



NOTICE OF ANNUAL MEETING
OF SHAREHOLDERS
AND
MANAGEMENT PROXY CIRCULAR
2015

QUEBECOR INC.
Thursday, May 7, 2015 at 9:30 a.m.
612 Saint-Jacques Street – Montréal, Québec

NOTICE OF ANNUAL MEETING
OF SHAREHOLDERS
2015



Date: Thursday, May 7, 2015
Time: 9:30 a.m.
Place: Quebecor Building
612 Saint-Jacques Street
Montréal, Québec, Canada

Please note that at the Annual Meeting of the holders of Class A Multiple Voting Shares and Class B Subordinate Voting Shares of Quebecor Inc. (the "**Corporation**"), the shareholders will be asked to:

- receive the consolidated financial statements of the Corporation for the year ended December 31, 2014 and the external Auditor's report thereon;
- elect Class A Directors and Class B Directors;
- renew the mandate of the external Auditor;
- review and, if deemed appropriate, adopt a resolution ratifying the amendments to the By-laws of the Corporation, the full text of which is reproduced as Schedule A to the Management Proxy Circular;
- review and, if deemed appropriate, ratify the Advance Notice By-Law (No. 2015-1), the full text of which is reproduced as Schedule B to the Management Proxy Circular;
- review the shareholder proposal, as set out in Schedule C of the Management Proxy Circular; and
- transact such other business as may properly be brought before the meeting or any adjournment thereof.

Enclosed are the Corporation's Management Proxy Circular and a form of proxy or a voting instruction form, including an electronic document delivery consent.

Shareholders registered at the close of business on March 10, 2015 are entitled to receive notice of the meeting. If you are unable to attend the meeting, you may vote by proxy, telephone or over the Internet. Instructions on how to proceed to vote are described on the proxy form or on the voting instruction form. To be valid, proxies must be received by the Corporation's transfer agent, CST Trust Company, 320 Bay Street, Level B1, Toronto, Ontario, Canada, M5H 4A6, no later than May 5, 2015 at 5:00 p.m.

BY ORDER OF THE BOARD OF DIRECTORS,

A handwritten signature in black ink, appearing to read "Marc Tremblay", with a horizontal line drawn above it.

Marc M. Tremblay
Senior Vice-President, Chief Legal Officer and
Public Affairs and Secretary

Montréal, Québec
March 31st, 2015

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I. GENERAL INFORMATION

SOLICITATION OF PROXIES

This Management Proxy Circular (the “**Circular**”) is provided in connection with the solicitation of proxies by Management of Quebecor Inc. (the “**Corporation**”) for use at the Annual Meeting of shareholders of the Corporation to be held on Thursday, May 7, 2015 (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 11, 2015**. All dollar amounts appearing in this Circular are in Canadian dollars.

Proxies are solicited primarily by mail. However, proxies may also be solicited by other means of communication or directly by officers and employees of the Corporation, 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 Corporation. The cost of soliciting proxies shall be borne by the Corporation. The costs are expected to be nominal.

RECORD DATE

The holders of Class A Multiple Voting Shares (the “**Class A Shares**”) and the holders of Class B Subordinate Voting Shares (the “**Class B Shares**”) whose name appears on the list of shareholders prepared at the close of business on March 10, 2015 (the “**Record Date**”) will be entitled to receive notice of the meeting and 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.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The shares of the Corporation 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. The Class A Shares are convertible at any time into an equal number of Class B Shares. In the aggregate, all of the voting rights associated with the Class B Shares represented, as of March 11, 2015, 17.7% of the voting rights attached to all of the issued and outstanding voting securities.

As of March 11, 2015, there were 38,956,972 Class A Shares and 83,919,492 Class B Shares outstanding.

To the knowledge of the directors and executive officers of the Corporation, and according to public information available, the only persons or companies which, as at March 11, 2015, beneficially owned or exercised control or direction over more than 10% of the shares of any class of voting shares of the Corporation were Pierre Karl Péladeau and Beutel, Goodman & Co. Ltd. (“**Beutel**”).

Name	Number of Class A Shares held	% of Class A Shares held	Number of Class B Shares held	% of Class B Shares held	% of voting rights attached to outstanding Class A and B Shares
Pierre Karl Péladeau	34,936,928	89.68	414,520	0.49	73.87
Beutel	-	-	12,249,418	14.60	2.59

RIGHTS IN THE EVENT OF A TAKE-OVER BID

The Articles of the Corporation provide that in the event a take-over bid regarding Class A Shares is made to their holders 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. This right is subject to certain conditions provided in the Articles of the Corporation, including the acceptance of the offer by the majority shareholder.

VOTING OF SHARES

A. Registered shareholders

A shareholder is a registered shareholder if his name appears on his share certificate.

A registered shareholder can vote his shares in one of the following ways:

- in person at the Meeting;
- by proxy;
- by telephone or on the Internet.

Voting in person at the Meeting

The registered shareholder who intends to be present at the Meeting and who wishes to vote in person should not complete or return the form of proxy. His vote will be taken and counted at the Meeting. The registered shareholder should present himself to a representative of CST Trust Company (“**CST**”) at the registration table before entering the Meeting.

Voting by proxy

Whether or not he attends the Meeting, the registered shareholder may appoint another person to attend the Meeting and to vote his shares on his behalf as proxyholder.

A shareholder may choose anyone to be his proxyholder. The person he chooses does not have to be a shareholder of the Corporation. The shareholder should simply insert the person’s name in the blank space provided on the form of proxy. The shareholder should make sure that this person is attending the Meeting and is aware that he or she has been appointed to vote his shares. If a name is not inserted in the blank space, then one of the individuals named on the form, being the Right Honourable Brian Mulroney, Pierre Laurin or Pierre Dion, director and/or officer of the Corporation, will be appointed to act as proxyholder.

The appointed proxyholder is authorized to vote and act on behalf of a shareholder at the Meeting, including any adjournment thereof. The shareholder should indicate on the form of proxy how he wants his shares to be voted. Alternatively, he can let his proxyholder decide on his behalf. If the proxyholder does not attend the Meeting and

vote in person, the shares will not be voted. Please refer to section “C. Vote by proxyholders” for additional details.

Revocation of a proxy

A registered shareholder who has given a proxy may revoke it at any time prior to its use, by instrument in writing executed by the shareholder or by his attorney duly authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized. Such instrument should either be delivered at the Corporate Secretariat of the Corporation, 612 Saint-Jacques Street, 18th floor, Montréal, Québec, Canada, H3C 4M8, at any time up to and including the last business day preceding the Meeting or any adjournment thereof, or deposited with the Chair of such Meeting on the day of the Meeting or any adjournment thereof.

Voting by telephone or on the Internet

A registered shareholder who wishes to vote by telephone or on the Internet should follow the instructions appearing of his form of proxy.

B. Non-registered shareholders (or beneficial shareholders)

A shareholder is a non-registered shareholder (or a beneficial shareholder) if a bank, trust company, securities broker or other financial institution holds shares for him (his nominee). If shares appear in an account statement sent by a broker to the shareholder, such shares are most likely not registered in the name of the shareholder, but rather in the name of a broker or a representative of that broker. As a result, the non-registered shareholder must ensure that his voting instructions are communicated to the appropriate person before the Meeting or any adjournment thereof. Without specific instructions, brokers and their agents or nominees are prohibited from voting their clients' shares.

A shareholder who is not sure whether he is a registered or non-registered shareholder should contact the Corporation's transfer agent, CST, at 1-800-387-0825 or, from outside Canada, at 416-682-3860.

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. Brokers and other intermediaries have their own procedures for sending materials and their own guidelines for the return of documents. Non-registered shareholders should follow these instructions to the letter if the voting rights attached to their shares are to be cast at the Meeting. Most brokers now delegate the responsibility of obtaining their clients' instructions to a third party. Non-registered shareholders who receive a voting instruction form from this third party may not use such form to vote directly at the Meeting as the voting instruction form must be returned to this third party in advance of the Meeting in order to have their shares voted or to appoint an alternative representative to attend the Meeting in person to vote such shares.

A non-registered shareholder may vote shares that are held by its nominee in one of the manners described below:

- in person at the Meeting;
- by proxy (voting instruction form);
- by telephone or on the Internet.

Voting in person at the Meeting

A non-registered shareholder who wishes to vote his shares in person at the Meeting must insert its own name in the space provided on the voting instruction form in order to appoint himself as proxyholder and follow the nominee's instructions regarding signature and return of documents. The non-registered shareholder should not otherwise complete the form sent to him as his votes will be taken and counted at the Meeting. A non-registered shareholder who appoints himself as proxyholder should present himself at the Meeting to a representative of CST.

Voting by proxy (voting instruction form)

Whether or not he attends the Meeting, the non-registered shareholder may appoint another person to attend the Meeting and to vote his shares on his behalf as proxyholder.

A shareholder may choose anyone to be his proxyholder. The person he chooses does not have to be a shareholder of the Corporation. The shareholder should simply insert the person's name in the blank space provided on the voting instruction form. The shareholder should make sure that this person is attending the Meeting and is aware that he or she has been appointed to vote his shares. If a name is not inserted in the blank space, then one of the individuals named on the form, being the Right Honourable Brian Mulroney, Pierre Laurin or Pierre Dion, director and/or officer of the Corporation, will be appointed to act as proxyholder.

The appointed proxyholder is authorized to vote and act on behalf of a shareholder at the Meeting, including any adjournment thereof. The non-registered shareholder should indicate on the voting instruction form how he wants his shares to be voted. Alternatively, he can let his proxyholder decide for him. If the proxyholder does not attend the Meeting and vote in person, the shares will not be voted. Please refer to section "C. Vote by proxyholders" for additional details.

Revocation of a proxy

A non-registered shareholder who has given a proxy may revoke it by contacting his nominee in respect of such proxy and complying with any applicable requirements imposed by such nominee. The nominee may not be able to revoke a proxy if it receives the notice of revocation not sufficiently in advance.

Voting by telephone or on the Internet

A non-registered shareholder who wishes to vote by telephone or on the Internet should follow the instructions appearing on the voting instruction form.

C. Vote by proxyholders

The persons named in the enclosed form of proxy, or voting instruction form, will vote the shares in respect of which they are appointed on any ballot in accordance with the instructions of the shareholder appointing them, and in compliance with the applicable laws and regulations. **Unless otherwise indicated, the voting rights pertaining to the shares represented by a form of proxy or voting instruction form will be voted: i) FOR the election as a director of each person listed in this Circular; ii) FOR the appointment of Ernst & Young LLP ("Ernst & Young") as external auditor of the Corporation; iii) FOR the adoption of a resolution ratifying the amendments to the By-laws of the Corporation; iv) FOR the adoption of a resolution ratifying the Advance Notice By-law (No. 2015-1); and v) AGAINST the shareholder's proposal on the advisory vote on executive compensation.**

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 Corporation knows of no such amendments, variations or other matters to be brought before the Meeting.

D. Date and time limits

The date and time limits to have a duly completed and signed form of proxy or voting instruction form received by CST, the Corporation's transfer agent, 320 Bay Street, Level B1, Toronto, Ontario, Canada, M5H 4A6, or to vote using the telephone or over the Internet, have been fixed at 5:00 p.m. on May 5, 2015, or, if the Meeting is postponed, no later than 5:00 p.m. two business days prior to the day fixed for the postponed Meeting.

II. BUSINESS OF THE MEETING

Except for the election of directors, the resolutions submitted to a vote at the Meeting must be approved by a majority of the votes cast at the Meeting, in person or by proxy, by the holders of Class A Shares and Class B Shares, voting as a single class. Two separate votes will be taken for the election of directors. All votes will be conducted by ballot.

FINANCIAL STATEMENTS AND EXTERNAL AUDITOR'S REPORT

The consolidated financial statements and the External Auditor's report thereon, for the financial year ended December 31, 2014, have been sent to all shareholders who have requested them and are available on the Corporation's Website at www.quebecor.com and under the Corporation's SEDAR profile at www.sedar.com. A presentation will also be made to the shareholders at the Meeting, but no vote is required thereon.

ELECTION OF DIRECTORS

The Articles of the Corporation provide that the Board of Directors shall consist of a minimum of three (3) and a maximum of fifteen (15) directors and 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.

Majority Voting Policy – The Corporation's Board of Directors adopted a policy providing for majority voting for the election of Class B directors at meetings of the shareholders of the Corporation when an "uncontested election" of directors is held. For the purposes of this policy, an "uncontested election" means an election in which the number of nominees for director positions corresponds to the number of seats to be filled on the Board of Directors.

If the number of abstentions exceeds the number of votes for a nominee for a Class B director position, this nominee, for the purposes of this policy, will be considered not to have received the support of the shareholders, even if he was duly elected pursuant to corporate law.

If a nominee for a Class B director position does not benefit from the confidence of the shareholders according to the aforementioned criterion, that director must immediately submit his or her resignation to the Board of Directors, and this resignation will take effect upon its acceptance by the Board of Directors.

Following the receipt of a resignation submitted pursuant to the policy, the Corporate Governance and Nominating Committee of the Corporation will promptly examine this resignation and will recommend to the Board of Directors to accept it or not. To determine whether or not it should accept the resignation, the Corporate Governance and Nominating Committee will account for all the factors its members will consider relevant, including, without limitation, the reasons stated by the shareholders, as applicable, to abstain from voting, the resigning director's number of years of service on the Board of Directors, his or her qualifications, and his or her contribution to the Corporation.

The Board of Directors will act on the Committee's recommendation no later than within a maximum period of ninety (90) days after the meeting of shareholders during which the election was held. In considering the Committee's recommendation, the Board of Directors will consider the factors examined by the Committee and such additional information and factors it will deem relevant. Once it has made its decision, the Board of Directors will publicly disclose it by way of a press release. If it has decided to refuse the resignation, it shall state the reasons for its decision in the press release. The resignation will take effect once it is accepted by the Board of

Directors. Subject to any restriction imposed by legislation, the Articles or the by-laws of the Corporation, the Committee will recommend to the Board of Directors to (i) leave the position vacant until the next annual meeting of shareholders, (ii) appoint a new director who, in the Board's opinion, deserves the confidence of the shareholders; or (iii) reduce the size of the Board of Directors.

A director who submits his or her resignation in accordance with this policy may not attend any part of any meeting of the Corporate Governance and Nominating Committee or of the Board of Directors during which his or her resignation will be examined.

The Board of Directors did not adopt such a policy for the election of Class A Directors. This class of shares is controlled by a majority shareholder and is thus exempted from the majority voting requirement, as set forth in the TSX Company Manual.

The Board of Directors has set to eight (8) the number of directors. The persons named in the section entitled "III. Board of Directors – Selection of candidates to the Board of Directors" will be presented for election at the Meeting. All of the nominees proposed for election as directors are currently directors of the Corporation. 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 should that occur prior to the election, the persons named in the form of proxy or voting instruction form reserve the right to vote for another nominee in their discretion, unless the shareholder has specified that his shares 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 or voting instruction form will vote **"FOR"** the election of each of the eight (8) nominees.

APPOINTMENT OF THE EXTERNAL AUDITOR

At the Meeting, the shareholders will be called upon to renew the appointment of the external Auditor to hold office until the next annual meeting of shareholders.

Except where authority to vote on the appointment of the external Auditor is withheld, the individuals named in the form of proxy, or voting instruction form, will vote **"FOR"** the appointment of Ernst & Young as the external Auditor of the Corporation. Ernst & Young has been acting as the external Auditor of the Corporation since June 26, 2008.

The Corporation incorporates herein by reference the information pertaining to the fees paid to Ernst & Young with respect to the two most recently completed financial years contained in the Annual Information Form for the year ended December 31, 2014. The Annual Information Form may be viewed under the Corporation's SEDAR profile at www.sedar.com or on the Corporation's Website at www.quebecor.com.

RATIFICATION OF AMENDMENTS TO THE BY-LAWS

In its Management Proxy Circular for the meeting of Shareholders of June 19, 2014, the Corporation had indicated, in response to a shareholder's proposal, that the Board of Directors had accepted the recommendation of the Corporate Governance and Nominating Committee to the effect that the Corporation amend its By-laws so that the Class A and B Directors will in future be elected by a simple majority of the votes cast by the shareholders at the Meeting. To act on this commitment, the Board of Directors of the Corporation adopted, on January 16, 2015, amendments to its By-laws regarding the conduct of the Corporation's business, the full text of which, indicating the changes made, is reproduced in Schedule **"A"** to this Circular.

