾ : 4,200 Class B Shares</p> <p>2,340 subordinate voting shares of Quebecor World Inc.</p> <p>10,000 series 3 cumulative redeemable first preferred shares of Quebecor World Inc.</p> <p>Units⁽²⁾ : 10,758</p>	<p>President, Resort One (property and hotel management)</p> <p>Pierre Parent, who is 61 years old, is the founder of Promexpo Inc., a leader in the field of design and organization of large scale events in Quebec. Mr. Parent remained at the helm of the enterprise for a number of years. He now specializes in property and hotel management and, as such, he is at the helm of Resort One and R.O. Canada Inc. He is a member of the Board of Directors of each of Windigo, s.e.c., of the International Corporate Club Inc., and of the Velero Beach Resort (Dominican Republic). He is a member of a number of social as well as cultural organizations.</p> <p>Details as member of the Board of Quebecor :</p> <ul style="list-style-type: none"> • Director since 2003 • Independent • Member of the Compensation Committee • Member of the Audit Committee
<p>Érik Péladeau Québec (Canada)</p> <p>Shares^{(1) (3)} : 5,340 Class B Shares</p> <p>504 subordinate voting shares of Quebecor World Inc.</p> <p>22,700 common shares of Nurun Inc.</p> <p>8,038 class B shares of TVA Group Inc.</p> <p>Units⁽²⁾ : 3,712</p>	<p>Vice-Chairman of the Board and Executive Vice-President of the Company, Vice-Chairman of the Board, Quebecor World Inc. (commercial printer) and Vice-Chairman of the Board, Quebecor Media Inc. (communications company)</p> <p>Érik Péladeau, who is 51 years old, has been associated for more than 25 years with different companies throughout the Quebecor enterprise. He was a key figure in the negotiations that took place when the Company decided to diversify and expand into the media sector which he shaped and headed for a number of years. Mr. Péladeau has served within the ranks of senior management at Quebecor Media Inc., at Quebecor World Inc., and at Quebecor Inc. He is also the owner of the Groupe Lelys, a company which specializes in the printing of self-adhesive labels. He is a member of the Board of Directors for a number of companies, and he participates in many activities of a philanthropic nature.</p> <p>Details as member of the Board of Quebecor :</p> <ul style="list-style-type: none"> • Director since 1988 • Non-independent <p>Additional disclosure :</p> <ul style="list-style-type: none"> • Member of the Board of Directors of each Quebecor World Inc. (Vice-Chairman of the Board), Quebecor Media Inc. (Vice-Chairman of the Board), TVA Group Inc., Nurun inc. and Le Groupe Jean Coutu (PJC) inc.

<p>Pierre Karl Péladeau Quebec (Canada)</p> <p>Shares⁽¹⁾⁽³⁾ : 3,200 Class A Shares 25,000 Class B Shares</p> <p>25,976 subordinate voting shares of Quebecor World Inc.</p> <p>Units⁽²⁾ : 6,217</p>	<p>President and Chief Executive Officer of the Company, Vice-Chairman of the Board and Chief Executive Officer, Quebecor Media Inc. (communications company)</p> <p>Pierre Karl Péladeau is 45 years old. In 1985, he joined Quebecor Inc. as Assistant to the President. He was actively involved in the numerous acquisitions and financings that took place during those years and more particularly, the most significant ones being, BCE Publitech and Donohue, in 1987 and 1988 respectively.</p> <p>In 1990, he was responsible for the acquisition and financing of Maxwell Graphics.</p> <p>In 1991, he was appointed President of Quebecor Communications Inc., a subsidiary of Quebecor Inc. regrouping all the media activities.</p> <p>In 1994, he was appointed President of Quebecor Printing – Europe, the new subsidiary of Quebecor Printing Inc. (“QPI”) leading the expansion of the European operations. In a very short period of time, QPI became one of the largest players in this market.</p> <p>In 1998, after the death of Pierre Péladeau, he returned to America and was appointed Chief Operating Officer of QPI.</p> <p>In 1999, he was appointed President and Chief Executive Officer of Quebecor Inc., a position that he still holds today. Following the recent acquisition of Sun Media Corporation, Quebecor Inc. pursued its strategic growth in the media industry with the acquisition, in 2000, of the Videotron group and the creation of Quebecor Media Inc.</p> <p>After the acquisition of World Color Press, Quebecor Inc. became the largest commercial printer in the Western countries, through its subsidiary now known as Quebecor World Inc. Mr. Péladeau headed the management of Quebecor Media Inc. as well as Videotron Ltd., in order to combine the various business segments of the group within the scope of pursuing a business plan based on a global convergence concept.</p> <p>From March 2004 to May 2006, he held the position of President and Chief Executive Officer of Quebecor World Inc., in addition to his other functions and returned to Quebecor Media Inc. in May 2006 as Vice-Chairman of the Board and Chief Executive Officer.</p> <p>Details as member of the Board of Quebecor :</p> <ul style="list-style-type: none"> • Director since 1992 • Non-independent <p>Additional disclosure :</p> <ul style="list-style-type: none"> • Member of the Board of Directors of each of Quebecor World Inc. and Quebecor Media Inc.
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CLASS B DIRECTORS	
<p>Françoise Bertrand Quebec (Canada)</p> <p>Shares⁽¹⁾ : 350 Class B Shares</p> <p>Units⁽²⁾ : 2,760</p>	<p>President and Chief Executive Officer, Fédération des chambres de commerce du Québec</p> <p>Before taking on the role of President and Chief Executive Officer of the Fédération des chambres de commerce du Québec, Françoise Bertrand, who is 58 years old, gained prominence as President of the Canadian Radio-Television and Telecommunications Commission (CRTC) and as President and Chief Executive Officer of the Société de radio-télévision du Québec (Radio-Québec). She also served as Dean, Resource Management, at the Université du Québec (UQAM) in Montreal.</p> <p>Ms. Bertrand is a member of numerous charitable organizations and is an active participant in a number of associations.</p> <p>Details as member of the Board of Quebecor :</p> <ul style="list-style-type: none"> • Director since 2003 • Independent • Chairman of the Compensation Committee • Member of the Nominating and Corporate Governance Committee.
<p>Jean-Marc Eustache Quebec (Canada)</p> <p>Shares⁽¹⁾ : —</p> <p>Units⁽²⁾ : 3,130</p>	<p>Chairman of the Board, President and Chief Executive Officer, Transat A.T. Inc. (integrated holiday travail group)</p> <p>Jean-Marc Eustache, who is 59 year old, re-launched Tourbec in 1979 before creating Trafic Voyages in 1982; a company which served as the foundation for Transat A.T. Inc., the leader in the holiday travel industry in Canada. He has been at the helm of Transat A.T. Inc. since its inception in 1987, and he is also Director of several of the corporation's subsidiaries. He is active in the community, and sits on several external Boards of Directors and Committees.</p> <p>Details as member of the Board Quebecor :</p> <ul style="list-style-type: none"> • Director since 2005 • Independent <p>Additional disclosure :</p> <ul style="list-style-type: none"> • Chairman of the Board of Transat A.T. Inc.
<p>Jean La Couture, FCA Quebec (Canada)</p> <p>Shares⁽¹⁾ : 3,000 Class B Shares</p> <p>1,000 subordinate voting shares of Quebecor World Inc.</p> <p>Units⁽²⁾ : 3 620</p>	<p>President, Huis Clos Itée (commercial mediation and negotiation)</p> <p>Jean La Couture, who is 60 year old, is a Fellow of the <i>Ordre des comptables agréés du Québec</i>. He headed Le Groupe Mallette (an accounting firm) before becoming President and Chief Executive Officer of The Guarantee Company of North America. In 1995, he created Huis Clos Itée, which specializes in management and mediation as well as in civil and commercial negotiations. He also serves as a member of the Board of Innergex Power Trust (Chairman of the fiduciary council, Acquisitions Committee, Audit Committee and Corporate Governance Committee), and Immunotec Inc. (Chairman of the Audit Committee).</p>

	<p>Details as member of the Board of Quebecor :</p> <ul style="list-style-type: none"> • Director since 2003 • Independent • Chairman of the Audit Committee <p>Additional disclosure</p> <ul style="list-style-type: none"> • Member of the Board of Directors of Quebecor Media Inc. (Chairman of the Audit Committee)
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(1) This information was provided to the Company by each of the nominees.

(2) The number of units is given as of December 31, 2006. In 2000, the Company implemented a Directors' Deferred Stock Unit Plan. See "**Compensation of Directors and Executive Officers - Compensation of Directors**", on page 10 of this Circular.

(3) Fiducie Péladeau, a trust established for the benefit of Érik Péladeau and Pierre Karl Péladeau, controls 17,508,964 Class A Shares and 19,800 Class B Shares of the Company.

The Company, together with its wholly-owned subsidiary, 4032667 Canada Inc., hold 46,911,277 multiple voting shares of Quebecor World Inc. In addition, the Company indirectly holds 19,576,605 common shares of Nurun Inc. and 4,316,688 class A shares and 7,910,583 class B shares of TVA Group Inc.

Attendance at Board and Committee Meetings

The following tables set forth the number of meetings of the Board and of its Committees held during the fiscal year ended December 31, 2006 and the attendance of directors at these meetings.

Number of Board and Committee Meetings Held	
Board of Directors	6
Audit Committee	7
Compensation Committee	3
Nominating and Corporate Governance Committee	3

Directors	Attendance at Board meetings	Committees	Attendance at Committee meetings
Françoise Bertrand	6/6	Compensation Nominating and Corporate Governance	3/3 3/3
Alain Bouchard	5/6	Compensation	3/3
Robert Dutton	3/6	Nominating and Corporate Governance	3/3
Jean-Marc Eustache	5/6	-	-
Jean La Couture	6/6	Audit	7/7
Pierre Laurin	6/6	Audit Nominating and Corporate Governance	7/7 3/3
The Right Honourable Brian Mulroney	5/6	-	-
Jean Neveu	6/6	-	-
Pierre Parent	6/6	Audit Compensation	7/7 3/3
Érik Péladeau	6/6	-	-
Pierre Karl Péladeau	6/6	-	-
Overall rate of attendance	90,9 %		100 %

Cease trade orders, bankruptcies, penalties or sanctions

To the knowledge of the Company and based on information provided to it by the nominees, none of these nominees:

- (a) is, as of March 9, 2007, or was, within 10 years before that date, a director or executive officer of a company (including the Company) which, while the nominee held that position, satisfied one of the following conditions:
 - (i) it was the subject of a cease trade or similar order, or an order that denied it access to any exemptions under securities legislation, for a period of more than 30 consecutive days;
 - (ii) it was, after the nominee ceased holding that position, the subject of a cease trade or similar order, or an order that denied it access to any exemptions under securities legislation, for a period of more than 30 consecutive days, by reason of an event that occurred while the nominee held that position;
 - (iii) while the nominee held that position or in the year following the date on which the nominee ceased to hold that position, it became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, was subject to proceedings instituted by its creditors or instituted proceedings against its creditors, made an arrangement or compromise with its creditors or took steps to make an arrangement or compromise with its creditors, or had a receiver, receiver manager or trustee appointed to hold its assets, with the exception of Pierre Laurin who was a director of Microcell Telecommunications Inc. when it filed for protection under the *Compagnies' Creditors Arrangement Act* in January 2003;
- (b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, was subject to proceedings instituted by his creditors or instituted proceedings against his creditors, made an arrangement or compromise with his creditors or took steps to make an arrangement or compromise with his creditors, or had a receiver, receiver manager or trustee appointed to hold his assets, the whole within the period of 10 years preceding March 9, 2007;
- (c) was subject to court-imposed penalties or sanctions relating to securities legislation or by a securities regulatory authority, or entered into a settlement agreement with such authority; and
- (d) was subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

Compensation of Directors

All the directors who are not employees of the Company received, during the fiscal year ended December 31, 2006, an annual base compensation of \$45,000 as well as attendance fees of \$2,000 for each meeting attended by them, except for meetings of the Audit Committee, for which members received attendance fees of \$3,000 per meeting attended. In addition, the Chairman of each committee of the Board of Directors received an annual base fee of \$7,000, except for the Chairman of the Audit Committee, who received an annual base fee of \$9,000. Moreover, all members of committees, except for the Chairman, received additional annual base fee of \$2,000. In 2006, the Chairman of the Board received a compensation of \$275,000 for services rendered in such capacity. This remuneration is not subject to the Directors' Deferred Stock Unit Plan.

In order to further align the interests of its directors with those of its shareholders, the Company has implemented a Directors' Deferred Stock Unit Plan (the "**DSUP**"). Under the DSUP, each director receives a portion of his or her compensation in the form of units, such portion representing at least 50% of the annual

retainer mentioned above. Subject to certain conditions, each director may elect to receive in the form of units any percentage, up to 100%, of the total fees payable for his or her services as a director, including the balance of the annual retainer, meeting attendance fees and any other fees payable to the director.

Under the DSUP, directors are credited, on the last day of each fiscal quarter of the Company, a number of units determined on the basis of the amounts payable to such director in respect of such fiscal quarter, divided by the value of a unit. The value of a unit corresponds to the weighted average trading price of the Class B Shares on the Toronto Stock Exchange over the five trading days immediately preceding such date. The units take the form of a credit to the account of the director who may not convert such units into cash as long as he or she remains a director. Units may be transferred only through a will or other testamentary instrument or in accordance with successions laws.

Under the DSUP, all of the units credited to the director are redeemed by the Company at the director's request and the value thereof paid upon the director ceasing to serve as a director of the Company. The redemption of such units must occur no later than December 15 of the first calendar year commencing after the year in which the participant ceased to qualify as a DSUP participant. During the past fiscal year, the Company did not redeem any units. For purposes of the redemption of units, the value of a unit corresponds to the market value of a Class B Share on the redemption date, being the closing price of the Class B Shares on the Toronto Stock Exchange on the last trading day preceding such date.

Units entitle holders thereof to dividends which are paid in the form of additional units at the same rate applicable to dividends paid from time to time on the Class B Shares.

During the past fiscal year, eight directors received an aggregate amount of \$594,786 for services rendered in such capacity. Of this amount, \$207,700 were paid in cash and \$387,086 were paid in the form of units under the DSUP.

Compensation of Executive Officers

The following table shows certain selected compensation information for the President and Chief Executive Officer of the Company, the Executive Vice-President and Chief Financial Officer and the three other most highly compensated executive officers of the Company during the fiscal year ended December 31, 2006 (collectively, the "**Named Executive Officers**") for their services rendered during the fiscal years ended December 31, 2006, 2005 and 2004.

SUMMARY COMPENSATION TABLE						
Name and Principal Position	Year	Annual Compensation			Long-term Compensation	Other Compensation
		Salary	Bonus ⁽¹⁾	Other Annual Compensation ⁽²⁾	Grants	
					Securities Under Options/SARs Granted	
		(\$)	(\$)	(\$)	(#)	(\$)
Pierre Karl Péladeau President and Chief Executive Officer	2006	1,381,686 ⁽³⁾	1,204,904	-	247,568 ⁽⁴⁾ 281,417 ⁽⁵⁾	17,850 ⁽⁶⁾
	2005	1,380,530 ⁽⁷⁾	-	-	205,000 ⁽⁴⁾ 591,000 ⁽⁸⁾	34,400 ⁽⁶⁾
	2004	1,354,583 ⁽⁹⁾	1,824,463 ⁽¹⁰⁾	-	1,000,000 ⁽⁸⁾	69,648 ⁽⁶⁾
Jacques Mallette Executive Vice-President and Chief Financial Officer	2006 ⁽¹¹⁾	450,000	208,140	-	127,000 ⁽⁸⁾	138,718 ⁽¹²⁾
	2005	393,750 ⁽¹³⁾	267,884 ⁽¹⁴⁾	-	97,000 ⁽⁸⁾	-
	2004	354,583	250,000	-	-	-
Wes W. Lucas President and Chief Executive Officer, Quebecor World Inc.	2006	738,654 ⁽¹⁵⁾	750,000	-	950,000 ⁽⁸⁾	659,880 ⁽¹⁶⁾
	2005	-	-	-	-	-
	2004	-	-	-	-	-
Robert Dépatie President and Chief Executive Officer, Videotron Ltd	2006	548,635	713,700	-	140,977 ⁽⁵⁾	-
	2005	490,796	530,000	-	-	-
	2004	391,400	418,600	-	-	-
Érik Péladeau ⁽¹⁷⁾ Vice-Chairman of the Board and Executive Vice-President	2006	737,589	21,522 ⁽¹⁸⁾	-	-	70,649 ⁽⁶⁾
	2005	618,000	-	-	-	110,095 ⁽⁶⁾
	2004	719,089	-	-	68,959 ⁽⁵⁾	85,204 ⁽⁶⁾

* The acronym "SAR" means Stock Appreciation Rights.

(1) Bonus amounts are paid in cash in the year following the fiscal year for which they are awarded.

(2) Perquisites and other personal benefits which do not exceed the lesser of \$50,000 or 10% of the total annual salary and bonus are not disclosed.

(3) Pierre Karl Péladeau also served as President and Chief Executive Officer of Quebecor World Inc. until May 11, 2006, and since that date has also served as Vice-Chairman of the Board and Chief Executive Officer of Quebecor Media Inc. Of this amount, \$516,163 has been paid by Quebecor World Inc.

(4) Underlying Securities: Class B Shares of the Company.

(5) Underlying Securities: common shares of Quebecor Media Inc.