The amendments to the By-laws submitted to the shareholders for their ratification mainly pertain to this commitment and other minor changes, such as changes in terminology (addition of the Vice-Chair of the Board, new nomenclature for the Québec statutes, "auditeur" in replacement of "vérificateur" in the French version), and the reflection of the amendment made to the Articles of the Corporation in 2014, as approved by the shareholders on June 19, 2014.

The shareholders will be asked to review and, if deemed appropriate, to adopt the following resolution in order to ratify the amendments made to the By-laws of the Corporation:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS:

THAT the amendments to the By-laws of the Corporation, as approved by the Board of Directors of the Corporation, the text of which is reproduced in Schedule A to the Management Proxy Circular, be ratified;

THAT any director or officer of the Corporation be and is hereby authorized and directed, for and on behalf of the Corporation, to do all acts and things as such director or officer may deem necessary or advisable to give effect to this resolution.”

The Board of Directors and Management believe that the amendments to the By-laws are in the best interests of the Corporation and its shareholders and, consequently, recommend that the shareholders vote **FOR** the approval of the resolution ratifying the amendments to the By-laws, which requires the affirmative vote of at least the simple majority of the votes cast, in person or by proxy, at the meeting in order to be adopted. Unless contrary instructions are given, the persons named on the proxy form or on the voting instruction form will vote **“FOR”** the approval of the resolution ratifying the amendments to the By-laws of the Corporation.

RATIFICATION OF THE ADVANCE NOTICE BY-LAW (No. 2015-1)

On January 16, 2015, the Board of Directors of the Corporation adopted the Advance Notice By-law (No. 2015-1), the full text of which is reproduced in Schedule “B” to this Circular. In particular, this By-law establishes a period of at least (30) days prior to the date of the meeting or of any postponement or adjournment of the meeting for the submission to the Corporation by shareholders of a notice of director nominations prior to any annual or special meeting of shareholders at which directors are to be elected. It also sets forth the information that a shareholder must include in the notice for it to be valid. This By-law allows the Corporation and the shareholders to receive sufficient prior notice of director nominations, as well as all necessary information on the nominees. Thus, the Corporation and the shareholders will be able to evaluate the proposed nominees’ qualifications and suitability as directors. This By-law will also facilitate an orderly and efficient meeting process. The Board of Directors, at its sole discretion, may waive any requirement of the Advance Notice By-law. At the Meeting, the shareholders will be asked to review and, if deemed appropriate, to adopt the following resolution in order to ratify the Advance Notice By-law (No. 2015-1):

“BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS:

THAT the Advance Notice By-law (No. 2015-1), as approved by the Board of Directors of the Corporation, the text of which is reproduced in Schedule B to the Management Proxy Circular, be ratified;

THAT any director or officer of the Corporation be and is hereby authorized and directed, for and on behalf of the Corporation, to do all acts and things as such director or officer may deem necessary or advisable to give effect to this resolution.”

The Board of Directors and Management believe that the Advance Notice By-law (No. 2015-1) is in the best interests of the Corporation and its shareholders and, consequently, recommend that the shareholders vote **FOR** the approval of the resolution ratifying this By-law, which requires the affirmative vote of at least the simple majority of the votes cast, in person or by proxy, at the meeting in order to be adopted. Unless contrary instructions are given, the persons named on the proxy form or on the voting instruction form will vote **“FOR”** the approval of the resolution ratifying the Advance Notice By-law (No. 2015-1).

SHAREHOLDER'S PROPOSAL

At the Meeting, the shareholders will be asked to consider the shareholder's proposal appearing in Annex "C" of this Circular.

Unless otherwise instructed, the persons named in the form of proxy or voting instruction form will vote "**AGAINST**" the adoption of the proposal.

OTHER BUSINESS

Management of the Corporation knows of no other matters which should be presented before the Meeting. Should, however, any other matters come before the Meeting and be in order, the persons designated in the accompanying form of proxy or voting instruction form 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.

III. BOARD OF DIRECTORS

SELECTION OF CANDIDATES TO THE BOARD OF DIRECTORS

The candidate selection process is as follows: the Corporate Governance and Nominating Committee examines each year the diversity of experience of the members of the Board considering the Corporation's needs, including representation of women, and submits the appropriate recommendations to the Board of Directors.

When a seat on the Board must be filled, the Chair of the Board initiates a dialogue with the members of the Board to survey their views regarding the fields of expertise required and, at the request of the Chair of the Board, the Corporate Governance and Nominating Committee searches for candidates in relation to the dominant thinking that emerged from the discussions and based on the personal qualities and the qualifications criteria required for the needs of the Board of Directors. Resorting to a recruiting firm may be considered in some cases. The Chair of the Corporate Governance and Nominating Committee recommends a list of potential nominees to the Chair of the Board. The Chair of the Board and the Chair of the Corporate Governance and Nominating Committee meet with the President and Chief Executive Officer to discuss the above mentioned list and to select the most appropriate candidate. The Chair of the Board, or the Chief Executive Officer, meets with the candidate to confirm such candidate's interest and willingness to serve on the Corporation's Board. The Chair of the Board subsequently recommends the candidate to the Board of Directors.

The Corporate Governance and Nominating Committee assists the Board of Directors and its Chair in selecting committee members.

Mandate of the directors

The Corporation has not set an age limit to sit on the Board of Directors or established a term limit for directors. The procedure for renewal of the directors' mandate is set out in the mandates of the Corporate Governance and Nominating Committee and of the Board of Directors. The Corporation considers that the criteria that should prevail are the director's knowledge and performance and that each case should be examined on its merits.

The Corporate Governance and Nominating Committee believes that the composition of the Board should reflect a diversity of experience. Each year, in consultation with the Chair of the Board and the President and Chief Executive Officer, it evaluates the size and composition of the Board and its committees to promote an efficient decision-making process and make the appropriate recommendations to the Board. For this purpose, the competencies, personal qualities, background in business and age of the directors, the length of their term of office and the diversity of experience of the members of the Board, including female representation, are analyzed, along with the Corporation's needs. Based on this analysis, the Corporate Governance and Nominating Committee makes its recommendations to the Board of Directors for the selection of the candidates whose election will be submitted to the vote of shareholders.

Representation of women on the Board and in senior management

The Corporation has always been sensitive to female representation on the Board of Directors. The presence of women, who account for 25% of the seats on the Board, one of them the Chair of the Corporate Governance and Nominating Committee, is a testament to this.

Although the Corporation has not established a formal policy on female representation on the Board of Directors, the candidate selection procedure encourages the search for a diversity of experience among the candidates for director positions. Among the selection criteria identified, the Corporate Governance and Nominating Committee recognizes the importance of representation of both genders on the Board of Directors and, when positions become vacant, with equal competence, has a favourable bias for the recruitment of competent women, with the aim of obtaining parity within a reasonable horizon.

The Corporate Governance and Nominating Committee also considers it necessary to have some flexibility in its search for the most qualified candidates, and that it would be inopportune to compel the Corporation to adopt a self-imposed requirement whereunder a fixed percentage of candidates would have to be women, especially since the actions taken by the Corporation speak for themselves.

Several women hold senior management positions, both with the Corporation and its key subsidiaries, and a talent pool with a majority of women represents a strong succession for these positions, both with the Corporation and its key subsidiaries. For these reasons, the Corporation has not established a formal policy on the representation of women in senior management.

Two out of eight members serving on the Corporation's Board of Directors are women, a proportion of 25%. Ten out of 37 senior management positions with the Corporation and its key subsidiaries are held by women, a proportion of 27%, including the President and Chief Executive Officer of Videotron Ltd. and the President and Chief Executive Officer of TVA Group Inc. and Media Group (new business unit of Quebecor Media Inc.). These companies and business unit generate over 98% of the Corporation's net income.

IDENTITY OF THE NOMINEES FOR ELECTION

Each of the nominees named hereinbelow has held the principal occupation indicated opposite his or her name for more than five years, except as otherwise indicated, or as disclosed in previous management proxy circulars of the Corporation.

The information on securities held was provided to the Corporation by each of the nominees. The number of shares, deferred stock units and the value of said units are given as of December 31, 2014, unless indicated otherwise.

CLASS A DIRECTORS



Jean La Couture
FCPA, FCA

Independent

Director since 2003

Age: 68

Montréal

Québec (Canada)

Committee of the Board:

Chair of the Audit Committee

Jean La Couture is President of Huis Clos Itée, a corporation he created in 1995, which specializes in management and mediation as well as in civil and commercial negotiations.

Jean La Couture is a Fellow of the Ordre des comptables professionnels agréés du Québec. He headed Le Groupe Mallette (an accounting firm) before becoming, from 1990 to 1994, President and Chief Executive Officer of The Guarantee Company of North America. Mr. La Couture is also President of the “Regroupement des assureurs de personnes à charte du Québec”, a Quebec association of life insurers. He is also Chairman of the Board and Chairman of the Audit Committee and member of the Human Resources Committee of Groupe Pomerleau (construction industry). Mr. La Couture is also director and Chairman of the Investments and Risk Management Committee of Caisse de dépôt et placement du Québec, as well as director and Chair of the Audit Committee of Quebecor Media Inc. and Videotron Ltd.

Mr. La Couture is an Honorary Member of the Board of Directors of the Institute of Corporate Directors – Quebec Chapter.

Ownership of securities of the Corporation and its subsidiaries:

Class B Shares:	6,000
Value of Class B Shares:	\$191,640
Deferred Stock Units:	26,408
Value of Deferred Stock Units:	\$843,472

Voting result at the 2014 Annual Meeting:

Proportion of votes cast in favour:	99.99%
Proportion of votes withheld:	0.01%

Other public corporations' directorship:

Innergex Renewable Energy Inc.

Chairman of the Board

Chairman of the Nominating Committee

Chairman of the Corporate Governance Committee

Member of the Human Resources Committee

Member of the Audit Committee



Sylvie Lalande

Independent

Director since 2011

Age: 64

Lachute

Québec (Canada)

Committees of the Board:

Chair of the Corporate
Governance and
Nominating Committee

Member of the Human
Resources and
Compensation Committee

Sylvie Lalande is Chair of the Board of Directors of TVA Group Inc. and is a corporate director.

She held several senior positions in the media, marketing, communication marketing and company communications sectors. Until October 2001, she was the Chief Communications Officer of Bell Canada. From 1994 to 1997, she was President and Chief Executive Officer of UBI Consortium, a consortium formed to develop and manage interactive and transactional communication services. From 1987 to 1994, she occupied several senior positions at Group TVA Inc. and at Le Groupe Vidéotron ltée. Ms. Lalande began her career in the radio industry, after which she founded her own consultation firm. In 2006, Ms. Lalande earned a university certificate in corporate governance from the Collège des administrateurs de sociétés. Ms. Lalande is also a director and member of the Human Resources and Compensation Committee of Quebecor Media Inc. and director of Videotron Ltd.

In November 2013, Ms. Lalande was appointed Chair of the Board of the Collège des administrateurs de sociétés (CAS) from the Laval University.

Ownership of securities of the Corporation and its subsidiaries:

Class B Shares:	2,000
Value of Class B Shares:	\$63,880
Class B shares of TVA Group Inc.*:	10,817
Value of TVA Group Inc.'s Class B shares*:	\$61,008
Deferred Stock Units:	14,605
Value of Deferred Stock Units:	\$466,484

* as of March 20, 2015

Voting result at the 2014 Annual Meeting:

Proportion of votes cast in favour:	99.99%
Proportion of votes withheld:	0.01%

Other public corporations' directorship:

Ovivo Inc. (previously GLV Inc.)	Chair of the Corporate Governance and Human Resources Committee and Lead Director
TVA Group Inc.	Chair of the Board of Directors
	Chair of the Human Resources and Corporate Governance Committee



Pierre Laurin

Independent

Director since 1991
Age: 75
Nuns' Island, Verdun
Québec (Canada)

Ownership of securities of the Corporation and its subsidiaries:

Deferred Stock Units:	24,772
Value of Deferred Stock Units:	\$791,218

Voting result at the 2014 Annual Meeting:

Proportion of votes cast in favour:	99.96%
Proportion of votes withheld:	0.04%

Committees of the Board:

Member of the Corporate Governance and Nominating Committee

Member of the Human Resources and Compensation Committee

Pierre Laurin is Vice Chair and Lead Director of the Corporation.

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. He was then founding President of SOCCRENT, a venture capital company, and thereafter, President of Merrill Lynch, Quebec.

Mr. Laurin is also director and member of the Human Resources and Compensation Committees of Quebecor Media Inc. Mr. Laurin was Chair of the Board of Atrium Innovations Inc. since its inception in 2000 and until it became private in 2014.

He is an Officer of the Order of Canada, and he is also Chevalier de l'Ordre du Mérite de la République Française.

Other public corporations' directorship:

He is not a member of the Board of Directors of any other public corporations.



Geneviève Marcon

Independent

Director since 2012

Age: 46

Lac Beauport

Québec (Canada)

Ownership of securities of the Corporation and its subsidiaries:

Deferred Stock Units:	8,706
Value of Deferred Stock Units:	\$278,070

Voting result at the 2014 Annual Meeting:

Proportion of votes cast in favour:	99.99%
Proportion of votes withheld:	0.01%

Committee of the Board:

Member of the Corporate Governance and Nominating Committee

Geneviève Marcon is President of GM Développement inc., a company operating in the real-estate sector as owner, developer and manager of properties.

Ms. Marcon is associated with the revitalization of the Saint-Roch neighbourhood in Québec City, where she conducted several restoration and construction projects for the transformation of this neglected neighbourhood into an attractive urban center. Ms. Marcon, who has a background in industrial relations from Laval University, has also made her mark in the retail business sector. Convinced of her vision for the development of Saint-Roch, she opened the Benjo store in 1995 which has since become a benchmark in the toy sector. Ms. Marcon is a member of the Board of Directors of Quebec International, a regional economic development agency. Ms. Marcon is also a director of Quebecor Media Inc.

Recognized for her involvement in the community, Geneviève Marcon is active in several social and cultural organizations.

Other public corporations' directorship:

She is not a member of the Board of Directors of any other public corporations.



**The Right Honourable
Brian Mulroney,
P.C., C.C., LL.D.**

Non-independent

Director since 1999
Age: 76
Westmount
Québec (Canada)

**Ownership of securities of the
Corporation and its subsidiaries:**

Class A Shares:	2,000
Value of Class A Shares:	\$63,000
Deferred Stock Units:	69,237
Value of Deferred Stock Units:	\$2,211,430

**Voting result at the
2014 Annual Meeting:**

Proportion of votes cast in favour:	99.99%
Proportion of votes withheld:	0.01%

Committee of the Board:

None

The Right Honourable Brian Mulroney is Chair of the Board of Directors of the Corporation and Senior Partner of the law firm Norton Rose Fulbright Canada LLP.

He 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 Norton Rose Fulbright Canada (previously Ogilvy Renault) based in Montréal. The Right Honourable Brian Mulroney serves on a number of Boards of Directors and committees in Canada as well as abroad, including that of Quebecor Media Inc. and Videotron Ltd. He is also Chair of the Board of the International Advisory Council of Barrick Gold Corporation (Toronto).

He is also Companion of the Order of Canada as well as Grand Officier de l'Ordre national du Québec.

Other public corporations' directorship:

The Blackstone Group L.P. (New York)
Member of the Audit Committee
Member of the Conflicts Committee
Wyndham Worldwide Corporation (New Jersey)
Chair of the Compensation Committee
Member of the Corporate Governance Committee



Robert Paré

Non-independent

Director since 2014

Age: 60

Westmount

Québec (Canada)

Ownership of securities of the Corporation and its subsidiaries:

Class B Shares:	16,500
Value of Class B Shares:	\$ 527,010
Deferred Stock Units:	1,529
Value of Deferred Stock Units:	\$48,836

Voting result at the 2014 Annual Meeting:

Proportion of votes cast in favour:	99.98%
Proportion of votes withheld:	0.02%

Committee of the Board:

None

Mr. Robert Paré is a corporate lawyer and senior partner at Fasken Martineau DuMoulin LLP.

Mr. Paré is a member of the Board of Directors and Investment Committee (Chair) of Groupe BMTC inc. since 1989, a member of the Board of Directors and of the Compensation, Nominating and Corporate Governance Committee of Group ADF inc. since 2009 and a member of the Board of Directors of Essilor Canada Ltd. Since 1995. He is also a member of the Board of Directors and of the Nominating and Governance Committee and of the Human Resources and Compensation Committee of RONA Inc. since 2009.

Mr. Paré is also a member of the Board of Directors and of the Executive Committee of the Montreal Institute Heart Foundation, as well as a member of the Board of Directors of Quebecor Media Inc. and of the Institute of Corporate Directors – Quebec Chapter.

Other public corporations' directorship:

Group ADF inc.
Member of the Compensation, Nominating and Corporate Governance Committee
Groupe BMTC inc.
Member of the Investment Committee (Chair)
RONA inc.
Member of the Nominating and Governance Committee
Member of the Human Resources and Compensation Committee

CLASS B DIRECTORS



A. Michel Lavigne
FCPA, FCA

Independent

Director since 2013

Age: 64

Laval

Québec (Canada)

Committees of the Board:

Member of the Audit
Committee

Chair of the Human
Resources and
Compensation Committee

A. Michel Lavigne is a corporate director.

He was, until May 2005, President and Chief Executive Officer of Raymond Chabot Grant Thornton in Montréal, as well as Chairman of the Board of Grant Thornton Canada. He has also been a member of the Board of Governors of Grant Thornton International. Mr. Lavigne is a Fellow Chartered Accountant of the Ordre des comptables professionnels agréés du Québec and a member of the Canadian Institute of Chartered Accountants since 1973.

Mr. Lavigne is a director and a member of the Audit and Chair of the Human Resources and Compensation Committees of Quebecor Media Inc. He is also director and member of the Audit Committee and Human Resources and Corporate Governance Committee of TVA Group Inc., as well as a director and member of the Audit Committee of Videotron Ltd. He is also director and member of the Audit Committee of Canada Post Corporation and chairs its Pension Committee. In addition, Mr. Lavigne is a director and Chair of the Board of Directors and member of the Audit Committee of Teraxion Inc. Mr. Lavigne was a director and a member of the Audit Committee of Caisse de dépôt et placement du Québec from 2005 to 2013 and Chair of its Audit Committee from 2009 to 2013.

Ownership of securities of the Corporation and its subsidiaries:

Class B Shares*:	5,000
Value of Class B Shares*:	\$165,600
Class B Shares of TVA Group Inc.*:	7,270
Value of TVA Group Inc.'s Class B shares*:	\$41,003
Deferred Stock Units:	2,034
Value of Deferred Stock Units:	\$64,966

* as of March 20, 2015

Voting result at the 2014 Annual Meeting:

Proportion of votes cast in favour:	38.13%
Proportion of votes withheld:	61.87%

Other public corporations' directorship:

Laurentian Bank of Canada	Member of the Audit Committee
TVA Group Inc.	Member of the Audit Committee
	Member of the Human Resources and Corporate Governance Committee



Normand Provost

Committee of the Board:

Member of the Audit
Committee

Since May 2014, Normand Provost is Assistant to the President of the Caisse de dépôt et placement du Québec (the “Caisse”), one of the largest institutional fund managers in Canada and North America.

Between October 2003 and May 2014, Normand Provost was Executive Vice-President, Equity of the Caisse. Mr. Provost joined the Caisse in 1980 and has held several positions within the institution, ranging from Advisor and Investment Manager, specializing in midsize businesses, to President of the subsidiary CDP Capital – Americas, from 1995 to 2003. In addition to his responsibilities in the investment sector, Mr. Provost served as Chief Operating Officer of the Caisse from April 2009 to March 2012. Normand Provost was also a member of the Caisse’s Executive Committee.

Between September 2009 and May 2014, backed by his extensive knowledge of the Québec business community, Mr. Provost has assumed the leadership of all of the Caisse’s initiatives in Québec.

Mr. Provost is director and member of the Audit Committees of Quebecor Media Inc. and of Videotron Ltd. and a director of the Fondation de l’entrepreneuriat. In addition, he sits on the Supervisory Board and on the Compensation and Human Resources Committee of Groupe Kéolis S.A.S. Since March 2015, Mr. Provost also sits on the Board of Directors and on the Investment Committee of Desjardins Financial Security.

Independent

Director since 2013
Age: 60
Brossard
Québec (Canada)

Ownership of securities of the Corporation and its subsidiaries:

Mr. Provost does not receive Deferred Stock Units (please refer to note 19 of the Directors Compensation Table of this Circular).

—

Other public corporations’ directorship:

He is not a member of the Board of Directors of any other public corporations.

Voting result at the 2014 Annual Meeting:

Proportion of votes cast in favour:	98.82%
Proportion of votes withheld:	1.18%

Skills matrix - nominees for election

The Corporate Governance and Nominating Committee maintains a skills matrix that it believes necessary to possess within the Board of Directors.

The following table shows the current expertise considered as part of the skills matrix developed by the Corporate Governance and Nominating Committee and identifies the experience and skills of each nominee for election to the Board of Directors.

In addition to those skills, all of our nominees for election as a director hold two key skills, namely experience as a member of the Board of Directors of a public or private corporation and experience in corporate governance i.e. understanding of the requirements of good corporate governance usually acquired as a senior executive or director of a public corporation or through training schools, such as the Institute of Corporate Directors (ICD) or the Collège des administrateurs de sociétés (CAS).

	Entrepreneurship / Business Management	Communications / Marketing	Finance / Accounting / Risk Management	Legal / Public and Regulatory Affairs	Compensation / Labor Relations / Human Resources / Pension Plans	Média / Content / Entertainment	Telecommunications	Retail Business
Jean La Couture	✓		✓		✓	✓	✓	
Sylvie Lalande		✓		✓	✓	✓	✓	
Pierre Laurin	✓	✓	✓		✓		✓	
A. Michel Lavigne	✓		✓		✓	✓	✓	✓
Geneviève Marcon	✓	✓	✓			✓		✓
Brian Mulroney	✓	✓	✓	✓	✓	✓	✓	
Robert Paré			✓	✓	✓			✓
Normand Provost	✓		✓		✓		✓	

Definition of areas of expertise

Entrepreneurship / Business Management: Experience as Chief Executive Officer or senior executive of a public company or of a medium-sized or large company or organization.

Communications / Marketing: Experience as senior executive or director in the communications or marketing industry.

Finance / Accounting / Risk Management: Experience with, or understanding of, financial accounting and reporting, and Canadian GAAP/IFRS and/or experience in, or understanding of, internal risk controls, risk assessment, risk management and/or reporting.

Legal / Public and Regulatory Affairs: Legal experience and/or experience with relevant government agencies and/or experience in, or understanding of, public policy in Canada and /or experience in regulatory environment with agencies such as the CRTC or the Competition Bureau.

Compensation / Labor Relations / Human Resources / Pension Plans: Experience as senior executive or director in the compensation, labor relations, human resources and pension plans sectors.

Media / Content / Entertainment: Experience as senior executive, director or entrepreneur in the media or content sectors (television, newspapers) and/or in arts and culture and/or in events management.

Telecommunications: Experience as senior executive or director in the telecommunications sector.

Retail Business: Experience as senior executive or director in the retail business.

Board interlocks

The Board of Directors does not limit the number of its directors who sit on the same board of another public corporation but reviews interlocking board memberships and believes disclosing them is relevant.

The following table sets out interlocking board memberships of other public corporations of the Corporation's directors.

Corporation	Director	Committee
TVA Group Inc.	Sylvie Lalande (Chair of the Board)	Human Resources and Corporate Governance Committee
	A. Michel Lavigne	Audit Committee Human Resources and Corporate Governance Committee

Attendance at meeting of the Board of Directors and committee meetings

The following table sets forth the attendance of directors at meetings of the Board of Directors and of its committees held during the financial year ended December 31, 2014.

Directors	Board of Directors and Committees	Attendance at Meetings
Françoise Bertrand ¹	Board of Directors Human Resources and Compensation Committee Corporate Governance and Nominating Committee	9 out of 9 3 out of 3 2 out of 2
Robert Dépatie ²	Board of Directors	5 out of 5
Jean La Couture	Board of Directors Audit Committee	17 out of 17 5 out of 5
Sylvie Lalande ³	Board of Directors Human Resources and Compensation Committee Corporate Governance and Nominating Committee	17 out of 17 3 out of 3 3 out of 3
Pierre Laurin ⁴	Board of Directors Audit Committee Corporate Governance and Nominating Committee Human Resources and Compensation Committee	17 out of 17 2 out of 2 3 out of 3 6 out of 6
A. Michel Lavigne	Board of Directors Audit Committee Human Resources and Compensation Committee	17 out of 17 5 out of 5 6 out of 6
Geneviève Marcon ⁵	Board of Directors Corporate Governance and Nominating Committee	16 out of 17 1 out of 1
The Right Honourable Brian Mulroney	Board of Directors	14 out of 17
Robert Paré ⁶	Board of Directors	8 out of 8
Pierre Karl Péladeau ⁷	Board of Directors	2 out of 2
Normand Provost ⁸	Board of Directors Audit Committee	14 out of 17 3 out of 3
Overall Rate of Attendance	Board of Directors Meetings Committee Meetings	95 % 100 %

^{1.} Until her departure on June 19, 2014.

^{2.} Was a director from March 12 to April 28, 2014..

^{3.} Was appointed member of the Human Resources and Compensation Committee on June 19, 2014.

^{4.} Ceased to be a member of the Audit Committee on June 19, 2014.

^{5.} Was appointed member of the Corporate Governance and Nominating Committee on June 19, 2014.

^{6.} Was elected as a director on June 19, 2014.

^{7.} Until his resignation on March 9, 2014.

^{8.} Was appointed member of the Audit Committee on June 19, 2014.

COMPENSATION OF DIRECTORS

Since July 1, 2013, with a view to efficiency and cost-effectiveness, the Boards of Directors of the Corporation and Quebecor Media Inc. (“QMI”) are mirror, meaning that the directors of the Corporation are also directors of QMI. Since that date, the Corporation assumes 40% and QMI assumes 60% of the cost of the compensation and attendance fees payable to the directors. The only exceptions are the compensation of the Chair of the Board and Vice Chair of the Board and Lead Director of the Corporation, which are assumed at 70% and 50% respectively by the Corporation.

All directors who are not employees of the Corporation received, during the financial year ended December 31, 2014, the following compensation:

Annual Compensation	From January 1 st to June 18, 2014 (annualized) (\$)	From June 19 to December 31, 2014 (annualized) (\$)
Chair of the Board of Directors ¹	310,000	390,000
Vice Chair of the Board	70,000	n/a
Vice Chair of the Board and Lead Director	n/a	90,000
Base Compensation of Directors ²	60,000	60,000
Chair of the Audit Committee	60,000	60,000
Chair of the Human Resources and Compensation Committee	16,000	16,000
Chair of the Corporate Governance and Nominating Committee	8,000	8,000
Members of the Audit Committee (except Chair)	30,000	30,000
Members of the Human Resources and Compensation Committee (except Chair)	11,000	11,000
Members of the Corporate Governance and Nominating Committee (except Chair)	5,000	5,000
Members of the Executive Committee (QMI only)	3,000	5,000
Attendance fees – lump sum	14,000	20,000

1. The Chair of the Board does not receive additional compensation for acting as director. Also, no attendance fees are paid for attending Board meetings.

2. 50% of which must be received in the form of deferred stock units, except for Normand Provost.

In order to further align the interests of directors with those of its shareholders, the Corporation has implemented a Directors’ Deferred Stock Unit Plan (the “**DSUP**”). Under the DSUP, each director must receive a portion of his compensation in the form of units, such portion representing at least 50% of the annual base compensation 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 base compensation, meeting attendance fees and any other fees payable to the director.

Policy regarding Minimum Shareholding by Directors

The Board of Directors of the Corporation approved the establishment of a Policy regarding Minimum Shareholding by Directors which will come into force immediately after the Meeting and has amended the DSUP accordingly. Effective from the date this Policy comes into force, each director of the Corporation who is not an executive officer, within five years of (i) the time when he or she becomes a Director of the Corporation or (ii) the adoption of the Policy regarding Minimum Shareholding by Directors, whichever is later, shall be required to hold Shares or DSUs of the Corporation, with a value of at least three times the basic annual fee received as a director (“**minimum shareholding**”) and, in the case of the Chair of the Board, a value equivalent to the minimum shareholding prescribed for directors.

Each director who is not an executive officer shall hold such value throughout his mandate. When the required minimum shareholding is reached, the director will continue to receive at least 10% of the annual base compensation in the form of units.

Under the DSUP, directors are credited, on the last day of each fiscal quarter of the Corporation, 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 are not transferable other than through a will or other testamentary instrument or in accordance with succession laws.

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 Class B Shares.

Under the DSUP, all of the units credited to the director are redeemed by the Corporation at the director's request and the value thereof paid upon the director ceasing to serve as a director of the Corporation. 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, a total of 40,404 units were redeemed following the departure of Françoise Bertrand. 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 Class B Shares on the Toronto Stock Exchange on the last trading day preceding such date.

The following tables set forth the details of the annual compensation and attendance fees paid to the directors for the year 2014, as well as a summary of the compensation distribution.

Directors Compensation Table

Name	Compensation					Share-based Awards		All Other Compensation (\$)	Total Compensation Paid (\$)
	Annual Compensation (\$)	Attendance fees (\$)	Compensation Chair of Committee (\$)	Compensation Committee Members (\$)	Total Compensation (\$)	Awards under DSUP (\$)	Dividends Paid in the Form of Units (\$)		
Françoise Bertrand	165,632	—	—	—	165,632 ²	—	2,960	—	168,592
Jean La Couture	40,000	17,181	60,000	4,060	121,241 ³	30,000	2,556	25,000 ⁴	178,797
Sylvie Lalande	40,000	17,181	4,242	13,681	75,104 ⁵	30,000	1,231	126,116 ⁶	232,451
Pierre Laurin	97,720 ⁷	17,181	3,758	27,745	146,404	30,000	2,414	4,698 ⁸	183,516
A. Michel Lavigne	40,000	17,181	8,484	39,228	104,893 ⁹	30,000	118	86,288 ¹⁰	221,299
Geneviève Marcon	40,000	17,181	—	2,651	59,832 ¹¹	30,000	682	—	90,514
Brian Mulroney	273,764 ¹²	6,576	—	—	280,340 ¹³	14,093	6,516	100,000 ¹⁴	400,949
Robert Paré	15,907	10,604	—	2,651	29,162 ¹⁵	15,907	24	—	45,093
Pierre Karl Péladeau	206,250 ¹⁶	—	—	—	206,250	—	326 ¹⁷	149,910 ¹⁸	356,486
Normand Provost ¹⁹	70,000	17,181	—	15,907	103,088	—	—	5,302 ²⁰	108,390
TOTAL	989,273	120,266	76,484	105,923	1,291,946	180,000	16,827	497,314	1,986,087

1. Includes a \$20,000 bonus paid to Françoise Bertrand, to the Right Honourable Brian Mulroney and to Pierre Laurin and a \$10,000 bonus paid to the directors in office as of June 18, 2014, to compensate for the many changes that occurred in 2014 in both the management and the structure of the organization, which required an increased number of special meetings of the Board of Directors and greater availability of the directors.
2. Of this amount, Ms. Bertrand elected to receive \$72,816 in DSUs.
3. Of this amount, Mr. La Couture elected to receive \$11,100 in DSUs.
4. Compensation received for acting as Chairman of the Audit Committee of Videotron Ltd.
5. Ms. Lalande elected to receive the total amount in DSUs.
6. Compensation received for acting as director and as Lead Director of TVA Group Inc. from January 1st to March 9, 2014 and as Chair of the Board of the Corporation from March 10 to December 31, 2014.
7. This amount includes the compensation received for acting as Vice Chairman of the Board and Lead Director of the Corporation from June 19 to December 31, 2014.
8. Compensation received for acting as member of the Audit Committee of Videotron Ltd.
9. Of this amount, Mr. Lavigne elected to receive \$10,000 in DSUs.
10. Compensation received for acting as director of TVA Group Inc. and as member of the Audit Committee of Videotron Ltd.
11. Ms. Marcon elected to receive the total amount in DSUs.
12. This amount represents his compensation received for acting as Vice Chairman of the Board of the Corporation from January 1st to June 18, 2014 and as Chairman of the Board from June 19 to December 31, 2014.
13. Of this amount, Mr. Mulroney elected to receive \$171,632 in DSUs.
14. Compensation received for acting as consultant.
15. Mr. Paré elected to receive the total amount in DSUs.
16. Compensation received for acting as Vice Chairman of the Board of the Corporation, QMI and TVA Group Inc. from January 1st to March 9, 2014.
17. Dividends paid on UAD acquired prior to March 2004, date he ceased to be compensated for acting as director of the Corporation.
18. Retiring allowance.