(6) Total amount earned (including the value of units granted) in consideration for services rendered as director of the Company and/or certain of its subsidiaries.

(7) This entire amount was paid by Quebecor World Inc.

(8) Underlying Securities: subordinate voting shares of Quebecor World Inc.

(9) This amount includes a sum of \$1,084,426 paid by Quebecor World Inc. for services rendered in the capacity of President and Chief Executive Officer of this subsidiary from March 12, 2004 to December 31, 2004.

(10) This amount includes a bonus of \$1,534,463 paid by Quebecor World Inc.

(11) Since October 1, 2005, Jacques Mallette has also been Executive Vice-President and Chief Financial Officer of Quebecor World Inc. All amounts appearing in 2006 were paid by Quebecor World Inc.

- ⁽¹²⁾ This amount represents a non-cash bonus, deferred for three years, awarded in respect of the year 2006 to be paid, subject to certain stated conditions, in the form of subordinate voting shares to be purchased on the open market.
- ⁽¹³⁾ Of this amount, \$112,500 were paid by Quebecor World Inc.
- ⁽¹⁴⁾ This amount includes a bonus of \$65,581 paid by Quebecor World Inc.
- ⁽¹⁵⁾ Wes W. Lucas joined Quebecor World Inc. on May 11, 2006. On an annualized basis, his salary was \$1,150,000 for the year 2006.
- ⁽¹⁶⁾ This amount represents relocation expenses incurred for moving Wes W. Lucas from United States to Canada. In addition to the amount disclosed in the table under the column "All Other Compensation", Quebecor World Inc. also paid Mr. Lucas an amount of \$110,577 for consulting services provided to the corporation between April 6 and May 10, 2006.
- ⁽¹⁷⁾ The compensation presented in this Circular comprises the remuneration received by Érik Péladeau from all sources within the organization.
- ⁽¹⁸⁾ This bonus is for part of the year only.

EQUITY COMPENSATION PLANS

The Company's Stock Option Plan

The Company has a stock option plan for the officers, senior employees and key employees of the Company and of its subsidiaries (the "**Plan**") which allows them to benefit from the appreciation in value of the Company's Class B Shares. The Plan provides for the grant of options for the purchase of a maximum of 6,500,000 Class B Shares.

The Board of Directors, on the recommendation of the Compensation Committee, administers the Plan, designates the recipients of options and determines the number of shares covered by each such option, the date of vesting of each option, the exercise price of each option, the expiry date and any other question relating thereto, in each case in accordance with applicable securities legislation. The number of options so granted is based on individual merit and on the optionee's level of responsibility.

The exercise price of each Class B Share covered by an option granted under the Plan is equal to the weighted average trading price of the Class B Shares on the Toronto Stock Exchange during the period of five trading days preceding the date of grant. Options granted under the Plan may be exercised over varying periods determined by the Board of Directors, but not exceeding ten years. No optionee may hold options covering more than 5% of the outstanding shares of the Company. All options granted are non-transferable.

The right to exercise options that have been granted expires on the earlier of the following events:

- 30 days from the termination of the optionee's employment for reasons other than death or retirement;
- 60 days following retirement;
- 180 days following the death of the optionee; and
- 10 years from the date of grant.

The Board or Directors of the Company may, at any time, with the prior approval of the Toronto Stock Exchange, amend, suspend or terminate the Plan in whole or in part. In the event of a material amendment, the approval of the holders of a majority of the Class B Shares present and voting in person or by proxy at a meeting of shareholders of the Company must be obtained.

During the fiscal year ended December 31, 2006, options giving the right to acquire 247,568 shares were granted.

The following table gives information with regard to the Company's equity compensation plans as of December 31, 2006.

Plan Category	Number of Securities to Be Issued upon Exercise of Outstanding Options, Warrants and Rights	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Further Issuance Under Equity Compensation Plans (Excluding Securities Reflected in the First Column)
Equity Compensation Plans Approved by Securityholders: Stock Option Plan of the Company	1,735,917 (or 4.09% of the number of Class B Shares issued and outstanding)	\$30.50	4,441,695 (or 10.46% of the number of Class B Shares issued and outstanding)
Equity Compensation Plans Not Approved by Securityholders:	-	-	-

Quebecor Media Inc. Stock Option Plan

On January 29, 2002, Quebecor Media Inc. (“QMI”) established a stock option plan for officers, senior employees, directors and other key employees of QMI and its subsidiaries (the “QMI Plan”). Participants in the QMI Plan are granted options which may be exercised to purchase common shares of QMI.

Each option may be exercised within a maximum period of ten years following the date of grant at an exercise price not lower than, as the case may be, the fair market value, on the date of grant, of the common shares of QMI, as determined by the Board of Directors of QMI (if the common shares of QMI are not listed on a stock exchange at the time of the grant), or the five-day weighted average closing price ending on the day preceding the date of grant of the common shares of QMI on the stock exchanges where such shares are listed. Unless authorized by QMI's Compensation Committee in the context of a change of control, no options may be exercised by an optionee if the shares of QMI have not been listed on a recognized stock exchange. Should the common shares of QMI have not been listed on March 1st, 2008, optionees may exercise their vested options from March 1st to March 30, from June 1st to June 29, from September 1st to September 29 and from December 1st to December 30 of each year. In addition, at the time of exercise of an option, optionees could at their discretion, (i) request to receive the profit from the shares, or (ii) subject to certain stated conditions, subscribe to common shares of QMI.

Except under specific circumstances and unless the Compensation Committee of QMI decides otherwise, options vest over a five-year period in accordance with one of the following vesting schedules as determined by the Compensation Committee of QMI at the time of grant:

- (i) equally over five years with the first 20% vesting on the first anniversary of the date of the grant;
- (ii) equally over four years with the first 25% vesting on the second anniversary of the date of the grant;
or
- (iii) equally over three years with the first 33^{1/3}% vesting on the third anniversary of the date of the grant.

The total number of common shares reserved for issuance under the QMI Plan is 6,185,714, and no optionee may hold options entitling him to purchase more than 5% of the number of common shares of QMI issued and outstanding.

Executive Stock Option Plan of Quebecor World Inc.

Quebecor World Inc. (“QWI”) has put in place an executive stock option plan (the “QWI Plan”) as a performance incentive for certain key employees of QWI. The maximum number of subordinate voting shares of QWI that may be issued under the QWI Plan is currently 9,000,000.

The terms of the QWI Plan do not permit any individual optionee to hold options to purchase more than 5% of QWI's issued and outstanding multiple voting shares and subordinate voting shares.

Under the terms of the QWI Plan, certain eligible executives may be granted options to purchase subordinate voting shares of QWI at a predetermined price and over a specific period of time. The Human Resources and Compensation Committee of QWI is responsible for the administration of the QWI Plan and for designating eligible executives.

The QWI Plan is open to employees of QWI and its subsidiaries who occupy executive positions and who have the ability to influence the long-term performance of QWI. As such, eligible executives have been assigned a level according to their position and areas of responsibility. The number of options which may be granted to eligible executives is determined in accordance with their assigned level.

The exercise price applicable to options granted under the QWI Plan is determined by the Human Resources and Compensation Committee of QWI according to the "market value" of the subordinate voting shares of QWI. "Market value" is defined in the QWI Plan as the arithmetic average of the closing prices of the subordinate voting shares of QWI on the Toronto Stock Exchange for options priced in Canadian dollars and on the New York Stock Exchange for options priced in U.S. dollars, for the five trading days immediately preceding the grant of the option.

The Board of Directors of QWI approved certain amendments to the QWI Plan, effective January 1, 2005, which amendments include the vesting of options. Thus, 50% of an optionee's options will become exercisable and vest based on their achievement of certain adjustable performance targets approved by the Human Resources and Compensation Committee. The remaining 50% of an optionee's option will become exercisable and vest based on the passage of time, with 12.5% of the options vesting on each of the first four anniversaries of the option grant date. Given that various amendments have been made to the QWI Plan since its inception in April 1992, the vesting conditions of the options vary depending upon the original date of grant. Therefore, the currently issued and outstanding options have different vesting features.

QWI's Human Resources and Compensation Committee may, at its discretion, accelerate the vesting of unvested options and extend the exercise periods, the whole within the prescribed regulatory delays.

Where an optionee's employment is terminated for reasons other than death or retirement, all options not vested at the date of termination expire. In addition, a hold period is required on shares purchased through the exercise of options within one year of an employee's retirement. Any options not exercised prior to their expiry date become non-exercisable and are forfeited. All QWI subordinate voting shares subject to forfeited or cancelled options automatically become available for future grants under the QWI Plan.

Options Granted in 2006

The following table sets forth grants of stock options to the Named Executive Officers under the stock option plans of the Company and its subsidiaries during the fiscal year ended December 31, 2006.