19. Mr. Provost being a representative of CDP Capital d'Amérique Investissements Inc. ("CDP") and being compensated by CDP, does not receive DSUs of the Corporation. His compensation for acting as director is entirely paid to CDP.
20. Compensation received for acting as member of the Audit Committee of Videontron Ltd.

Breakdown of the directors' fees

Name	Compensation Distribution	
	Cash (\$)	Units (\$)
Françoise Bertrand	92,816	75,776
Jean La Couture	135,141	43,656
Sylvie Lalande	126,116	106,335
Pierre Laurin	151,102	32,414
A. Michel Lavigne	181,181	40,118
Geneviève Marcon	—	90,514
Brian Mulroney	208,708	192,241
Robert Paré	—	45,093
Pierre Karl Péladeau	356,160	326
Normand Provost	108,390	—
Total	1,359,614	626,473

Share-based awards

The following table sets forth for each director all deferred stock unit awards outstanding as at December 31, 2014. No stock options of the Corporation and its subsidiaries were held by directors at that date.

Director	Share-based Awards		
	Number of DSU that have not vested (#)	Market or payout value of DSU that have not vested ⁽¹⁾ (\$)	Market or payout value of vested DSU not paid out or distributed (\$)
Françoise Bertrand	—	—	—
Jean La Couture	26,408	843,472	—
Sylvie Lalande	14,605	466,484	—
Pierre Laurin	24,772	791,218	—
A. Michel Lavigne	2,034	64,966	—
Geneviève Marcon	8,706	278,070	—
Brian Mulroney	69,237	2,211,430	—
Robert Paré	1,529	48,836	—
Pierre Karl Péladeau ⁽²⁾	—	—	416,721
Normand Provost	—	—	—

- (1) The value of the DSUs is based on the closing price of the Class B Shares of the Corporation on the Toronto Stock Exchange on December 31, 2014 which was at \$31.94 per share. According to the DSUP, the units are vested only after the director ceases to be a member of the Board of Directors.
- (2) Since March 2004, Pierre Karl Péladeau no longer received DSUs for acting as a director of the Corporation. Only dividends were paid to him on the DSUs held. Further to his resignation as director of the Corporation on March 9, 2014, Mr. Péladeau has until December 31, 2015 to exercise the DSUs he owns.

As at December 31, 2014, the directors held a total value of \$5,121,196 in DSUs of the Corporation.

Additional disclosure relating to directors

From April 2, 2008 to May 20, 2008, Jean La Couture and The Right Honourable Brian Mulroney were subject to a cease trade order on the securities of the Corporation imposed by the *Autorité des marchés financiers* in the context of the late filing of the Corporation's 2007 annual financial statements and related management's discussion and analysis.

Finally, Jean La Couture and The Right Honourable Brian Mulroney were directors of Quebecor World Inc., a corporation that filed for and obtained protection under the *Companies' Creditors Arrangement Act* (Canada) on January 21, 2008.

IV. STATEMENT OF CORPORATE GOVERNANCE PRACTICES

INDEPENDENCE OF DIRECTORS

Within the meaning of section 1.4 of Regulation 52-110 of the Canadian Securities Administrators, an independent director is a director who has no direct or indirect material relationship with the Corporation, 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 Corporate Governance and Nominating Committee and the Board of Directors have determined that six of the eight individuals nominated by Management for election to the Board of Directors are independent of the Corporation.

Directors	Independent	Non independent
Jean La Couture	Jean La Couture is considered independent because he has no direct or indirect material relationship with the Corporation.	
Sylvie Lalande	Sylvie Lalande is considered independent because she has no direct or indirect material relationship with the Corporation.	
Pierre Laurin	Pierre Laurin is considered independent because he has no direct or indirect material relationship with the Corporation.	
A. Michel Lavigne	A. Michel Lavigne is considered independent because he has no direct or indirect material relationship with the Corporation.	
Geneviève Marcon	Geneviève Marcon is considered independent because she has no direct or indirect material relationship with the Corporation.	

Directors	Independent	Non independent
The Right Honourable Brian Mulroney		The Right Honourable Brian Mulroney is not independent because he is a senior partner of the law firm Norton Rose Fulbright Canada LLP, principal legal counsels to the Corporation and its subsidiaries. In addition, he receives consulting fees (please refer to the “Directors Compensation Table” of this Circular).
Robert Paré		Robert Paré is not independent because he is a senior partner of the law firm Fasken Martineau DuMoulin LLP, important legal counsels to the Corporation and its subsidiaries.
Normand Provost	Normand Provost is considered independent because he has no direct or indirect material relationship with the Corporation.	

The Chair of the Board is appointed each year from among the members of the Board of Directors. The Board of Directors is of the opinion that maintaining separate Chair and Chief Executive Officer positions allows the Board to function independently of Management. If the Chair of the Board is not independent, a Lead Director is appointed from among the independent directors. The Vice Chair of the Board may hold both offices.

In camera sessions

After each meeting of the Board of Directors and of its committees, a meeting of the directors is held, at which members of management are not in attendance, which encourage free and open discussions among the directors. This meeting is followed by a meeting of the independent directors.

BOARD OF DIRECTORS MANDATE

The Board of Directors of the Corporation is ultimately responsible to assume stewardship of the Corporation’s overall administration and to oversee the management of the Corporation’s operations. The Corporation’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**”).

The Board Mandate provides that the Board is responsible for supervising the management of the Corporation’s business and affairs, with the objective of increasing value for the shareholders. Although Management manages the Corporation’s day-to-day operations, the Board is responsible for stewardship of the Corporation and, as such, it must efficiently and independently supervise the business of the Corporation.

A copy of the Board Mandate is annexed hereto as Schedule “D”. A copy of the Board Mandate is also available on the Corporation’s Website at www.quebecor.com.

POSITION DESCRIPTIONS

Chair of the Board, Vice Chair of the Board and Lead Director and Chair of each Board Committee

The Board of Directors has adopted position descriptions for the Chair of the Board, the Vice-Chair of the Board and Lead Director and the Chair of each Board committee.

The Chair 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. The

Vice Chair of the Board and Lead Director performs all the functions of the Chair of the Board during his absence or inability to act. He assists the Chair of the Board in his functions. Also, since the Chair of the Board is not an independent director, as Lead Director, he chairs in camera meetings of independent directors in order to give directors the opportunity to discuss privately on certain topics. He assists the Board to act independently from management and from any important shareholder of the Corporation.

According to the position descriptions for each Board committee chair, the principal role of the committee Chair is to ensure that his committee fully executes its mandate. A committee Chair must report on a regular basis to the Board of Directors regarding the activities of the committee.

President and Chief Executive Officer

The Board of Directors has adopted a position description for the President and Chief Executive Officer of the Corporation.

Among other things, the President and Chief Executive Officer is responsible for implementing the Corporation'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.

ORIENTATION AND CONTINUING EDUCATION

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 has access, via the electronic portal of the Corporation, to a Guide for Directors (the “**Guide**”) which is updated continuously. The Guide contains, among other things, the mandates and working plans of the Board of Directors and the committees, the Code of Ethics, the principal policies of the Corporation as well as useful information about the Corporation. Upon their appointment, the new directors receive training in the operation of the Corporation's electronic portal, allowing them, in particular, to identify any useful information about the Corporation contained in the Guide. The Vice Chair of the Board and Lead Director and the Corporate Secretary of the Corporation assist them in their learning process as director of the Corporation. Senior management of the Corporation also provides new directors with historical and forward-looking information regarding the Corporation's market position, operations and financial situation, as to ensure that the directors understand the nature, functioning and positioning of the Corporation.

Senior management members regularly make presentations to the Board of Directors regarding the Corporation's principal business lines. For this purpose, the Corporation organizes education sessions to present the major trends related to its main activities.

In addition, all directors attended the 2-day sessions where the strategic plans of the Corporation and its subsidiaries have been presented as well as the main orientations for 2015-2017.

Moreover, aware of the importance for the directors of keeping their knowledge and skills up to date, of improving themselves and of acquiring new competencies relevant to board service, and after evaluating the different means that would allow the directors to always remain well informed about the regulatory environment and the latest trends in corporate governance, the Corporation offers all directors the possibility of attending training sessions organized by specialized firms on topics of interest. Such training may deal with strategic management, risk management, performance measurement and management, financial information and management, human resources, succession management and compensation, and are aimed at helping the directors to fully play their role. Thus, in 2014, training sessions were offered to the directors, particularly the following sessions offered by the Institute of Corporate Directors:

- Current issues for audit committees – Managing tax risk
- Risk tolerance: Is there a shift in the area?
- Managing environmental risks
- Technological challenges: cybersecurity, new technologies and big data

In addition, several directors participated on their own initiative in continuing education courses, symposiums, seminars or conferences on relevant themes, organized or offered by academic institutions, professional corporations or similar bodies, and spoke at such seminars or training sessions on topics related to the performance of duties as a director.

In between Board meetings, directors are provided with analyst reports, relevant media reports and other documentation to keep them informed of any changes within the Corporation, the industry or the regulatory environment. In addition, directors can communicate at any time with senior management to discuss presentations made to the Board or any other questions of interest.

ETHICAL BUSINESS CONDUCT AND VARIOUS INTERNAL POLICIES

The Corporation has adopted a Code of Ethics that applies to all directors, officers and employees without distinction of the Corporation, and to those of its subsidiaries (except for TVA Group Inc. and Videotron Ltd. which have their own Code of Ethics) to encourage and promote a culture of ethical business conduct within the Corporation. The Code of Ethics may be consulted under the Corporation's SEDAR profile at www.sedar.com. The Code is also available on the Corporation's Website at www.quebecor.com. The Corporate Governance and Nominating Committee reviews and approves all amendments made to the Code of Ethics.

The Code of Ethics is given to all of the Corporation's employees and such employees undertake in writing to abide by the Code, either by signing the declaration included in the Code, or by signing the attendance sheet when a presentation of the Code is made. Every four years, the employees must sign again the declaration concerning the Code, except if a substantial review of the Code has been made during this period, in which case, all employees will receive a new copy of the Code and a new declaration will be requested from the employees.

Furthermore, the Vice-President, Internal Audit reports to the Audit Committee on all departures from the Code of Ethics reported to him through the line of ethic and the steps taken by the Corporation to correct them. The Chair of the Audit Committee informs the Board of Directors thereof at each regular meeting of the Board. The Vice-President, Internal Audit also reports annually to the Corporate Governance and Nominating Committee.

Neither the Board of Directors nor the Corporate Governance and Nominating Committee have allowed departures from the Code of Ethics by a director or executive officer over the past twelve months or during any part of the year 2014. Accordingly, no material change report was needed or filed.

The Audit Committee reviews related party transactions. If a director is in a situation of conflict of interest 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. This is noted in the minutes of the meeting.

In addition to monitoring compliance with the Code of Ethics, the Board of Directors has adopted various internal policies to encourage and promote a culture of ethical business conduct.

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 Corporation who have access to confidential information likely to affect the market price or value of the Corporation's securities or of any third party to significant negotiations, that they may not trade in shares of the Corporation 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 public disclosure. Furthermore, the directors and senior executives of the Corporation and all other persons who are insiders of the Corporation may not trade in securities of the Corporation during certain periods set forth in the said policy.

Finally, the *Communications Policy* ensures that disclosure to the investing public regarding the Corporation is made in a timely manner, in keeping with the facts, accurately and widely disseminated, in accordance with the applicable statutory and regulatory requirements.

Trading and hedging restrictions

Although the Board of Directors has not adopted a policy prohibiting insiders from buying financial instruments or derivatives to protect against fluctuations in the price of the Corporation's shares which they hold, the Corporation

is not aware of any insider who has concluded such transactions.

In addition, the Corporation oversees all transactions in securities of the Corporation carried out by Senior Management by requiring that they contact the Corporate Secretariat prior to considering any transactions on the securities of the Corporation.

Clawback policy

Effective January 1st, 2015, the Board of Directors of the Corporation adopted a compensation clawback policy for certain members of Senior Management. Under this policy, which applies to the President and Chief Executive Officer and to the Chief Financial Officer of the Corporation and of its major subsidiaries and business units ("**member of management**"), the Board may, to the full extent permitted by governing laws and to the extent it determines that it is in the Corporation's best interest to do so, require reimbursement of all or a portion of any bonus or incentive compensation received by an executive officer or to proceed with the cancellation of any unvested grants made to an executive officer if:

- (i) the amount of the bonus or incentive compensation received by the member of management was calculated based upon, or contingent on, the achievement of certain financial results that were subsequently the subject of or affected by a restatement of all or a portion of the Corporation's financial statements;
- (ii) the member of management engaged in gross negligence, intentional misconduct or fraud that caused or partially caused the need for the restatement; and
- (iii) the bonus or incentive compensation payment received by the member of management would have been lower had the financial results been properly reported.

In these circumstances, the Board of Directors has the discretion to require from the member of management recovery of all or a portion of any incentive compensation paid up to three years preceeding the date the Corporation had to proceed with a restatement of its financial statements.

Guidelines Extending the Options Holding Period

In order to align senior executives' interests more closely with those of the shareholders and to focus on long-term corporate performance, the Corporation's Human Resources and Compensation Committee has implemented guidelines extending the holding period of options granted to certain executive officers of the Corporation under the existing QI and QMI option plans.

Under these new guidelines adopted by the Corporation, certain designated executive officers are required to hold their options for a minimum of two years following their vesting date. Over this period, any option held by such executive officer that becomes vested under the terms of the applicable plan may not be exercised before the minimum period has elapsed. The guidelines provide for a reduction of the minimum holding period to one year following vesting date for all the options that become vested on or after the executive officer's 59th birthday.

These guidelines, applied to each of the Named Executive Officers, allow to reach similar multiples comparable to those found in the market. By way of illustration, the following table shows the multiple of the salary that the President and Chief Executive Officer of the Corporation will hold over a 10-year period. Thus, as of the second year, the multiple of the salary of the President and Chief Executive Officer reaches 4.5 times his base salary.

Year	3-year grant (% of base salary)	0	1	2	3	4	5	6	7	8	9	10
		675%			675%			675%			675%	
Year 0	Acquisition		225%	225%	225%							
	Exercise				-225%	-225%	-225%					
Year 3	Acquisition					225%	225%	225%				
	Exercise							-225%	-225%	-225%		
Year 6	Acquisition								225%	225%	225%	
	Exercise										-225%	-225%
Year 9	Acquisition											225%
	Exercise											
% of salary held			225%	450%	450%	450%	450%	450%	450%	450%	450%	450%
Multiple of the salary			2.25 X	4.5 X	4.5 X	4.5 X	4.5 X	4.5 X	4.5 X	4.5 X	4.5 X	4.5 X

These guidelines have the benefit of simplicity in daily management for the Corporation, ease of understanding by the Named Executive Officers and the shareholders and allow the alignment of the Named Executive Officers' interests with those of the shareholders, while having an effect comparable to the usual minimum shareholding practices implemented in most companies in the peer group.

The extended holding period of the vested options will apply to all Named Executive Officers for all the options vesting on or after April 1, 2015.

COMMITTEES OF THE BOARD OF DIRECTORS

Corporate Governance and Nominating Committee

In addition to the responsibilities and powers described under section "Selection of candidates to the Board of Directors" of this Circular, the Corporate Governance and Nominating Committee is also responsible for assisting the Board in developing and monitoring the Corporation's corporate governance practices. The Committee presents to the Board of Directors, on a regular basis, its recommendations for improving the Corporation's corporate governance practices.

All the minutes of the Corporate Governance and Nominating Committee are submitted to the Board of Directors of the Corporation for information, and the Committee Chair also reports to the Board of Directors on its activities. A copy of the Committee's mandate setting out its responsibilities, powers and functioning is available on the Corporation's Website at www.quebecor.com.

In 2014, the Corporate Governance and Nominating Committee was composed exclusively of independent directors, namely:

Chair: Sylvie Lalande ⁽¹⁾
Members: Pierre Laurin
Geneviève Marcon ⁽²⁾

⁽¹⁾ Sylvie Lalande has been appointed Chair of the committee on June 19, 2014, in replacement of Pierre Laurin who is still a member of the committee.

⁽²⁾ Since June 19, 2014, in replacement of Françoise Bertrand who was also independent.

Human Resources and Compensation Committee

Please refer to section entitled "Compensation of Executive Officers – Human Resources and Compensation Committee" of this Circular which gives details on the composition of the committee and its mandate.

A copy of the Human Resources and Compensation Committee's mandate is available on the Corporation's Website at www.quebecor.com.

Audit Committee

The Audit Committee assists the Board of Directors in overseeing the financial controls and reporting of the Corporation. The Audit Committee also oversees the Corporation's compliance with financial covenants and legal and regulatory requirements governing financial reporting matters and financial risk management.

In 2014, the Audit Committee was composed exclusively of independent directors, namely:

Chair: Jean La Couture
Members: A. Michel Lavigne
Normand Provost ⁽¹⁾

⁽¹⁾ Since June 19, 2014, in replacement of Pierre Laurin who was also independent.

All the minutes of the Audit Committee are submitted to the Board of Directors of the Corporation for information, and the Committee Chair also reports to the Board of Directors on its activities. A copy of the mandate of the Audit Committee is available on the Corporation's Website at www.quebecor.com. Please see the Audit Committee report below for the main achievements of the Committee in 2014.

The Corporation hereby incorporates by reference the additional information on its Audit Committee set out in the Annual Information Form for the fiscal year ended December 31, 2014. The Annual Information Form is available under the Corporation's SEDAR profile at www.sedar.com and on the Corporation's Website at www.quebecor.com.

ASSESSMENT

The mandate of the Board of Directors provides that it has the responsibility for assessing the committees. Thus, each year, each Committee Chair reports to the Board of Directors on the work carried out during the most recently completed financial year and provides the Board of Directors with a certification indicating whether or not the committee has covered the required elements of the working plan resulting from its mandate.

It is the responsibility of the Vice Chair of the Board and Lead Director to assess the contribution of each director through individual meetings. At those meetings, the Vice Chair of the Board and Lead Director 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 Chair of the Board and to the Board of Directors each year. Moreover, annually the Board of Directors collegially assesses the Chair of the Board and the Vice Chair of the Board and Lead Director in an in camera meeting.

V. AUDIT COMMITTEE REPORT

Mandate

The Audit Committee assists the Board of Directors in overseeing the financial controls and reporting. The Committee also oversees the Corporation's compliance with financial covenants as well as legal and regulatory requirements governing financial disclosure matters and financial risk management. For more information on the Audit Committee, including its mandate, please refer to the « Audit Committee » section in the Annual Information Form for the year ended December 31, 2014, filed under the Corporation's profile on SEDAR at www.sedar.com.

Members

The current members of the Committee are Mr. Jean La Couture, Chair of the Committee and Messrs A. Michel Lavigne and Normand Provost. Each member of the Committee is independent and financially literate within the meaning of the regulations of the Canadian Securities Authorities and may be designated as financial expert within the rules of the United States Securities and Exchange Commission.

Additional information regarding the experience of each of the Committee members is contained in the Annual Information Form of the Corporation for the year ended December 31, 2014.

Meetings

The Committee meets at least once each quarter and reports on its activities to the Board. Activities reviewed are described in its mandate and annual work plan. At each quarterly meeting, the Committee has the opportunity to meet separately in-camera with each of the Chief Financial Officer, the Internal Auditor and the external auditors. In addition, it holds an in-camera session without Management present at each meeting. The Committee held five meetings in 2014.

2014 Highlights

The following sets forth highlights of the actions taken by the Committee in 2014.

Financial Reporting

- The Committee attended presentations from the Corporation's Chief Financial Officer and made inquiries related to the quarterly and annual financial performance and operating results of the Corporation, including its reporting segments, relative to results in prior periods.
- Reviewed with Management and the external auditor the quality and the acceptability of the Corporation's accounting policies and any changes proposed thereto, including (i) all major accounting policies and practices used, (ii) any alternative treatments of financial information that have been discussed with Management, the impact of their use and the treatment recommended by the external auditor, and (iii) the disclosure and impact of contingencies and the reasonableness of the provisions, reserves and estimates that may have a material impact on financial reporting.
- Reviewed and discussed with the Chief Executive Officer and the Chief Financial Officer their readiness to certify the annual financial statements and related disclosure material, as required under the *Sarbanes-Oxley Act (SOX)*, and the interim and annual financial statements and related disclosure materials, as required under Canadian securities legislation.
- Reviewed with Management and the external auditor the annual audited consolidated financial statements and quarterly unaudited consolidated financial statements of the Corporation and its subsidiaries, and obtained explanations from Management on all significant variances with comparative periods, before recommending their approval to the Board and their public release, including related press releases and Management's discussion and analysis.
- Reviewed and recommended to the Board for approval key securities filings that contain financial information, including the Annual Information Form and Form 20-F and their release or filing with the appropriate regulatory authorities.

External Auditor

- The Committee oversaw the work of the external auditor.
- Reviewed and approved the annual audit plan.
- Met quarterly with the representatives of the external auditor without Management present.
- Recommended to the Board of Directors to submit the appointment of the external auditor to the vote of shareholders for the next year. Such recommendation being made after consideration of various elements, including the assessment of the professional qualifications of the partner in charge and his team, as well as the quality of the exchanges and discussions held with the representatives of the external auditor during the year.
- Reviewed and set the compensation of the external auditor.
- Reviewed and pre-approved all audit services and pre-approved all non-audit services that may be provided to the Corporation and its subsidiaries by the external auditor.
- Developed with Management the implementation of a new complete and thorough assessment of the external auditor every five years.

Disclosure Controls and Procedures, Internal Control and Risk Management

- The Committee reviewed the internal audit program, its scope and capacity to ensure the effectiveness of the systems of internal control and financial reporting accuracy.
- Reviewed quarterly reports on internal audit activities.
- Reviewed the management of the significant operational risks of the Corporation and its main subsidiaries.
- Reviewed internal audit's evaluation of the Corporation's disclosure controls and internal control systems and risk mitigation progress.
- Met regularly with the Internal Auditor without Management present.
- Received briefings from Management regarding key audit report followups.
- Reviewed quarterly the results of the cascading certifications by key stakeholders in the financial reporting and disclosure controls processes to provide reasonable assurance to the Chief Executive Officer and the Chief Financial Officer.
- Considered reports on litigation from the Chief Legal Officer and on matters relating to compliance with laws and regulations.
- Received and considered quarterly reports regarding the receipt, investigation and treatment of whistleblower, ethics and internal control complaints.

Other Items Reviewed by the Audit Committee

- The Committee reviewed the Committee's mandate, approved minor amendments thereto, for further recommendation to the Board for approval.
- Reviewed and approved the Committee's annual work plan.
- Reviewed certain business sectors and subsidiaries of the Corporation which do not have their own audit committee.
- Reviewed and oversaw the pension plans of QMI and its subsidiaries.

- Reviewed the new clawback policy for certain members of senior management of the Corporation.
- Reviewed all related party transactions and, annually, the inter-company sharing of management fees.

The Audit Committee

Jean La Couture
A. Michel Lavigne
Normand Provost

VI. COMPENSATION OF EXECUTIVE OFFICERS

HUMAN RESOURCES AND COMPENSATION COMMITTEE

Composition of the Human Resources and Compensation Committee

On January 16, 2015, the Compensation Committee of the Corporation was renamed Human Resources and Compensation Committee. The Human Resources and Compensation Committee is comprised of three independent directors, being A. Michel Lavigne, Chair, Sylvie Lalande and Pierre Laurin. On the basis of their professional background, education and involvement on a Board of Directors, all members are sufficiently experienced in matters relating to human resources.

Mr. Lavigne was President and Chief Executive Officer of Raymond Chabot Grant Thornton for many years and as such has the relevant experience in managing and monitoring compensation programs including performance assessment and compensation structures. In addition, Mr. Lavigne is a corporate director since many years, Chair of the Pension Committee of Canada Post Corporation and a member of the Human Resources and Corporate Governance of TVA Group Inc.

For her part, Ms. Lalande has held several management positions that led her to monitor various aspects of executive compensation. Ms. Lalande is also Chair of the Corporate Governance and Human Resources Committee of Ovivo Inc. (previously GLV Inc.), and is also Chair of the Human Resources and Corporate Governance Committee of TVA Group Inc. In addition, she attended the Corporate Governance University Certification Program of the *Collège des administrateurs de sociétés* with respect to various topics relating to talent management and executive compensation as well as the governance program relating to pension plans.

As for Mr. Laurin, he was a teacher of business policy at HEC Montreal in addition to leading this institution for several years. For more than 10 years, Mr. Laurin was Chair of the Board of Directors of Atrium Innovations to which its compensation committee reported.

At the Meeting, members of the Human Resources and Compensation Committee will be available to answer questions or address shareholders' concerns about compensation.

Mandate of the Human Resources and Compensation Committee

Among the Human Resources and Compensation Committee's responsibilities, the following are included:

- a) review annually the succession plan of senior management;
- b) recommend to the Board of Directors the appointment of senior management of the Corporation and approve the terms and conditions of their hiring, retirement or termination;
- c) review annually the objectives that the Chief Executive Officer is expected to reach, evaluate him in light of those objectives and other factors deemed relevant by the Human Resources and Compensation Committee, report annually to the Board of Directors on the results of their evaluation and recommend the Chief Executive Officer's total compensation and overall objectives to the Board of Directors;

- d) after consultation with the Chief Executive Officer and the Chair of the Audit Committee of the Corporation, review the performance assessment of the Chief Financial Officer and recommend his overall compensation to the Board of Directors;
- e) determine grants of stock options under the Corporation's stock option plan and make appropriate recommendations to the Board of Directors;
- f) ensure that the Corporation has a competitive compensation structure so as to attract, motivate and retain qualified individuals that the Corporation requires to meet its business objectives.
- g) ensure that the policies and compensation programs in place do not encourage executives to take excessive risks or make profitable short-term decisions that could undermine the long-term viability of the Corporation.

The Human Resources and Compensation Committee carries out its mandate within the parameters of compensation policies implemented by the Corporation which provide a framework for the overall compensation structure described in the next section.

Succession Plan

Annually, the Human Resources and Compensation Committee reviews and analyzes the succession plan prepared by the Corporation's management. This succession plan is submitted for each business sector of the Corporation being: telecommunications, media and sports and entertainment. Thus, in order to ensure a high-quality succession plan for the Corporation's senior management positions, the Corporation looks to its entire talent pool to identify the best candidates. The annual succession planning process includes three groups: senior management succession, positions deemed critical by Management and promising candidates and key individuals.

During this process, the individuals occupying critical positions and their potential successors are also analysed thoroughly by the committee. Promising candidates and key individuals are also reviewed and Management ensures that an appropriate development plan is in place for each of them. The succession planning process is implemented in the same manner for all subsidiaries and all levels, to ensure efficient talent management.

Compensation consultants

As stipulated in its mandate, the Human Resources and Compensation Committee has the authority to hire its own external advisors, and approve their compensation thereof, for compensation consulting services for the Named Executive Officers.

Towers Watson has been providing advice on executive compensation for several years concerning primarily the evaluation of the compensation of certain key management executives in the market. The specific market is established with their help in order to reflect individual conditions of each senior executive position.

Almost all of the mandates entrusted to them have been at the request of the Human Resources and Compensation Committee. On very rare occasions, the Corporation has used the services of Towers Watson for mandates concerning the compensation of officers.

The fees paid to Towers Watson during the last two fiscal years were as follows:

Kind of Fees	2014	2013
Executive Compensation – Related Fees	\$11,900	\$49,800
Other Fees	\$ —	\$ —

COMPENSATION ANALYSIS

Compensation principles

The Corporation and its subsidiaries want to attract and retain key talent to carry out their business mission. They believe that performance and competencies are fundamental factors for the salary progression of their employees and the determination of their overall compensation.

To that end, they rely on a global compensation structure that ensures:

Internal equity	Determines the relative value of positions and their classification in the salary structure, which meets pay equity requirements.
External equity	Offers compensation that is commensurate with that offered for equivalent positions in the reference market.
Individual equity	Considers the employee's individual performance and contribution in the determination of individual salaries.

In concordance with the aggregate compensation package, the compensation policy and practices target the objectives described below.

Objectives of compensation plans

An employee's overall remuneration goes beyond the base salary paid. It includes a series of components forming a compensation package, all aspects of which must be taken into account, for both the employee and the Corporation. Compensation for the two persons who acted during the year as President and Chief Executive Officer of the Corporation, the Chief Financial Officer and the other three most highly compensated executives in the Corporation who held their positions as at December 31, 2014 (collectively, the "**Named Executive Officers**") may consist of one or more of the following components from which the objective of compensation differs from one another:

	Components	Reasons
Direct Compensation	Base salary	<ul style="list-style-type: none">• Attract, retain, motivate and provide financial security.
	Short-term Incentive (bonus)	<ul style="list-style-type: none">• Motivate to achieve strategic objectives and business priorities.• Assign accountability to senior executives for the achievement of financial and strategic objectives.
	Mid-term Incentive	<ul style="list-style-type: none">• Act as a retention element.• Link compensation with the implementation of key elements of the strategic plans pertaining to certain groups of the Corporation.
	Long-term Incentive (Stock Option Plan)	<ul style="list-style-type: none">• Motivate to achieve strategic objectives and business priorities.• Render senior executives accountable for the achievement of financial objectives year after year.• Target the focus of executives on the Corporation's long-term strategic objectives.• Align executive interests with those of the shareholders.

	Components	Reasons
Indirect Compensation	Benefits (including pension)	<ul style="list-style-type: none"> Promote employee health and well-being (financial and physical). Provide financial security for retirement.
	Perquisites	<ul style="list-style-type: none"> Attract and retain talent. Offer competitive benefits.

Direct compensation (base salary, short, medium and long-term incentives) is established by taking into account the reference market, the positioning desired by the Corporation, the employee's performance as well as the financial resources of the Corporation. Towers Watson, the consultant specialized in compensation, participated in the determination of the selection criteria in order to establish comparison groups, thus creating reliable and personalized reference markets which were approved by the Human Resources and Compensation Committee of the Corporation.

The Human Resources and Compensation Committee considers that the criteria used to establish reference groups allows to evaluate senior executive compensation in companies that are operating in comparable sectors and that have a similar capital structure to that of the Corporation. In 2014, the Human Resources and Compensation Committee reviewed the composition of reference groups on the basis of the criteria established.

The reference group for the President and Chief Executive Officer of the Corporation (the "**President**") is composed of the following corporations:

Corporations	Criteria			
	Sector of activity similar to that of the Corporation or its subsidiaries ⁽¹⁾	Major corporations based in Québec	Canadian corporations with earnings between \$3 and \$6 billion	Multiple Voting Shares
Bell Canada	√			
Bell Media	√			
Bombardier Inc.		√		√
CGI Group Inc.		√		√
Cineplex Inc.	√			
Cirque du Soleil	√	√		
Cogeco Inc.	√	√		√
Corus Entertainment Inc.	√			√
Lions Gate Entertainment Corp.	√			
Manitoba Telecom Services Inc.	√			
Metro Inc.		√		√
Molson Coors Canada Inc.			√	√
Rogers Communications Inc.	√			√
RONA Inc.		√	√	
Saputo Inc.		√		
Shaw Communications Inc.	√		√	√
TELUS Corporation	√			
The Jean Coutu Group (PJC) Inc.		√		√
Thomson Reuters Corporation	√			√
Torstar Corporation	√			√
Transat A.T Inc.		√	√	
Transcontinental Inc.	√	√		√

(1) Telecommunications, broadcasting, newspapers, retail and/or distribution

The reference group for the position of President and Chief Executive Officer of Videotron Ltd. (“**Videotron**”) and of President of Media Group and TVA Group Inc. (“**TVA**”) is composed of the following corporations:

Videotron	Media Group/TVA
Aliant Inc. / Bell Aliant Inc.	Bell Aliant Inc.
Bell Canada	Bell Media
Bell Media	Cogeco Inc.
Cogeco Inc.	Corus Entertainment Inc.
Corus Entertainment Inc.	Glacier Media Inc.
Lions Gate Entertainment Corp.	Lions Gate Entertainment Corp.
Manitoba Telecom Services Inc.	Shaw Communications Inc.
Rogers Communications Inc.	The Score Inc.
Shaw Communications Inc.	Torstar Corporation
TELUS Corporation	

For the Chief Financial Officer and the Chief Legal Officer and Public Affairs of the Corporation, their compensation is established using a regression analysis that estimates the amount of competitive compensation based on the size of the Corporation relative to that of other Canadian corporations.