Name	Securities Under Options/SARs Granted	% of Total Options/SARs Granted to Employees in Fiscal Year	Exercise or Base Price (\$/security)	Market Value of Securities Underlying Options/SARs on the Date of Grant (\$/security)	Expiry Date
Pierre Karl Péladeau	247,568 ⁽¹⁾	100	24.2358	24.74 ⁽²⁾	July 12, 2016
	281,417 ⁽³⁾	35.38	31.9810	— ⁽⁴⁾	April 6, 2016
Jacques Mallette	127,000 ⁽⁵⁾	5.49	12.1100	11.90 ⁽⁶⁾	June 29, 2012
Wes W. Lucas	950,000 ⁽⁵⁾	41.05	(US) 9.9820	(US) 10.41 ⁽⁶⁾	April 6, 2012
Robert Dépatie	140,977 ⁽³⁾	17.72	31.920	— ⁽⁴⁾	August 3, 2016
Érik Péladeau	—	—	—	—	—

⁽¹⁾ Underlying Securities: Class B Shares of the Company.

⁽²⁾ Based on the closing price of the Company's Class B Shares on the Toronto Stock Exchange on the date of grant.

⁽³⁾ Underlying Securities: common shares of QMI.

⁽⁴⁾ The underlying securities are not listed on an organized market. The exercise price was established as provided for in the QMI Plan.

⁽⁵⁾ Underlying Securities: subordinate voting shares of Quebecor World Inc.

⁽⁶⁾ Based on the closing price of the subordinate voting shares of Quebecor World Inc. on the Toronto Stock Exchange on the date of grant (or on the New York Exchange for US participants)

Options Exercised in 2006

The following table indicates for each of the Named Executive Officers the number of options, if any, exercised during the fiscal year ended December 31, 2006, the gains realized upon the exercise, the total number of unexercised options, if any, held at December 31, 2006, and the value of such unexercised options at that date.

Name	Securities Acquired on Exercise (#)	Aggregate Value Realized ⁽¹⁾ (\$)	Unexercised Options/SARs at FY-End		Value of Unexercised In-The-Money Options/SARs at FY-End ⁽²⁾	
			Exercisable	Unexercisable	Exercisable	Unexercisable
			(#)	(#)	(\$)	(\$)
Pierre Karl Péladeau	—	—	1,114,333 ⁽³⁾	384,235 ⁽³⁾	5,006,556	3,374,799
	—	—	371,057 ⁽⁴⁾	466,945 ⁽⁴⁾	8,031,900	5,658,007
	—	—	672,219 ⁽⁵⁾	1,267,125 ⁽⁵⁾	—	—
Jacques Mallette	—	—	62,247 ⁽⁴⁾	124,494 ⁽⁴⁾	1,020,602	2,041,204
	—	—	12,125 ⁽⁵⁾	211,875 ⁽⁵⁾	—	176,530
Wes W. Lucas	—	—	— ⁽⁵⁾	950,000 ⁽⁵⁾	—	(US) 1,499,100
Robert Dépatie	—	—	171,552 ⁽⁴⁾	219,000 ⁽⁴⁾	3,041,573	2,227,581
Érik Péladeau	225,000 ⁽³⁾	590,693 ⁽³⁾	— ⁽³⁾	— ⁽³⁾	—	—
	—	—	— ⁽⁴⁾	68,959 ⁽⁴⁾	—	1,107,757
	—	—	100,000 ⁽⁵⁾	— ⁽⁵⁾	—	—

⁽¹⁾ The Aggregate Value Realized upon exercise is the difference between the closing price of the underlying security on the Toronto Stock Exchange on the exercise date and the exercise price of the Named Executive Officers' option.

- (2) The value of unexercised in-the-money options at fiscal year-end is the difference between the option exercise price and the closing price of the underlying security on the Toronto Stock Exchange on December 31, 2006 (or on the New York Exchange in the case of US participants of QWI) (or the difference between the option exercise price and the value of the common shares in the case of the QMI options). This gain, unlike that set forth in the column "Aggregate Value Realized", has not been, and may never be, realized. The options have not been, and may never be, exercised; and actual gains, if any, on exercise will depend on the value of the aforesaid shares on the date of exercise. On December 29, 2006, the closing price of the Class B Shares of the Company on the Toronto Stock Exchange was \$35.87 per share and the closing price of the subordinate voting shares of Quebecor World Inc. on the Toronto Stock Exchange was \$13.50, and US\$ 11.56 on the New York Stock Exchange. For purposes of stock option grants, the external expert retained by the QMI Board of Directors has established the value of the common shares of QMI, as of December 31, 2006, at \$37.816 per share.
- (3) Underlying Securities: Class B Shares of the Company.
- (4) Underlying Securities: common shares of QMI. There are some restrictions with regards to the exercise of QMI options and payment upon such exercise (see "Quebecor Media Inc. Stock Option Plan on page 14 of this circular).
- (5) Underlying Securities: subordinate voting shares of QWI.

PENSION BENEFITS

Basic Pension Plans

The Company's subsidiaries, QWI and QMI, maintain, among other plans, pension plans for their executive officers. Such plans provide pension benefits being equal to 2% of average salary over the best five consecutive years of salary (including bonuses, except for executive officers of Videotron Ltd), multiplied by the number of years of membership in the plan. The pension so calculated is payable at the normal retirement age, being 65 years of age, or sooner at the election of the executive officer. The pension is also payable without reduction from the age of 61 years in the case of the QMI Plan and the age of 62 years, if such executive officer has at least ten years of membership, under the QWI Plan.

In addition, the pension may be deferred, but not beyond the age limit under the provisions of the *Income Tax Act*, in which case the pension is adjusted to take into account the delay in payment thereof in relation to the normal retirement age. The maximum pension payable under such pension plans is as prescribed by the *Income Tax Act*. An executive officer contributes to the plan an amount equal to 5% of his salary not exceeding \$111,111 in 2007 (the salary generating the maximum qualified pension in accordance with the *Income Tax Act*), being a maximum of \$5,556 per year (\$3,500 for executive officers of Videotron Ltd).

The table below indicates the annual pension benefits that will be payable under the basic plan at the normal retirement age of 65 years:

Compensation	Years of Membership				
	10	15	20	25	30
\$111,111 or more	\$22,222	\$33,333	\$44,444	\$55,556	\$66,667

All the Named Executive Officers are members of one of such pension plans and their respective years of membership in the plan, as of December 31, 2006, were as follows: Pierre Karl Péladeau, 7 years and 8 months, Jacques Mallette, 3 years and 9 months, Wes W. Lucas, 8 months, Robert Dépatie, 3 years and 11 months, and Érik Péladeau, 14 years and 9 months.

Supplementary Retirement Plans

In addition to the pension plan in force, the Company and its subsidiaries provide supplementary retirement plans for its Named Executive Officers.

In the event that a participant's salary exceeds \$111,111, additional retirement benefits will be paid from the unfunded supplementary retirement plans of QWI, QMI and the Company to top up any shortfalls (salary in excess of \$111,111, including bonuses, except for the QMI Plan), based on the same formula as that found in the basic plan described hereinabove.

The table below sets forth the annual retirement benefits that will be payable at the age of 65 on the basis of the last average compensation and the years of membership of the participant under the basic plan and the supplementary retirement plans:

Retirement Plan Table (Basic and Supplementary)

Compensation *	Years of Membership**				
	10	15	20	25	30
\$600,000	\$120,000	\$180,000	\$240,000	\$300,000	\$360,000
\$900,000	\$180,000	\$270,000	\$360,000	\$450,000	\$540,000
\$1,200,000	\$240,000	\$360,000	\$480,000	\$600,000	\$720,000

* Average base salary for the best five years, plus bonuses (except for participants in QMI's supplementary retirement plan).

** The same definition as for the basic plan except for participants in the Company's supplemental retirement plan which limits the years of membership to those completed under the supplemental retirement plan.

The pension of the participant is payable for life. In case of death after retirement, the participant's surviving spouse will continue to receive, for life, 60% of the retiree's pension (50% of the retiree's pension for a maximum of ten years under the Company's plan).

As at December 31, 2006, credited years of membership in these supplemental retirement plans for the executive officers were as follows: Pierre Karl Péladeau, 6 years and 3 months, Jacques Mallette 3 years and 1 month, Wes W. Lucas, 8 months, Robert Dépatie, 3 years and 11 months and Érik Péladeau, 6 years.

Employment Agreements

The Company and its subsidiaries have entered into employment agreements and contracts with certain Named Executive Officers, namely Jacques Mallette, Wes W. Lucas and Robert Dépatie. Those agreements set the annual base salary of the executive officer, his eligibility for the bonus plan of the Company or one of its subsidiaries and his eligibility to receive options under the plans in effect within the organization, as well as all benefits relating to his position. For more information on the compensation paid to these executive officers, see "Compensation of Directors and Executive Officers - Compensation of Executive Officers" on page 11 of this Circular. The employment agreement of Wes W. Lucas provides that in the event his employment is terminated without cause or for a good reason during the first two years of the effective date of commencement of his employment, a payment equal to three times his base salary and his target annual bonus for the year in which termination occurs. If the termination occurs after the second anniversary date of the effective date of commencement of his employment, he will be entitled to a payment equal to one and a half times his base salary and his target annual bonus for the year in which termination occurs.

REPORT ON EXECUTIVE COMPENSATION

Compensation of Executive Officers of Subsidiaries

The Company carries on business through its two major operating subsidiaries, namely QWI which operates in the commercial printing segment and QMI which operates mainly in the cable television, newspaper, broadcasting, leisure and entertainment, business telecommunications and interactive technologies and communications segments.

Almost all of the Company's employees work for either one of the two subsidiaries mentioned hereinabove.

Each subsidiary has its own Compensation Committee. In the case of QWI, it is composed of Alain Rhéaume (Chairperson of the Committee), Reginald K. Brack, André Caillé and Robert Coallier and, in the case of QMI, it is composed of Serge Gouin (Chairperson of the Committee), A. Michel Lavigne and Samuel Minzberg.

The Human Resources and Compensation Committee of QWI established the compensation of Wes W. Lucas and that of Jacques Mallette. This Committee's responsibilities include succession planning for the Chief Executive Officer and senior management as well as the hiring and assessment of the executive officers. It recommends their compensation to the Board of Directors.

The details pertaining to the compensation of QWI's senior management are described in section 3 entitled "Compensation of Directors and Executive Officers" and in section 4 entitled "Security Based Compensation Arrangements" in the Management Information Circular of QWI, which is available on its Web site at www.quebecorworldinc.com and on SEDAR at www.sedar.com.

The Compensation Committee of QMI established the compensation of Pierre Karl Péladeau since May 11, 2006, date of his appointment as Chairman of the Board and Chief Executive Officer of QMI. The committee has also established the compensation of Robert Dépatie. This Committee is responsible for determining the overall compensation and perquisite policies of QMI and of those of its subsidiaries that do not have a compensation committee. The executive compensation package is composed of three major components: base salary, short-term incentive compensation and options to purchase shares of QMI.

Compensation of Executive Officers of the Company

The Company's Compensation Committee is composed of Ms. Françoise Bertrand and Messrs. Alain Bouchard and Pierre Parent. It is chaired by Françoise Bertrand.

This Committee approves the compensation of the Chairman of the Board, the Vice-Chairman of the Board and Executive Vice-President, the President and Chief Executive Officer (jointly with the Compensation Committee of QMI), the Executive Vice-President, Corporate Affairs, the Senior Vice-President, Legal Affairs, the Vice-President, Internal Audit, and recommends to the Board of Directors the remuneration of the directors.

The Chairman of the Committee has meetings and consultations with his counterparts and ensures that the options granted to officers are granted by the legal entity which employs them.

The aim of the Company's senior management compensation policy is to attract and retain the necessary key executive officers for the Company's long-term success and to provide them with incentives to meet the Company's objectives and further its development.

The compensation of the aforesaid officers includes the following three elements: (i) a base salary and benefits, determined by using various compensation surveys based on major Canadian corporations; (ii) a short-term incentive plan, tied to the achievement of personal objectives and EBITDA, and (iii) the long-term incentive compensation which provides for the issuance of stock options to purchase Class B Shares of the Company or shares of one of its subsidiaries.

The weight assigned to each compensation component varies depending on the level and nature of the employee's position within the organization. In general, the more senior the position, the greater the portion of compensation that is variable and at risk, thereby creating a direct link between the degree of influence exercised by the employee and the operating results. The weighting of each of the compensation components was determined on the basis of market data and takes into account the Company's internal policies and performance. The compensation structure approved by the Compensation Committee attributes a value of between 30% and 35% of the base salary to the short-term incentive plan and an average value of 40% of the base salary to the long-term compensation plan.

The Company strives to offer aggregate compensation which is competitive, taking into account current market compensation standards, and which includes incentives tied to performance.

Compensation of the President and Chief Executive Officer

In addition to serving as President and Chief Executive Officer of the Company, Pierre Karl Péladeau also acts as Vice-Chairman of the Board and Chief Executive Officer of QMI. The level of aggregate compensation of Pierre Karl Péladeau was determined in relation to the Company's results, Pierre Karl Péladeau's overall achievements and the median for the reference market which is comprised of other Canadian chief executive officers of organizations with international operations.

For 2006, the target value of the President and Chief Executive Officer's compensation components was determined to be as follows:

- A base salary of \$1,400,000.
- An annual bonus at target set at 100% of base salary. The actual bonus may vary between 0% and 200% of salary depending on the annual financial results attained by QMI. The financial criterias on which the annual bonus is paid are the financial objectives EBITDA of QMI.

To determine the structure and level of compensation for the CEO of the Company, the Compensation Committee uses data from a reference market made up of companies of similar size and activities as the Company. The median annual sales for these companies compares to the Company's sales. According to the data collected, the target short-term incentive compensation, for a Chief Executive Officer of a company comparable to the Company, is equivalent to 100% of base salary while incentive compensation represents 400% of base salary.

In 2006, Mr. Pierre Karl Péladeau received the following compensation:

- A base salary of \$1,381,686.
- Starting May 2006, a bonus based on the financial objectives EBITDA of QMI. In accordance with the bonus plan of QMI, a bonus of \$1,204,904 was paid to Mr. Péladeau for the year 2006.
- As part of the compensation package of the President and Chief Executive Officer, an option to acquire 247,568 Class B Shares of the Company was granted to him in July 2006. In addition, an option to acquire 281,417 common shares of QMI was granted to him in April 2006. The annual basic salary of the Chief Executive Officer will be reviewed in May 2007.

CORPORATE GOVERNANCE DISCLOSURE

The Board of Directors considers good corporate governance practices a key factor in the overall success of the Company. In accordance with *Regulation 58-101 Respecting Disclosure of Corporate Governance Practices*, the Company is required to disclose its corporate governance practices. Schedule "A" sets out a description of the Company's corporate governance practices.

LIABILITY INSURANCE

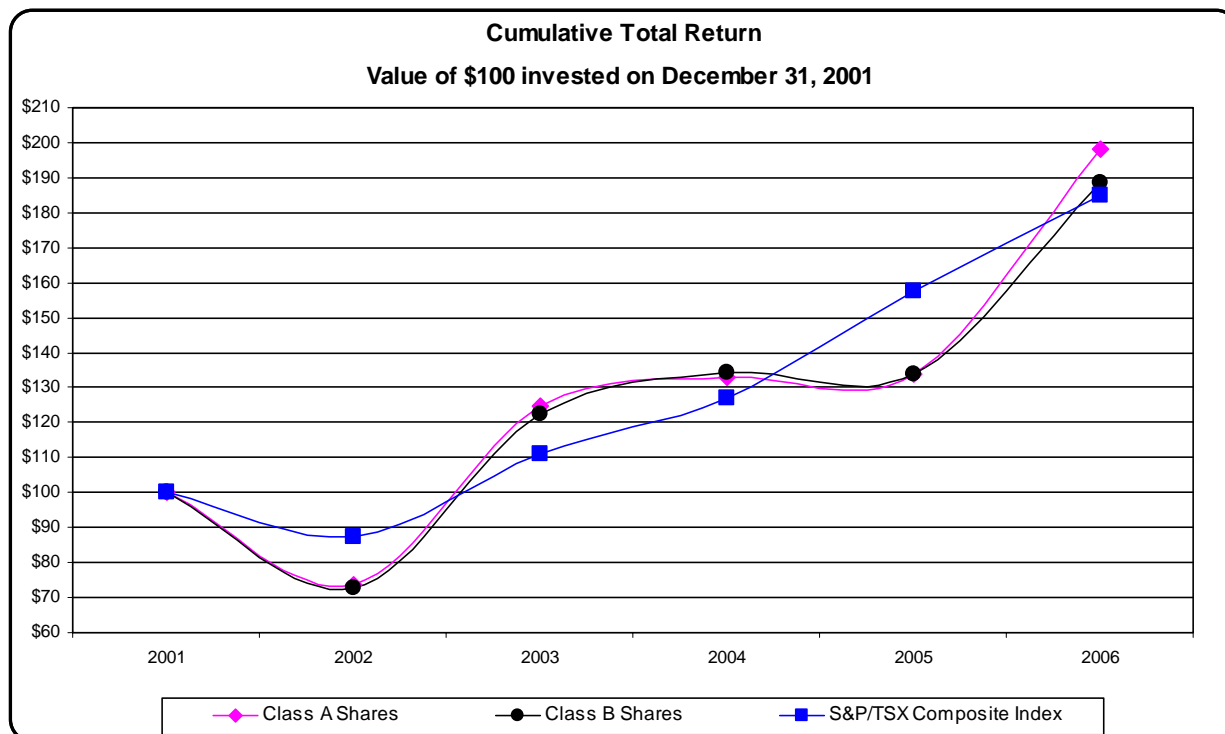
The Company has purchased liability insurance for the benefit of the directors and officers of the Company, its subsidiaries and certain associated companies, against certain liabilities incurred by them in such capacity. This insurance provides coverage of US \$150,000,000 per event and policy year.