Objectives of the compensation elements

In support of the Corporation and its subsidiaries to implement and carry out their business strategy, the various compensation components were designed, at first, to reward foremost performance, and secondly to recognize attitude, abilities and skills.

The base salary offers financial security and is competitive within the reference groups. The incentive plans, for their part, aim to reward the achievement of specific objectives, primarily financial, but also strategic in the short, medium and long term.

For short-term incentive plans, although the financial objective based on adjusted operating income¹ is still a major component in the calculation of the various incentive plans, some target strategic objectives have been integrated in order to reward the implementation of specific strategies for each of the Corporation's business sectors. Whether in terms of optimizing the assets portfolio of the Corporation, the development of new promising sectors for the Corporation, the strict cost control and the continuous improvement of customer service, these elements are all criteria that enable the Corporation to create solid foundations for its strategic plan. The objectives are reviewed annually to ensure alignment with new business imperatives.

Mid-term incentive plans were designed to create a direct relationship between compensation paid to executive officers and the achievement of objectives over a three-year cycle. These objectives are specific and based on the business plan of the Corporation or of the group for which the incentive plan was created.

Long-term compensation in the form of stock options allows the Corporation to reach several objectives over a longer period of time. The first objective of this compensation component is to provide an incentive for the participants to take the proper actions, sometimes difficult in the short term, so that the Corporation can carry out its business plan and build for the long term. The second objective of this compensation component is to align the interests of the senior executives with those of the shareholders. In order to demonstrate to certain senior executives the importance the Corporation ascribes to their performance and contribution and to provide an

¹ Adjusted operating income is a financial measure that is not consistent with IFRS. For the definition of this measure and its reconciliation with the financial measure established in accordance with IFRS in the Corporation's financial statements, please refer to management's discussion and analysis for the year ended December 31, 2014, which is available on our Website and on the SEDAR Website at www.sedar.com.

incentive for them to stay with the Corporation for the long term, grants may cover a horizon of more than one year.

Compensation components

The total compensation package offered to senior executives for 2014 has been set in accordance with a “pay-for-performance” philosophy which reflects individual performance, the performance of the business units and that of the enterprise as a whole. It favors:

- alignment of compensation of executives with the interests of the shareholders to maximize their equity over the long term;
- promotion of and compensation for the achievement or overachievement of strategic and financial objectives;
- offering a competitive compensation package to retain and motivate talent.

The various compensation components are described below:

Components	Description	Eligibility
Base salary	<ul style="list-style-type: none"> • Annual cash base compensation commensurate with skills, the level of responsibilities and the reference market. 	All employees
Short-Term Incentive	<ul style="list-style-type: none"> • Bonus plan with targets ranging from 7.5% to 100% of base salary. • Bonus objectives based on the following components: <ul style="list-style-type: none"> • Adjusted operating income (25% to 75%) • Strategic objectives (25% to 75%) • In order for the bonus to be paid, the financial criterion must be achieved at the level set at the beginning of the year. • If the objectives are exceeded, bonus may be increased up to a maximum varying between 1.5x and 2x of target. 	Professionals and senior positions
Mid-Term Incentive	<ul style="list-style-type: none"> • Bonus plan based on a 3-year cycle and payable at the end of the cycle only if all criteria have been achieved. • Bonus represents a percentage of base salary and varies depending on the relative position level within the organization and its strategic impact. • Bonus paid under the Mid-term incentive plans are capped and cannot be increased even if the objectives are surpassed. 	Selected senior executives and executives
Long-Term Incentive	<ul style="list-style-type: none"> • Stock Option Plan of QI and QMI. • Attributed on a % of base salary, calculated based on Black & Scholes value. • The compensation value varies depending on the position occupied within the organization and the impact of the individual's contribution on the financial results and the implementation of the strategy. For details concerning these plans, including horizons and vesting periods, please refer to the section of this Circular entitled « Equity Compensation Plans ». 	Senior executives and executives
Benefits	<ul style="list-style-type: none"> • Flexible benefits. • Complete annual medical exam for senior executives. 	All employees
Pension	<ul style="list-style-type: none"> • Pension plan may differ among subsidiaries. 	Majority of employees
Perquisites	<ul style="list-style-type: none"> • Company car or car allocation. 	Senior executives and executives

The relationship between each of the compensation components are taken into account in establishing the parameters of the compensation policy. The relative weight of each component varies based on the employee's rank and type of position within the organization. In general, the more senior the position, the greater the portion of compensation that is variable, thereby creating a direct link between the degree of influence exercised by the senior executive and strategic objectives. If it deems appropriate, the Human Resources and Compensation Committee may enhance any of the components to reward a promotion, retain an employee, in recognition of service, or to balance out the other compensation components.

No policy prevents the Human Resources and Compensation Committee from awarding or recommending a bonus to the Board of Directors, as the case may be, even if the performance objective has not been reached or from increasing or decreasing an award or payment. In this regard, the Human Resources and Compensation Committee decided in 2014 to enhance the compensation of certain senior executives by exercising its discretionary power to reflect their exceptional contribution and the large volume of work in connection with the completion of multiple sale and acquisition transactions during the year.

Risk assessment in establishing the elements of compensation

To remain competitive and to encourage the Named Executive Officers to achieve growth expected by shareholders, it is required that the Corporation be exposed to some level of risk-taking. However, the Human Resources and Compensation Committee ensures that the policies and compensation programs in place do not encourage executives to take excessive risks. It is therefore important that the objectives of senior executives do not encourage them to make profitable short-term decisions that could undermine the long-term viability of the Corporation.

Firstly, short-term incentive plans applicable to the Corporation and its subsidiaries are capped at a maximum.

Secondly, in order to ensure that senior executives act in the best interests of the Corporation in the long-term, the Human Resources and Compensation Committee ensures that a portion of compensation is also based on mid- and long-term goals. This translates into the establishment of a three-year incentive plan and by the granting of stock options of the Corporation and of its subsidiaries. This part of compensation depends on the price of the Corporation's shares within an organized market, the TSX, or an assessment by an independent third party. Stock options are subject to vesting periods restricting the exercise of such options. New guidelines will come into force effective April 1st, 2015 extending the holding period of options granted to Named Executive Officers. Those guidelines are described under section "IV. Statement of Corporate Governance Practices – Ethical Business Conduct and Various Internal Policies" of this Circular.

Further to the analysis performed by the Corporate Governance and Nominating Committee, the Human Resources and Compensation Committee and the Audit Committee have recommended to the Board of Directors the implementation of a clawback policy for certain senior executives of the Corporation should a restatement of the financial statements becomes necessary. This policy was approved by the Board of Directors and came into force on January 1st, 2015. This policy is more fully described under section "IV. Statement of Corporate Governance Practices" of this Circular.

Moreover, although the Board of Directors has not adopted a policy prohibiting insiders from buying financial instruments or derivatives to protect against fluctuations in the price of the Corporation's shares which they hold, the Corporation is not aware of any insider who has concluded any such transactions.

Compensation of the President and Chief Executive Officer

Following the departure of Robert Dépatie, on April 28, 2014, Pierre Dion, former President and Chief Executive Officer of TVA, was appointed President and Chief Executive Officer of the Corporation and of QMI. His compensation was reviewed to reflect the major changes in his responsibilities. The compensation related to the position of President had been evaluated by Towers Watson at the time of Robert Dépatie's appointment and was considered by the Human Resources and Compensation Committee to be still up to date and appropriate. In light of these results and in accordance with the objectives described in "Objectives of the compensation elements", the Human Resources and Compensation Committee made recommendations to the Board of Directors to adjust Pierre Dion's compensation.

Consequently, since April 28, 2014, Pierre Dion's compensation is composed of:

- A base salary of \$1,300,000.
- An annual bonus plan equivalent to 100% of his base salary, up to a maximum of 200% of his base salary. The objectives are both financial and strategic in a proportion of 67% and 33%.

- A medium-term incentive plan equivalent to 200% of his base salary, payable at the end of a three-year cycle, depending on achievement of defined objectives.
- A long-term incentive plan under which stock options of the Corporation were granted to him for an annual compensation value equivalent to 225% of his base salary. In addition, Mr. Dion is required to hold his options for a minimum of two years following their vesting date pursuant to the guidelines described under section “IV. Statement of Corporate Governance Practices - Ethical Business Conduct and Various Internal Policies” of this Circular.

The largest portion of his compensation, over 75%, is at risk and could be nil if the objectives that have been set for him are not achieved.

Pursuant to the bonus rules for 2014 and the level of achievement of the objectives, Pierre Dion was granted a bonus representing 153% of the target bonus established, prorated to the accrued period at TVA and QI, namely four months on the objectives established at TVA and eight months according to QI's financial and strategic objectives.

Since the financial objectives were not achieved at TVA, no bonus was payable for the four months accrued at TVA.

For the bonus payable by QI, the weighting of the financial objectives is 67% on reaching QI's adjusted operating income, which was reached at 101.48% for a multiplying factor of 130%. The strategic objectives, which represent 33% in terms of weighting, are related to reaching key stages of the strategic plan (i.e. continuous review of Quebecor's portfolio to favour growth for shareholders, development of the structure of the Quebec City Arena) and were considered by the Board of Directors to be reached at 200%.

In recognition of the fact that Pierre Dion, since taking office on April 28, 2014, showed exceptional leadership as President and Chief Executive Officer of the Corporation following the departure of his predecessor, the Board of Directors of the Corporation, on a recommendation of the Human Resources and Compensation Committee, approved the payment of a discretionary bonus to Pierre Dion. This bonus was calculated according to the achievement of the Corporation's objectives, applied according to the salary conditions and bonus terms in force at TVA for the first four months of the year. Indeed, by his exceptional qualities, Pierre Dion quickly rallied the members of his executive team to his leadership and greatly contributed to the Corporation's success over the past year, while continuing to assume the role of Interim President and Chief Executive Officer of TVA until July 2014.

The table presented in “Method for determining compensation for the year 2014”, which is reproduced below, indicates the details regarding the objectives established pursuant to each of the plans and the amount payable for the year 2014 according to the results achieved.

Compensation of the former President and Chief Executive Officer

On April 28, 2014, Mr. Robert Dépatie has announced his decision to retire from the Corporation. In recognition of his exceptional contribution to the success of the Corporation, an agreement was reached with him taking into account a variety of relevant factors, including his employment contract, and provides for the payment of a total amount of \$7,800,000. This agreement was ratified by the Board of Directors of the Corporation.

Method for determining compensation for the year 2014

The compensation for the Named Executive Officers is established by the Human Resources and Compensation Committee, except, as stated above, for the President and for the Chief Financial Officer of the Corporation whose compensation is subsequently approved by the Board of Directors of the Corporation. The Compensation for the President and Chief Executive Officer of TVA is established by TVA's Human Resources and Corporate Governance Committee and approved by TVA's Board of Directors.

The various elements of compensation are described hereafter:

	Pierre Dion	Jean-François Pruneau	Manon Brouillette	Julie Tremblay	Marc M. Tremblay
Base Salary	75 th percentile	75 th percentile	75 th percentile	50 th percentile	50 th percentile
Short-Term Incentive	Market positioning				
	50 th percentile	50 th percentile	50 th percentile	50 th percentile	50 th percentile
	Target bonus (% of base salary)				
	80% for his role as President and Chief Executive Officer of TVA and 100% for his role as President and Chief Executive Officer of the Corporation and of QMI.	50%	80%	50% for her role as President and Chief Executive Officer of Sun Media Corporation and 80% for her role as President and Chief Executive Officer of Media Group and of TVA.	45%
	Objectives				

	Pierre Dion	Jean-François Pruneau	Manon Brouillette	Julie Tremblay	Marc M. Tremblay
	<p>Bonus prorated to the accrued period at TVA and QMI:</p> <p>i) First 4 months of 2014 according to the bonus plan in force at TVA. No bonus was paid since the budgeted and adjusted operating income of TVA was not reached.</p> <p>ii) 8 months of 2014 according to the following QMI weightings and objectives :</p> <p>67% on reaching budgeted and adjusted operating income of the Corporation (reached at 101.48% for a multiplying factor of 130%).</p> <p>33% upon reaching strategic objectives, such as the continuous review of Quebecor's portfolio to favour growth for shareholders and the development of the structure of the Québec City Arena (reached at 200%).</p> <p>Moreover, a discretionary amount of \$197,185 was paid, equivalent to reaching QMI's budgeted adjusted operating income, applied to the salary conditions and bonus terms in force at TVA during the first four months of the year.</p>	<p>75% on reaching budgeted and adjusted operating income of QMI (reached at 101.48% for a multiplying factor of 117.8%).</p> <p>25% on objectives which are related to: (i) the implementation of processes aimed to optimize corporate and capital structures; and (ii) his strategic involvement in the negotiation of acquisitions, divestitures and partnership projects (reached at 160%).</p> <p>Jean-François Pruneau had an exceptional year as Chief Financial Officer of the Corporation, due to the completion, <i>inter alia</i>, of multiple sale and acquisition transactions. To this effect, a discretionary amount of \$260,000 was paid.</p>	<p>65% on reaching budgeted and adjusted operating income of Videotron (reached at 102.42% for a multiplying factor of 130%).</p> <p>35% is based on the objectives related to (i) reaching budgeted revenue for the different products and (ii) customer satisfaction (reached at 180%).</p>	<p>Since Julie Tremblay still held the position of President and Chief Executive Officer of Sun Media Corporation as of December 31, 2014, it was agreed upon her appointment to grant her bonus for the entire year 2014, based on the conditions established under the bonus plan in force at Sun Media Corporation:</p> <p>50% on reaching budgeted and adjusted operating income of Sun Media Corporation (reached at 111% for a multiplying factor of 160%).</p> <p>50% is based on the achievement of strategic objectives, such as the development of new mobile products and the analysis of newspaper market consolidation opportunities (reached at 130%).</p> <p>Moreover, an additional amount of \$120,000 was paid in accordance with the conditions provided in her contract of employment for her role as President and Chief Executive Officer of TVA. This amount was related to the achievement of strategic objectives such as rallying the executives to the new leadership, implementing a new organizational structure, and preparing an action plan for the national sales structure.</p>	<p>75% on reaching budgeted and adjusted operating income of QMI (reached at 101.48% for a multiplying factor of 117.8%).</p> <p>25% is based on the objectives related to (i) control of the legal costs for the Corporation as a whole; and (ii) the establishment of sound governance policies in the three sectors under her responsibility (reached at 160%).</p> <p>Marc M. Tremblay had an exceptional year as Chief Legal Officer of the Corporation, due to the completion, <i>inter alia</i>, of multiple sale and acquisition transactions. To this effect, a discretionary amount of \$170,000 was paid.</p>
	Bonus paid (% of target bonus) except for discretionary bonus				
	153%	128%	148%	145%	128%