For the fiscal year ended December 31, 2006, the total premium paid by the Company and its subsidiaries was US \$1,956,149. A deductible of US\$ 500,000 applies when the Company is authorized or obliged to indemnify the persons insured. The deductible amounts to US\$ 1,000,000 for QWI.

PERFORMANCE GRAPH

The graph set out below illustrates the cumulative total return, over a period of five years, of a \$100 investment in the Class A Shares and Class B Shares of the Company as compared to the S&P/TSX Composite Index.

The year-end values of each investment are based on share appreciation plus dividends paid in cash, the dividends having been reinvested on the date they were paid. The calculations exclude brokerage fees and taxes. Total shareholder returns from each investment can be calculated from the year-end investment values shown below the graph.



	2001	2002	2003	2004	2005	2006
Class A Shares	\$ 100	\$ 74	\$ 125	\$ 133	\$ 134	\$ 198
Class B Shares	\$ 100	\$ 73	\$ 122	\$ 134	\$ 134	\$ 189
S&P/TSX Composite Index	\$ 100	\$ 88	\$ 111	\$ 127	\$ 158	\$ 185

TRANSACTIONS WITH INTERESTED PARTIES

To the knowledge of the Company, except as set forth in note 28 to the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2006, no insider had an interest in a material transaction completed since the start of the most recently completed fiscal year of the Company or in a proposed transaction which had or was likely to have a material effect on the Company or any of its subsidiaries.

During the fiscal year ended December 31, 2006, the Company and its subsidiaries did business, at competitive market rates, with various organizations within their group. The Company and its principal subsidiaries intend to continue to engage in similar transactions on terms which are generally no less favourable to the Company than would be available to it from unaffiliated third parties.

The Company considers the amounts paid with respect to the various transactions mentioned hereinabove to be reasonable and competitive.

APPOINTMENT AND REMUNERATION OF AUDITOR

At the Meeting, the shareholders will be called upon to renew the appointment of the Auditor to hold office until the next annual meeting of shareholders, and to authorize the directors to establish its remuneration.

Except where authority to vote on the appointment of the Auditor is withheld, the persons named in the accompanying form of proxy will vote “**FOR**” the appointment of the firm KPMG LLP as the Auditor of the Company, the compensation for the Auditor’s services to be determined by the Board of Directors. KPMG LLP has been acting as the Auditor of the Company for many years.

In addition to auditing the consolidated financial statements of the Company, KPMG LLP provided other services to the Company and invoiced the following fees to the Company with respect to the two most recently completed fiscal years of the Company:

Fees	Fiscal Years Ended December 31	
	2006	2005
Audit Fees ⁽¹⁾	\$ 15,609,190	\$ 8,444,733
Audit-Related Fees ⁽²⁾	\$ 1,033,617	\$ 2,253,325
Tax Fees ⁽³⁾	\$ 1,398,955	\$ 1,105,386
All Other Fees ⁽⁴⁾	\$ 788,942	\$ 672,265
Total Fees	\$18,830,704	\$12,475,709

(1) Audit Fees consist of fees billed for the annual audit and quarterly reviews of the Company’s annual and quarterly consolidated financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements. They also include fees billed for other audit services, which are those services that only the external auditor reasonably can provide, and include the provision of comfort letters and consents, the consultation concerning financial accounting and reporting of specific issues, the review of documents filed with regulatory authorities and translation services. The 2006 audit fees have increased due to the first year of the *Sarbanes-Oxley Act of 2002* certification for QWI.

(2) Audit-Related Fees consist of fees billed for assurance and related services that are traditionally performed by the external auditor, and include consultations concerning financial accounting and reporting standards on proposed transactions, due diligence or accounting work related to transactions; and employee pension plan audits.

(3) Tax Fees include fees billed for tax compliance services, including the preparation of original and amended tax returns and claims for refund; tax consultations, such as assistance and representation in connection with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from taxing authorities; tax planning services; and consultation and planning services.

(4) All Other Fees include fees billed for advice with respect to internal controls over financial reporting and disclosure controls and procedures of the Company and its subsidiaries and assistance provided to obtain grants and subsidies.

INDEBTEDNESS OF THE DIRECTORS AND OFFICERS

As of the date hereof, no amount is owed to the Company by any of the directors or officers of the Company or any of their associates. The Board of Directors of QWI and the Board of Directors of QMI approved a policy that prohibits the Company from granting any personal loans to their directors or officers.

OTHER BUSINESS

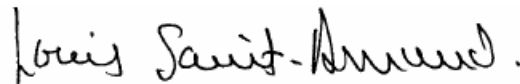
Management of the Company knows of no other matters which should be put before the Meeting. If, however, any other matters come before the Meeting and are in order, the persons designated in the accompanying form of proxy shall vote on such matters in accordance with their best judgement pursuant to the discretionary authority conferred on them by the proxy with respect to such matters.

ADDITIONAL INFORMATION

Financial information is provided in the Company's comparative financial statements and management's discussion and analysis for its most recently completed fiscal year ended December 31, 2006. Copies of the Company's latest annual information form and annual report, including audited financial statements and management's discussion and analysis, may be obtained on request from the Corporate Secretariat of the Company, 612 Saint-Jacques Street, 12th floor, Montreal, Quebec, Canada, H3C 4M8. All of these documents as well as additional information relating to the Company are available under the Company's SEDAR profile at www.sedar.com and on the Company's Web site at www.quebecor.com.

DIRECTORS' APPROVAL

The Board of Directors has approved the contents and the sending of this Circular to the shareholders.

A handwritten signature in black ink that reads "Louis Saint-Arnaud". The signature is written in a cursive style with a period at the end.

Louis Saint-Arnaud
Senior Vice President, Legal Affairs and Secretary

SCHEDULE A

CORPORATE GOVERNANCE PRACTICES

1. Board of directors	
<p>a) Disclose the identity of directors who are independent.</p>	<p>Within the meaning of section 1.4 of Regulation 52-110, an independent director is a director who has no direct or indirect material relationship with the Company, namely a relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of the director's independent judgment. After having examined the relationships of each director, the Board of Directors has determined that the following eight directors are independent:</p> <p>Françoise Bertrand Alain Bouchard Robert Dutton Jean La Couture Jean-Marc Eustache Pierre Laurin Jean Neveu Pierre Parent</p>
<p>b) Disclose the identity of directors who are not independent, and describe the basis for that determination.</p>	<p>After having examined the relationships of each director, the Board of Directors has determined that the following directors are not independent:</p> <p>The Right Honourable Brian Mulroney</p> <p>The Right Honourable Brian Mulroney is not independent because he is a senior partner of the firm Ogilvy Renault, principal legal counsel to the Company and its subsidiaries.</p> <p>Érik Péladeau</p> <p>Mr. Érik Péladeau is not independent because he is an executive officer of Quebecor, Quebecor Media and Quebecor World. Furthermore, he holds an interest in the controlling shareholder of the Company, Les Placements Péladeau Inc.</p> <p>Pierre Karl Péladeau</p> <p>Mr. Pierre Karl Péladeau is not independent because he is an executive officer of Quebecor and Quebecor Media. Furthermore, he holds an interest in the controlling shareholder of the Company, Les Placements Péladeau Inc.</p>

<p>c) Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the board of directors does to facilitate its exercise of independent judgment in carrying out its responsibilities.</p>	<p>Eight of the eleven persons nominated by Management for election to the Board of Directors are independent of the Company.</p>
<p>d) If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.</p>	<p>A number of directors of the Company are also members of the Board of Directors of another reporting issuer. This information is set out under "Election of directors" on page 3 of this Circular.</p>
<p>e) Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the board of directors does to facilitate open and candid discussion among its independent directors.</p>	<p>During the most recently completed year, four meetings of the independent directors, at which members of Management were not in attendance, were held, the whole in accordance with the mandate of the Board.</p>
<p>f) Disclose whether or not the chair of the board of directors is an independent director. If the board of directors has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the board of directors has neither a chair that is independent nor a lead director that is independent, describe what the board of directors does to provide leadership for its independent directors.</p>	<p>Jean Neveu, Chairman of the Board of Directors of the Company, is independent.</p> <p>The Chairman of the Board of Directors is appointed each year from among the members of the Board of Directors.</p>
<p>g) Disclose the attendance record of each director for all board of directors meetings held since the beginning of the issuer's most recently completed financial year.</p>	<p>The Board of Directors held six meetings during the 2006 fiscal year. The attendance record of each director at meetings of the Board of Directors held during the fiscal year ended December 31, 2006 is set out under "Attendance at Board and Committee Meetings" on page 9 of this Circular.</p>