	Pierre Dion	Jean-François Pruneau	Manon Brouillette	Julie Tremblay	Marc M. Tremblay
Mid-Term Incentive	% of base salary				
	200%	50%	100%	50%	n/a
	Objectives				
	<p>Increase in Class B Shares price calculated at the beginning and at the end of the 3-year cycle.</p> <p>Maintain or improve the debt/adjusted operating income ratio calculated at the beginning and at the end of the 3-year cycle.</p>	<p>Increase in Class B Shares price calculated at the beginning and at the end of the 3-year cycle.</p> <p>Maintain or improve the debt/adjusted operating income ratio calculated at the beginning and at the end of the 3-year cycle.</p>	<p>Achievement of cumulative strategic plan objectives over a 3-year period:</p> <p>60% on objectives established on operating income of Videotron.</p> <p>40% on increase in free cash flows.</p>	<p>Achievement of cumulative objectives over a 3-year period:</p> <p>60% on objectives established on adjusted operating income under her responsibility.</p> <p>40% on increase in free cash flows.</p>	
	Payment				
	<p>First cycle started in 2014 for 2014, 2015 and 2016.</p> <p>First payment of target bonus will be in 2017 if cumulative objectives as at December 31, 2016 are reached.</p> <p>Each year a new cycle starts and the bonus will be payable at the end of the 3-year cycle if cumulative objectives for the entire cycle were achieved.</p>	<p>First cycle started in 2013 for 2013, 2014 and 2015. First payment of target bonus will be in 2016 if cumulative objectives as at December 31, 2015 are reached.</p> <p>A new cycle started in 2014 for the years 2014, 2015 and 2016 with payment of target bonus after the 3-year cycle, being 2017, if cumulative objectives are achieved as at December 31, 2016.</p> <p>Each year a new cycle starts and the bonus will be payable at the end of the 3-year cycle if cumulative objectives for the entire cycle are achieved.</p>	<p>Payment for the first year of the cycle after the 3-year cycle.</p> <p>The bonus is payable over a 3-year period at the end of the 3-year cycle if cumulative objectives for the entire cycle are achieved.</p> <p>The objectives giving rise to a bonus payment for 2014 were considered as being reached.</p>	<p>First cycle started in 2014 for 2014, 2015 and 2016.</p> <p>First payment of target bonus will be in 2017 if cumulative objectives as at December 31, 2016 are reached.</p> <p>Each year a new cycle starts and the bonus will be payable at the end of the 3-year cycle if cumulative objectives for the entire cycle are achieved.</p>	

	Pierre Dion	Jean-François Pruneau	Manon Brouillette	Julie Tremblay	Marc M. Tremblay
Long-Term Incentive	Market positioning				
	75 th percentile (combined mid-term and long-term incentives).	Adjusted such that direct compensation represents the 60 th percentile.	Adjusted such that direct compensation represents the 75 th percentile.	Adjusted such that direct compensation represents the 75 th percentile.	Adjusted such that direct compensation represents the 60 th percentile.
	Grant				
	<p>A 3-year horizon grant of 870,000 options pursuant to the Stock Option Plan of the Corporation, at an exercise price of \$25.9344, representing an annual compensation value estimated at 225% of base salary.</p> <p>The options vest over a 3-year period, with the obligation however to keep all options that become vested for an additional period of two years from the vesting thereof.</p>	No options were granted in 2014 since the last grant of options of the Corporation was in 2013 with a 3-year horizon which therefore covered 2014. The annual compensation value was estimated at 200% of the base salary.	<p>A 3-year horizon grant of 50,000 options pursuant to the Stock Option Plan of the Corporation, at an exercise price of \$25.4912.</p> <p>QMI options with a 3-year horizon were granted in 2013 and were therefore covering 2014. The annual compensation value was estimated at 100% of the base salary.</p>	<p>A one-year horizon grant of 30,000 options pursuant to the Stock Option Plan of TVA, at an exercise price of \$8.90.</p> <p>QMI options with a 3-year horizon were granted in 2013 and were therefore covering 2014. The annual compensation value was estimated at 160% of the base salary.</p>	<p>A 3-year horizon grant of 90,000 options pursuant to the Stock Option Plan of the Corporation, at an exercise price of \$30.2366, representing an annual compensation value estimated at 70% of the base salary.</p> <p>QMI options with a 3-year horizon were granted in 2013 and were therefore covering 2014. The annual compensation value was estimated at 115% of the base salary.</p>

Disclosure of the performance objectives would seriously prejudice the Corporation's interests in the extremely competitive sector in which it operates. This is why the Corporation is taking advantage of an exemption under the applicable securities legislation from the obligation to disclose these objectives. Indeed, the adjusted operating income objectives set by the Corporation account for various sensitive strategic factors that cannot be disclosed without prejudice to the Corporation's interests.

The performance objectives set and approved by the Human Resources and Corporate Governance Committee are sufficiently ambitious and difficult to reach to be in line with the philosophy that bonuses are tied to performance. The following table shows the percentage of total compensation of each of the Named Executive Officers that relates to objectives that were partially disclosed.

	Pierre Dion	Jean-François Pruneau	Manon Brouillette	Julie Tremblay	Marc M. Tremblay
% of compensation related to objectives partially disclosed	12%	29%	53%	38%	14%

Potential payment in the event of termination

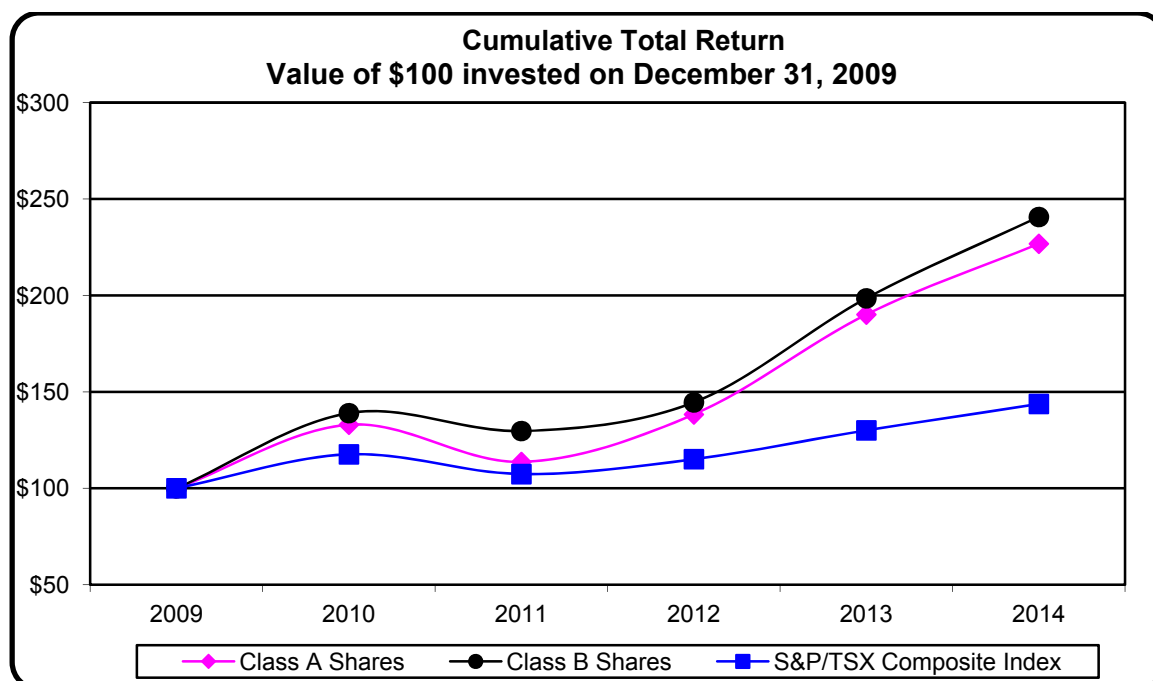
The Corporation has entered into employment agreements with some of its Named Executive Officers. Each agreement is individually formulated and no single policy applies to everyone. However, as a result of the Corporation's usual practices in favour of harmonization and internal equity, the Corporation is in the process of harmonizing the termination provisions of its Named Executive Officers. The indemnity provisions indicated in the following table are those currently in force.

Name	Agreement	Potential # of Months of severance	Non-solicitation, non-compete and confidentiality agreements	Severance Value
Pierre Dion	Termination by the Corporation, except for cause, and in case of change of control.	<ul style="list-style-type: none"> ➤ 24 months of base salary. ➤ Target bonus for the time period covered. ➤ Mid-term incentive – objectives considered reached on a prorata basis. 	24 months	\$5,200,000 (excluding mid-term incentive)
Jean-François Pruneau	Termination by the Corporation, except for cause.	<ul style="list-style-type: none"> ➤ 18 months of base salary. ➤ Accelerated vesting of the 300,000 options of the Corporation granted on May 16, 2013. ➤ Mid-term incentive – objectives considered reached on a prorata basis only for the first cycle ending on December 31, 2015. 	12 months	\$735,000 (excluding value of stock options and mid-term incentive)
Manon Brouillette	Termination by Videotron, except for cause.	15 months of base salary.	12 months	\$975,000
Julie Tremblay	No termination clause is stipulated in the contract.	—	—	—
Marc M. Tremblay	Termination by the Corporation, except for cause.	18 months of base salary.	12 months	\$657,000 \$

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 Corporation as compared to the S&P/TSX Composite Index.

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



	2009	2010	2011	2012	2013	2014
Class A Shares	\$100	\$133	\$114	\$138	\$190	\$227
Class B Shares	\$100	\$139	\$130	\$145	\$199	\$241
S&P/TSX Composite Index	\$100	\$118	\$107	\$115	\$130	\$144

Although it may take it into account in its evaluation, the Corporation's Human Resources and Compensation Committee does not base its compensation decisions only on the trading price of the shares on the Toronto Stock Exchange. The Committee believes that the trading price is also affected by external factors on which the Corporation has little control and which do not necessarily reflect the Corporation's performance.

Furthermore, since the Corporation is a holding company which operates through its various subsidiaries, the Named Executive Officers' compensation is based on the results of the respective business units led by each of them. In return, the market price of the Corporation's share on the Toronto Stock Exchange reflects the results of the Corporation on a consolidated basis. Therefore, the share price performance alone cannot be taken into account to draw appropriate conclusions with respect to the Named Executive Officers' compensation.

Finally, a portion of the Named Executive Officers' aggregate compensation, as shown on the Summary Compensation Table, is composed of stock options. Accordingly, long-term compensation for the Named Executive Officers is largely dependent on the trading prices for the Corporation's shares and the value of QMI's shares. Therefore, the actual level of these executives' compensation is closely linked to the performance of the Corporation's and of QMI's shares for the shareholders.

EQUITY COMPENSATION PLANS

Stock Option Plan of the Corporation

The Corporation has a stock option plan for the officers, senior employees and key employees of the Corporation and of its subsidiaries (the “Plan”) which entitles them to benefit from the appreciation in value of the Corporation’s Class B Shares. The Plan provides for the grant of options for the purchase of a maximum of 13,000,000 Class B Shares, being 10.58% of the issued and outstanding Class A and Class B Shares as at December 31, 2014. As of the date hereof, 12,080,304 Class B Shares, being 9.8% of the outstanding Class A and Class B Shares are still reserved under the Plan with the Toronto Stock Exchange.

The Board of Directors, upon the recommendation of the Human Resources and Compensation Committee, administers the Plan, designates the recipients of options and determines 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, on the positioning to the market, and on the optionee’s level of responsibility. The Board of Directors ratifies the recommendations made by Management or makes modifications it deems appropriate. Previous grants are taken into account and market conditions are analyzed.

The exercise price of each Class B Share underlying 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.

At the time of exercise of his option, an optionee may either (i) elect to subscribe for the number of Class B Shares in respect of which the option is exercised or (ii) elect to receive from the Corporation a cash payment equal to the number of shares in respect of which the option is exercised multiplied by the amount by which the market value exceeds the purchase price of the shares underlying such option. The market value is defined as the weighted average trading price of the Class B Shares on the Toronto Stock Exchange on the five trading days immediately preceeding the day of exercise of such option. If an optionee decides to receive a cash payment from the Corporation upon the exercise of his option, then the number of underlying Class B Shares covered by the option will once again become available under the Plan.

Options usually vest as follows: 1/3 after one year, 2/3 after two years, and 100% three years after the date of grant. The Board of Directors of the Corporation, may, at its discretion, affix different vesting periods at the time of each grant. Each option may be exercised during a period not exceeding 10 years from the date granted.

No optionee may hold options covering more than 5% of the outstanding shares of the Corporation. All options granted are non-transferable.

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

- Immediately in the case of termination for a serious cause;
- 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 Corporation may, at any time, with the prior approval of the Toronto Stock Exchange, amend or terminate the Plan in whole or in part, subject to the rights of holders of options already granted under the Plan but not yet exercised. The approval of the shareholders of the Corporation is required when amendments are made to the Plan.

Even though the Plan allows an optionee, at the time of exercise of his option, to request a loan from the Corporation for an amount not exceeding 50% of the aggregate purchase price of the shares in respect of which the option is being exercised, the Corporation has never provided financial assistance to optionees for the exercise of their options.

During the fiscal year ended December 31, 2014, options granting the right to acquire 1,010,000 shares were granted, being 0.8% of the issued and outstanding Class A and Class B Shares as at December 31, 2104, and no shares have been issued upon the exercise of stock options. As of the date hereof, 1,310,000 options were outstanding, being 1.1% of the issued and outstanding Class A and Class B Shares.

The following table gives information with regards to the Corporation's equity compensation plan as of December 31, 2014.

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 Corporation	1,310,000 (or 1.6% of the number of Class B Shares issued and outstanding)	\$25.36	10,770,304 (or 12.8% of the number of Class B Shares issued and outstanding)
Equity Compensation Plans Not Approved by Securityholders:	-	-	-

QMI Stock Option Plan

On January 29, 2002, the Board of Directors of QMI approved the establishment of a stock option plan for officers, senior executives, directors and other key employees of QMI and its subsidiaries (the "QMI Plan") as a long term performance incentive.

In line with the general goal of encouraging the development and growth of QMI, the QMI Plan was initiated to link executive compensation with the long term increase in the value of QMI. In addition, the QMI Plan was also conceived with a view of developing each eligible officer and executive's sense of belonging while strengthening the retention ability of the business. Thus, the QMI Plan enables this corporation to attract new executives and retain existing ones.

Under the QMI Plan, certain eligible officers and executives may be granted options to purchase common shares at a predetermined price and over a specific period of time. The Human Resources and Compensation Committee of QMI, composed of independent directors, is responsible for the administration of the QMI Plan and for designating eligible officers and executives. The QMI Plan is open to employees of QMI and its subsidiaries who occupy executive positions and who have the ability to influence the long-term performance of QMI. As such, eligible officers and executives have been assigned a level according to their position and areas of responsibility, the whole in line with market conditions for similar positions. The number of options which may be granted to eligible officers and executives is determined by the Human Resources and Compensation Committee of QMI in accordance with the level assigned to each executive and officer. The Human Resources and Compensation Committee of QMI ratifies the recommendations made by management or makes the modifications it deems appropriate (except for grants to the President and Chief Executive Officer and to the Chief Financial Officer which are approved by the Board). Previous grants are taken into account and market conditions are analyzed.

Over one hundred eligible officers and executives participate in the plan which is part of the senior executive, officer and senior management compensation program thereby ensuring a competitive compensation in line with that offered by comparable businesses.

A maximum number of 6,180,140 common shares of QMI may be issued under the QMI Plan. 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 an independant expert whose services are retained 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 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. As long as the shares of QMI are not listed on a recognized stock exchange, optionees may exercise their vested options during one of the following period: 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 in each year. In addition, at the time of exercise of an option, optionees have the option, at their discretion, (i) to request to receive the profit from the underlying shares, or (ii) subject to certain conditions, to subscribe to common shares of QMI.

Except under specific circumstances and unless the Human Resources and 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 Human Resources and 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 (1 year horizon);
- (ii) equally over four years with the first 25% vesting on the second anniversary of the date of the grant (3-year horizon – the optionee receives three times the value of its annual grant);
- (iii) equally over three years with the first 33^{1/3}% vesting on the third anniversary of the date of the grant (5-year horizon – the optionee receives five times the value of its annual grant).

The acquisition of options may also be subject to performance criteria.

No optionee may hold options entitling him to purchase more than 5% of the number of common shares of QMI issued and outstanding.

TVA Stock Option Plan

TVA has a stock option plan (the “**TVA Plan**”) which entitles officers of TVA and of its subsidiaries, and its directors, to benefit from the appreciation in value of the TVA's Class B non-voting shares (the “**Class B shares**”). The maximum number of Class B shares that may be issued under the TVA Plan is 2,200,000.