2. Board of Directors Mandate	
<p>Disclose the text of the board of directors' written mandate. If the board of directors does not have a written mandate, describe how the board of directors delineates its role and responsibilities.</p>	<p>The mandate of the Board of Directors of the Company is to assume stewardship of the Corporation's overall administration and to oversee the management of the Company's operations. The Company's Board of Directors has approved and adopted an official mandate that describes the composition, responsibilities and operation of the Board of Directors (the "Board Mandate").</p> <p>The Board Mandate provides that the Board is responsible for supervising the management of the Company's business and affairs, with the objective of increasing value for the shareholders. Although Management manages the Company's day-to-day operations, the Board is responsible for stewardship of the Company and, as such, it must efficiently and independently supervise the business of the Company.</p> <p>A copy of the Board Mandate is annexed hereto as Schedule "B". A copy of the Board Mandate is also available on the Company's Web site at www.quebecor.com.</p>
3. Position Descriptions	
<p>a) Disclose whether or not the board of directors has developed written position descriptions for the chair and the chair of each board of directors committee. If the board of directors has not developed written position descriptions for the chair and/or the chair of each board of directors committee, briefly describe how the board of directors delineates the role and responsibilities of each such position.</p>	<p>The Board of Directors has adopted position descriptions for the Chairman of the Board and the chairman of each Board committee.</p> <p>The Chairman of the Board of Directors is responsible for the efficient operation of the Board of Directors. He ensures that the Board of Directors fully executes its mandate and that the directors clearly understand and respect the boundaries between the responsibilities of the Board of Directors and the responsibilities of Management.</p> <p>According to the position description for each Board committee chairman, the principal role of the committee chairman is to ensure that his committee fully executes its mandate. A committee chairman must report on a regular basis to the Board of Directors regarding the activities of his committee.</p> <p>Position descriptions (chairman mandates) are available on the Company's Web site at www.quebecor.com.</p>

<p>b) Disclose whether or not the board of directors and CEO have developed a written position description for the CEO. If the board of directors and CEO have not developed such a position description, briefly describe how the board of directors delineates the role and responsibilities of the CEO.</p>	<p>The Board of Directors has adopted a position description for the President and Chief Executive Officer of the Company which is available on the Company's Web site at www.quebecor.com.</p> <p>Among other things, the President and Chief Executive Officer is responsible for implementing the Company's strategic and operational objectives and for the execution of the Board's decisions. Moreover, he must establish the required procedures for fostering a corporate culture that promotes integrity, discipline and tight financial policies.</p>
<p>4. Orientation and Continuing Education</p>	
<p>a) Briefly describe what measures the board of directors takes to orient new directors regarding:</p>	
<p>i) The role of the board of directors, its committees and its directors; and;</p> <p>ii) The nature and operation of the issuer's business;</p>	<p>The mandate of the Corporate Governance and Nominating Committee provides that the Committee is responsible for establishing and reviewing a training and orientation program for directors. Each director receives a Guide for Directors which is updated annually. The Guide contains, among other things, the mandates and working plans of the Board of Directors and the committees, as well as useful information about the Company. Senior management of the Company also provides new directors with historical and forward-looking information regarding the Company's market position, operations and financial situation, so as to ensure that the directors understand the nature, functioning and positioning of the Company.</p>
<p>b) Briefly describe what measures, if any, the board of directors takes to provide continuing education for its directors. If the board of directors does not provide continuing education, describe how the board of directors ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.</p>	<p>Senior management members regularly make presentations to the Board of Directors regarding the Company's principal business lines. During the year, the Corporate Governance and Nominating Committee evaluated the various means that would allow the directors to always remain well informed about the Company's regulatory obligations as well as the latest trends with regards to corporate governance and it decided to offer all interested directors the possibility of attending training sessions organized by specialized firms on topics of interest so as to help the directors fully perform their duties.</p>

5. Ethical Business Conduct	
a) Disclose whether or not the board of directors has adopted a written code for the directors, officers and employees. If the board of directors has adopted a written code:	
i) Disclose how a person or company may obtain a copy of the code;	On May 6, 2004, the Board of Directors adopted a Code of Business Conduct to encourage and promote a culture of ethical business conduct within the Company. The Code of Business Conduct may be consulted under the Company's SEDAR profile at www.sedar.com . The Code is also available on the Company's Web site at www.quebecor.com .
ii) Describe how the board of directors monitors compliance with its code, or if the board of directors does not monitor compliance, explain whether and how the board of directors satisfies itself regarding compliance with its code; and;	The Code of Business Conduct is given to all of the Company's employees and such employees undertake in writing to abide by the Code. Furthermore, the Vice-President, Internal Audit reports to the Audit Committee on all departures from the Code of Business Conduct reported to him through the line of ethic and the steps taken by the Company to correct them. The Chairman of the Audit Committee informs the Board of Directors thereof at each regular meeting of the Board.
iii) Provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.	Neither the Board of Directors nor the Corporate Governance and Nominating Committee has allowed departures from the Code of Business Conduct by a director or executive officer over the past twelve months or during any part of the year 2006. Accordingly, no material change report was needed or filed.
b) Describe any steps the board of directors takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.	The Audit Committee reviews related party transactions. If a director is in a situation of conflict of interests during any discussions occurring at a meeting of the Board of Directors or one of its committees, he must declare his interest and withdraw from the meeting so as not to participate in the discussions or in any decisions which may be made.

<p>c) Describe any other steps the board of directors takes to encourage and promote a culture of ethical business conduct.</p>	<p>In addition to monitoring compliance with the <i>Code of Business Conduct</i>, the Board of Directors has adopted various internal policies to encourage and promote a culture of ethical business conduct.</p> <p>In particular, the Board of Directors has approved a Policy relating to the use of privileged information which reminds directors, senior executives and employees of the Company who have access to confidential information likely to affect the market price or value of the Company's securities or of any third party to significant negotiations, that they may not trade in shares of the Company or of the other firms involved as long as the information has not been fully made public and as long as a reasonable period of time has not elapsed since the public disclosure. Furthermore, the directors and senior executives of the Company and all other persons who are insiders of the Company may not trade in securities of the Company during certain periods set forth in the said policy.</p> <p>The Board of Directors has also approved a <i>Communications Policy</i> whose objective is to ensure that disclosure to the investing public regarding the Company is made in a timely manner, in keeping with the facts, accurately and widely, in accordance with the applicable statutory and regulatory requirements.</p>
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6. Nomination of Directors

<p>a) Describe the process by which the board of directors identifies new candidates for board of directors nomination.</p>	<p>The Corporate Governance and Nominating Committee is responsible for: (i) developing and reviewing criteria for selecting directors, by regularly assessing, firstly, the qualifications, personal qualities, business background and diversified experience of the Board members and, secondly, the Company's needs, (ii) identifying, in cooperation with the Chairman of the Board, nominees for membership on the Board in accordance with the criterias set by the committee, (iii) recommending to the committee Chairman potential nominees to fill vacancies on the Board. The Chairman of the Board discusses with the Chief Executive Officer the committee's recommendations and meets with the nominees. The Chairman and Vice-Chairman of the Board make their recommendations to the Board. The Corporate Governance and Nominating Committee assists the Board of Directors and its Chairman in selecting committee members.</p>
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<p>b) Disclose whether or not the board of directors has a nominating committee composed entirely of independent directors. If the board of directors does not have a nominating committee composed entirely of independent directors, describe what steps the board of directors takes to encourage an objective nomination process.</p>	<p>The Corporate Governance and Nominating Committee has three members:</p> <p>Chairman: Pierre Laurin</p> <p>Members: Françoise Bertrand Robert Dutton</p> <p>All the members of this Committee are independent directors.</p>
<p>c) If the board of directors has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.</p>	<p>In addition to the responsibilities and powers described in 6 (a) hereinabove, the Committee is also responsible for assisting the Board in developing and monitoring the Company's corporate governance practices. The Committee presents to the Board of Directors, on a regular basis, its recommendations for improving the Company's corporate governance practices. During the year, the Committee has designed a process for the selection of new candidates to the election of the Board of Directors. It was then approved by the Board of Directors.</p> <p>In addition, the Committee, after having reviewed Bill 198, recommended to the Board of Directors that a Disclosure Committee be created in order to review the Company's compliance regime.</p> <p>During the fiscal year ended December 31, 2006, the Corporate Governance and Nominating Committee held three meetings.</p> <p>A copy of the Committee's mandate is available on the Company's Web site at www.quebecor.com.</p>
<p>7. Compensation</p>	
<p>a) Describe the process by which the board of directors determines the compensation for the issuer's directors and officers.</p>	<p>The Compensation Committee is responsible for reviewing annually the compensation of the Company's directors, as well as the compensation of members and chairpersons of the Board committees and the compensation of the Chairman of the Board and to make recommendations to the Board of Directors.</p> <p>Also, the Compensation Committee is responsible for reviewing and approving the amount and method of compensation of the Company's executive officers under its jurisdiction. The Committee reviews this compensation once a year. The Chair of the Committee reports thereon the decisions and recommendations to the Board. Each of the Company's major subsidiaries has its own Compensation Committee.</p>

<p>b) Disclose whether or not the board of directors has a compensation committee composed entirely of independent directors. If the board of directors does not have a compensation committee composed entirely of independent directors, describe what steps the board of directors takes to ensure an objective process for determining such compensation.</p>	<p>The Compensation Committee is composed of three independent directors, namely:</p> <p>The Chair: Françoise Bertrand</p> <p>Members: Alain Bouchard Pierre Parent</p> <p>All the members of this Committee are independent directors.</p>
<p>c) If the board of directors has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.</p>	<p>The Committee is responsible, in particular, for the succession planning process for executive officers. It also makes recommendations to the Board on the appointment of executive officers and the compensation of directors. It reviews and approves the objectives of the Chief Executive Officer, assesses his performance in relation to those objectives and establishes his compensation. It is responsible for determining the executive officers of the Company who are eligible under the Supplemental Executive Retirement Plan and it makes the appropriate recommendations to the Board of Directors for the granting of stock options. All the minutes of the Compensation Committee are submitted to the Board of Directors of the Company for information, and the Committee Chair also reports to the Board of Directors on its activities. A copy of the mandate is available on the Company's Web site at www.quebecor.com.</p>
<p>d) If a compensation consultant or advisor has, at any time since the beginning of the issuer's most recently completed financial year, been retained to assist in determining compensation for any of the issuer's directors and officers, disclose the identity of the consultant or advisor and briefly summarize the mandate for which they have been retained. If the consultant or advisor has been retained to perform any other work for the issuer, state that fact and briefly describe the nature of the work.</p>	<p>During the fiscal year ended December 31, 2006, the Company retained the services of an external compensation consultant Towers, Perrin, to assist in determining the compensation of senior officers. In addition, Towers, Perrin provides the Company with the results of surveys made with various clients. For the fiscal year 2006, an amount of \$39,025 was paid to Towers, Perrin for their services.</p>

8. Audit Committee	
Information on the Audit Committee	<p>The Audit Committee is composed exclusively of independent directors:</p> <p>Chairman: Jean La Couture Members: Pierre Laurin Pierre Parent</p> <p>The Audit Committee assists the Board of Directors in overseeing the financial controls and reporting of the Company. The Committee also oversees the Company's compliance with financial covenants and legal and regulatory requirements governing financial disclosure matters and financial risk management.</p> <p>The Company hereby incorporates by reference the additional information on its Audit Committee set out in its Annual Information Form for the fiscal year ended December 31, 2006. The Annual Information Form is available under the Company's SEDAR profile at www.sedar.com.</p>
9. Other Board of Directors Committees	
If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.	There are no standing committees of the Board of Directors other than the Audit Committee, the Compensation Committee and the Corporate Governance and Nominating Committee whose mandates are summarized hereinabove.
10. Assessment	
Disclose whether or not the board of directors, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board of directors satisfies itself that the board of directors, its committees, and its individual directors are performing effectively.	<p>The mandate of the Board of Directors provides that it has the responsibility for assessing the committees. Thus, each year, each committee chairman reports to the Board of Directors on the work carried out during the most recently completed fiscal year and provides the Board of Directors with an attestation indicating whether or not the committee has covered the required elements of the working plan resulting from its mandate.</p> <p>It is the responsibility of the Chairman of the Board to assess the contribution of each director through individual meetings. At those meetings, the Chairman of the Board reviews, in particular, with each director, that director's assessment of the effectiveness of the Board and the contribution of its members. A report thereon is presented to the Board of Directors each year.</p>

SCHEDULE B

MANDATE OF THE BOARD OF DIRECTORS

The Board of Directors (the “**Board**”) of Quebecor Inc. (the “**Company**”) is responsible for supervising the management of the Company’s business and affairs, with the objective of increasing value for its shareholders. The Board is responsible for the proper stewardship of the Company and, as such, it must efficiently and independently supervise the business and affairs of the Company which are managed on a day-to-day basis by management. The Board may delegate certain tasks to its committees. However, such delegation does not relieve the Board of its overall responsibilities with regards to the management of the Company.

All decisions of the Board must be made in the best interests of the Company.

COMPOSITION AND QUORUM

The Board is composed of a minimum of three (3) and a maximum of fifteen (15) directors.

The majority of the members of the Board must be independent, as defined in the laws and regulations. The Board considers annually the independence of each of its members. In accordance with the articles of the Company, 25% of all the members of the Board are elected by holders of Class B Subordinate Voting Shares and the other members of the Board are elected by holders of Class A Multiple Voting Shares.

All members of the Board must have the skills and qualifications required for appointment as a director. The Board as a whole must reflect a diversity of particular experience and qualifications to meet the Company’s specific needs.

At every meeting of the Board, the quorum established is a majority of directors holding office.

RESPONSIBILITIES

The Board has the following responsibilities:

A. With respect to strategic planning

1. Reviewing and approving annually the Company’s global budget and strategic plan.
2. Reviewing and, at the option of the Board, approving all strategic decisions for the Company, including acquisitions or sales of shares, assets or businesses which exceed the delegated approval powers.

B. With respect to human resources and performance assessment

1. Selecting, appointing and, if necessary, removing the Chief Executive Officer.
2. Approving the appointment and, if necessary, the removal of the other senior management executives.
3. Approving or developing the objectives that the Chief Executive Officer and the senior management executives must attain.
4. Ensuring that the Compensation Committee assesses annually the performance of the Chief Executive Officer and of senior management, taking into consideration the Board’s expectations and the objectives that have been set.

5. Monitoring the management succession planning process.

C. With respect to financial matters and internal controls

1. Ensuring the integrity and quality of the Company's financial statements and the adequacy of the disclosure made.
2. Reviewing and approving the annual and quarterly financial statements and management's discussion and analysis. Reviewing the press release relating thereto.
3. Approving operating and capital budgets, the issuance of securities and, subject to authority limit policies, all transactions outside the ordinary course of business, including proposed amalgamations, acquisitions or other material transactions such as investments or divestitures.
4. Determining dividend policies and declaring dividends when deemed appropriate.
5. Ensuring that appropriate systems are in place to identify business risks and opportunities and overseeing the implementation of processes to manage these risks and opportunities.
6. Monitoring the Company's internal control and management information systems.
7. Monitoring the Company's compliance with legal and regulatory requirements applicable to its operations.
8. Reviewing periodically the Company's communications policy, monitoring the Company's dealings with analysts, investors and the public and ensuring that measures are in place in order to facilitate shareholder feedback.

D. With respect to pension matters and the Stock Option Plan

1. Monitoring investment policies for the Company's pension plans.
2. Monitoring the investment management of the pension funds.
3. Approving grants of stock options in virtue of the Stock Option Plan.

E. With respect to corporate governance matters

1. Ensuring that management manages the Company competently and in compliance with applicable legislation, including making timely disclosure of relevant information regarding the Company and making statutory filings.
2. Reviewing, on a regular basis, corporate governance structures and procedures, including the decisions requiring the approval of the Board.
3. Adopting a Code of Business Conduct applicable to the Company's directors, officers and employees, and reviewing same as required. Ensuring compliance with the Code.
4. Establishing a policy which enables committees of the Board and, subject to approval of the Corporate Governance and Nominating Committee, to hire external advisors at the expense of the Company when the circumstances so require. The Chairman of the Board must be kept informed of such undertaking.

5. Reviewing the size and composition of the Board and its committees based on qualification, skills and personal abilities sought in Board members. Reviewing annually the composition of Board committees and appointing committee chairpersons. Reviewing annually the mandates of Board committees.
6. Approving the list of Board nominees for election by shareholders.
7. Establishing annually which directors will be designated as independent pursuant to the rules on the independence of directors.
8. Reviewing, and at the option of the Board, approving the Company's management proxy circular as well as the annual information form and all documents or agreements requiring its approval.
9. Receiving annually an attestation from the Board's committees confirming that all required elements included in their mandate and working plan have been covered.
10. Receiving annually the Chairman's report on the Board's assessment in regards to its overall effectiveness.
11. Ensuring that the directors have all the support they require in order to fully perform their duties.

METHOD OF OPERATION

1. Meetings of the Board are held quarterly, or more frequently, as required. In addition, a special meeting of the Board is held annually in order to review the Company's strategic plan.
2. The Chairman of the Board, in collaboration with the Chief Executive Officer and the Secretary, determines the agenda for each meeting of the Board. The agenda and the relevant documents are provided to directors of the Company on a timely basis.
3. Independent directors meet after each regular meeting of the Board, or more frequently, as required.