The Human Resources and Corporate Governance Committee of TVA administers the TVA Plan, designates the optionees and determines the expiry date and any other question relating thereto, in each case in accordance with applicable securities legislation. The number of options granted is based on individual merit and depends on the level of responsibility of the optionee. The Human Resources and Corporate Governance Committee ratifies the recommendations made by management or makes the modifications it deems appropriate. Previous grants are taken into account and market conditions are analyzed.

The exercise price of each option may be no less than the closing price of a board lot of Class B shares on the Toronto Stock Exchange on the last trading day before the date of grant. In the absence of a closing price for a board lot of Class B shares on the Toronto Stock Exchange on that day, the exercise price may be no less than the average ask and bid prices of the Class B shares on the Toronto Stock Exchange on that day. At the time of exercising their options, optionees may decide (i) to subscribe for the Class B shares in respect of which the option is being exercised; or (ii) to receive from TVA a cash payment equal to the number of shares corresponding to the number of options exercised, multiplied by the difference between the market value and the exercise price of the shares underlying the option. The market value is defined by the average closing market price of the shares for the five trading days preceding the date on which the option was exercised. If an optionee decides to receive a cash payment from TVA upon the exercise of his option, then the number of underlying Class B shares covered by the option will once again become available under the TVA Plan.

All options granted prior to January 2006 usually vest annually equally over a four-year period with the first 25% vesting on the second anniversary of the date of grant.

Since January 2006, except under specific circumstances and unless the Human Resources and Corporate Governance Committee of TVA decides otherwise at the time of grant, options vest over a five-year period in accordance with one of the following vesting schedules:

- (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 33⅓% vesting on the third anniversary of the date of the grant.

No insider may be granted, within any one year period, options entitling him to purchase more than 5% of the total number of TVA's Class B shares and Class A common shares issued and outstanding from time to time, less shares issued under equity compensation plans during the preceding year.

SUMMARY COMPENSATION TABLE

The following table shows certain selected compensation information for the two persons who acted as President and Chief Executive Officer during the year, as well as the compensation information of the Chief Financial Officer and the three other most highly compensated executive officers of the Corporation during the financial year ended December 31, 2014 for their services rendered during the financial years ended December 31, 2014, 2013 and 2012. The principal position indicated in the summary for each executive officer is as at December 31, 2014.

Name and principal position	Year	Salary (\$)	Option-based awards ¹ (\$)	Non-equity incentive plan compensation (\$)		Pension value ² (\$)	All other compensation ³ (\$)	Total compensation (\$)
				Annual incentive plans	Long-term incentive plans			
Pierre Dion ⁴ President and Chief Executive Officer of the Corporation	2014	1,056,667	8,117,100 ⁵	1,523,971	—	143,500	—	10,841,238
	2013	555,120	2,289,000 ⁶	710,554	—	101,600	—	3,656,274
	2012	555,120	—	395,245	634,048	120,000	—	1,704,413
Robert Dépatie ⁷ Ex-President and Chief Executive Officer of the Corporation	2014	450,000	—	—	—	125,400	7,800,000 ⁸	8,375,400
	2013	1,200,000	8,820,000	1,706,447	2,200,000	894,700	—	14,821,147
	2012	1,000,000	—	1,450,000	1,933,333	138,500	—	4,521,833
Jean-François Pruneau Senior Vice-President and Chief Financial Officer of the Corporation	2014	455,961	—	552,581	—	17,600	—	1,026,142
	2013	400,000	2,205,000 ⁵	266,710	—	20,000	—	2,891,710
	2012	375,000	276,000 ⁹	216,998	—	15,500	—	883,498
Manon Brouillette President and Chief Executive Officer Vidéotron	2014	725,000	448,000 ⁵	855,500	494,641	22,400	—	2,545,541
	2013	540,000	1,799,995 ⁶	651,300	328,116	25,700	—	3,345,111
	2012	400,000	—	222,400	237,693	21,800	—	881,893
Julie Tremblay ¹⁰ President and Chief Executive Officer of Media Group	2014	508,383	112,800	599,140 ¹¹	—	29,200	—	1,249,523
	2013	385,000	1,831,200 ⁶	250,000	—	31,200	—	2,497,400
	2012	370,000	138,000 ⁹	—	—	27,200	—	535,200
Marc M. Tremblay Senior Vice-President, Chief Legal Officer and Public Affairs and Secretary of the Corporation	2014	401,408	868,500 ⁵	401,818	—	28,100	—	1,699,826
	2013	375,000	1,373,000 ⁶	216,600	—	30,600	—	1,995,600
	2012	364,000	—	189,991	—	26,100	—	580,091

1. The compensation value included herein represents the estimated value of the stock options granted as determined by using the Black-Scholes model which is based on various assumptions.
2. Refer to the "Pension Benefits" section of this Circular for additional details.
3. Perquisites and other personal benefits which do not exceed the lesser of \$50,000 or 10% of the annual salary are not disclosed.
4. The compensation shown for 2014 represents compensation as President and Chief Executive Officer of the Corporation (8 months) and compensation as President and Chief Executive Officer of TVA (4 months).
5. Underlying securities: Class B Shares of the Corporation. The amount indicated represents the Black-Scholes value of the options at the time of grant (with a 3-year horizon). For 2014, please refer to the "Black-Scholes Values" table for details concerning the calculation of values provided under the "Option-based awards" column of the above table.

6. Underlying securities: common shares of QMI granted on a 3-year horizon.
7. Robert Dépatie left his position as President and Chief Executive Officer of the Corporation on April 28, 2014, and, consequently, the options that were granted to him in 2013 were cancelled when he left the Corporation.
8. Amount paid when he left the Corporation. Please refer to the section entitled "Compensation Analysis – Compensation of the former President and Chief Executive Officer".
9. Underlying securities: common shares of QMI granted on a 1-year horizon.
10. Since July 31, 2014, Julie Tremblay acts as President and Chief Executive Officer of Media Group. These functions are in addition to her current position as President and Chief Executive Officer of Sun Media Corporation.
11. Underlying securities: class B shares of TVA granted on a one-year horizon.

The total compensation value includes the estimated value of the stock options granted as determined by using the Black-Scholes value which is based on various assumptions as shown in the table below. It only represents an estimated value of the stock options granted and does not represent cash received by the Named Executive Officer. This amount is at risk and may even be equal to zero. Accordingly, the total compensation value does not represent the real cash compensation earned by the Named Executive Officer.

Furthermore, the amounts appearing under the « Option-based awards » column of the Summary Compensation Table represent the value of the options at the date of grant. Options were granted under a 3-year horizon i.e. that the number of options usually granted on an annual basis was multiplied by three and that the vesting conditions of those options (being the percentage and the vesting dates) are different and are spread over a longer period of time.

The following table shows the **annualized** total compensation value considering an annualized value of the amounts appearing under the « Option-based awards » column.

Name	Year	Annualized Option-based awards (\$)	Annualized Total compensation (\$)
Pierre Dion	2014	3,468,700	6,192,838
	2013	763,000	2,130,274
	2012	—	1,704,413
Jean-François Pruneau	2014	735,000	1,761,142
	2013	735,000	1,421,710
	2012	276,000	883,498
Manon Brouillette	2014	749,331	2,846,872
	2013	599,998	2,145,114
	2012	—	881,893
Julie Tremblay	2014	723,200	1,859,923
	2013	610,400	1,276,600
	2012	138,000	535,200
Marc M. Tremblay	2014	747,300	1,578,626
	2013	457,800	1,080,000
	2012	—	580,091

Black-Scholes Values

For purposes of properly illustrating the calculation of the Black-Scholes value of the options granted to the Named Executive Officers in 2014, the key assumptions and estimates that were used for each calculation are set out below. Information concerning the options granted in 2013 and 2012 can be found in our 2014 and 2013 proxy circulars, respectively.

Date of grant	Exercise price (\$)	Dividend yield (% / year)	Volatility (%)	Expected life (years)	Risk-free rate (%)	Black-Scholes Value (\$)
March 21, 2014 ¹	25.4912	0.39	32.00	6.50	2.052	8.96
May 16, 2014 ²	25.9344	0.38	31.73	7.00	2.050	9.33
July 31, 2014 ³	8.90	0.00	40.16	6.50	1.924	3.76
November 25, 2014 ¹	30.2366	0.33	30.02	6.33	1.761	9.65

¹. Underlying securities: Class B Shares of the Corporation. Options vest as follows: 33⅓% after two years, 66⅔% after three years, and 100% after four years of the original grant.

2. Underlying securities: Class B Shares of the Corporation. Options vest as follows: 33⅓ after one year, 66⅔ after two years, and 100% after three years of the original grant with the obligation however to keep all options that become vested for an additional period of two years from the vesting thereof.
3. Underlying securities: Class B shares of TVA. One-year horizon. Options vest equally over five years with the first 20% vesting on the first anniversary of the date of grant.

Note: In accordance with IFRS 2, *Share-Based Payment*, the liabilities related to these options are recorded in the Corporation's financial statements based on their fair value at the end of each financial reporting period using the Black-Scholes model. At the time of the grant, the fair value of these options is calculated by using the same model. As a result, the fair value at the time of grant for accounting purposes or for purposes of section 3.1 (5) of Form 51-102F6 are the same.

Outstanding option-based awards

The following table sets forth, for each Named Executive Officer, all outstanding awards of the Corporation, QMI or TVA and their value as at December 31, 2014.

Name	Number of securities underlying unexercised options (#)	Option exercise price ¹ (\$)	Option expiration date	Value of unexercised in-the-money options ² (\$)
Pierre Dion	870,000 ³	25.9344	My 16, 2024	5,224,872
	15,860 ⁴	47.2870	November 1, 2017	369,078
	67,500 ⁴	46.4830	February 22, 2020	1,625,063
	150,000 ⁴	57.6390	August 7, 2023	1,937,850
	52,619 ⁵	21.3800	March 30, 2015	-
	94,915 ⁶	14.7500	November 5, 2017	-
Jean-François Pruneau	300,000 ⁷	22.2264	May 16, 2023	2,914,080
	22,500 ⁴	46.4830	February 22, 2020	541,688
	20,000 ⁸	51.8880	June 22, 2022	373,400
Manon Brouillette	50,000 ⁷	25.4912	March 21, 2024	322,440
	123,711 ⁴	57.3490	April 29, 2023	1,634,099
Julie Tremblay	22,500 ⁴	46.4830	February 22, 2020	541,688
	6,000 ⁸	51.8880	June 22, 2022	112,020
	120,000 ⁴	57.6390	August 7, 2023	1,550,280
	30,000 ⁹	8.90	July 31, 2024	—
Marc M. Tremblay	90,000 ¹⁰	30.2366	November 25, 2024	153,306
	45,000 ⁴	46.4830	February 22, 2020	1,083,375
	90,000 ⁴	57.6390	August 7, 2023	1,162,710

1. The exercise price of the options of the Corporation 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. The exercise price of the QMI options is the market value of the common shares at the time of grant, as determined by the external expert retained by QMI Board of Directors on a quarterly basis. The exercise price of the TVA options may not be less than the closing price of a board lot of Class B shares on the Toronto Stock Exchange on the last trading day before the date of grant.
2. The value of unexercised in-the-money options of the Corporation and TVA is the difference between the option exercise price and the closing price of the underlying security on the Toronto Stock Exchange on December 31, 2014, or the difference between the option exercise price and the value of the common shares of QMI on December 31, 2014, as determined by the external expert retained by the QMI Board of Directors. **This amount 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 31, 2014, the closing price of the Class B Shares of the Corporation on the Toronto Stock Exchange was \$31.94 per share, and the closing price of the Class B shares of TVA \$7.14. For purposes of stock option grants, the external expert retained by QMI's Board of Directors has established the value of the shares of QMI, as of December 31, 2014, at \$70.558 per share.
3. Options of the Corporation. Options vest as follows: 1/3 after one year, 2/3 after two years, and 100% after three years of the original grant, with the obligation however to keep all options that become vested for an additional period of two years from the vesting thereof.

4. QMI options. 3-year horizon. Options vest equally over four years with the first 25% vesting on the second anniversary of the date of grant.
5. TVA options granted prior to January 2006. Options vest equally over four years with the first 25% vesting on the second anniversary of the date of grant.
6. TVA options. 3-year horizon. Options vest equally over four years with the first 25% vesting on the second anniversary of the date of the grant.
7. Options of the Corporation. Options vest as follows: 1/3 after one year, 2/3 after two years, and 100% after three years of the original grant.
8. QMI options. One-year horizon. Options vest equally over five years with the first 20% vesting on the first anniversary of the date of grant.
9. TVA options. One-year horizon. Options vest equally over five years with the first 20% vesting on the first anniversary of the date of grant.
10. Options of the Corporation. Options vest as follows: 1/3 on September 25, 2016, 2/3 on September 25, 2017 and 100% on September 25, 2018.

Incentive plan awards – value vested or earned during the year

The following table sets forth, for each Named Executive Officer, the aggregate dollar value that would have been realized if the options under the option-based award had been exercised on the vesting date that occurred in 2014, and the bonus earned during the 2014 financial year.

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Pierre Dion	355,613 ³	1,523,971
Jean-François Pruneau	457,257 ³⁻⁵	552,581
Manon Brouillette	127,990 ³⁻⁴	855,500
Julie Tremblay	378,833 ³⁻⁴	599,140
Marc M. Tremblay	355,613 ³	401,818

¹. The value vested is the difference between the market value of the underlying securities at the acquisition date and the exercise price of the options. The market value is defined as, (i) in the case of options of the Corporation, 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 on which the option became vested; (ii) in the case of TVA options, the average closing market price of a board lot of Class B shares for the five trading days preceding the date on which the option became vested; and (iii) in the case of QMI's options, the fair value of the common shares on the vesting date, as determined by the external expert retained by QMI Board of Directors.

². Underlying securities: Class B Shares of the Corporation.

³. Underlying securities: common shares of QMI.

⁴. Those options have been exercised in 2014.

⁵. Part of those options has been exercised in 2014.

Pension benefits

Certain subsidiaries of the Corporation maintain pension plans offered, among others, to its executive officers. The material provisions of these plans are as follows:

Provisions	Basic pension plan		Supplemental executive retirement plans (“SERP”)
Subsidiaries	QMI ¹⁻² , TVA ¹⁻³	Videotron ⁴	TVA ⁵ , Videotron ⁶
Named Executive Officers	Jean-Francois Pruneau (QMI) Pierre Dion (TVA) Julie Tremblay (QMI) Marc M. Tremblay (QMI)	Robert Dépatie Manon Brouillette	Robert Dépatie Pierre Dion
Participant contributions	None	5% of base salary not exceeding \$6,925	None
Normal retirement age	65		
Retirement age without reduction in retirement pension	QMI: 61	65	
	TVA: 65		
Reduction in the event of retirement before permitted age	QMI: 6% per year	Reduction of 3% per year for every year between 60 and 65 years old and 4% per year for every year between 55 and 60 years old.	
	TVA: Reduction of 3% per year for every year between 60 and 65 years old and 4% per year for every year between 55 and 60 years old.		
Early retirement age	55		
Retirement pension calculation	<ul style="list-style-type: none">• 2% of the average salary over the best five consecutive years of salary (including bonuses for executive officers of QMI) multiplied by the number of years of membership in the plan as executive.• Subject to the maximum annuity prescribed by the <i>Income Tax Act</i> (Canada).	<ul style="list-style-type: none">• 2% of the base salary for each year.• Subject to the maximum annuity prescribed by the <i>Income Tax Act</i> (Canada).	<ul style="list-style-type: none">• 2% of the average salary over the best five consecutive years of salary multiplied by the number of years of membership in the plan.• Minus the annuity payable pursuant to the basic plan.
Coordination with public plans	None		
Type of retirement pension	With eligible spouse at the time of retirement.		
	<ul style="list-style-type: none">• Lifetime annuity to spouse equal to 60% of the annuity paid.	<ul style="list-style-type: none">• Lifetime annuity to spouse equal to 50% of the annuity paid.	<ul style="list-style-type: none">• Lifetime annuity to spouse equal to 60% of the annuity paid.
	Without eligible spouse at the time of retirement.		
	<ul style="list-style-type: none">• TVA: or after the death of the spouse, 20% of the annuity is payable to each dependent child, not exceeding 60%.	<ul style="list-style-type: none">• 120 monthly payments guaranteed if no eligible spouse at the time of retirement.	<ul style="list-style-type: none">• Vidéotron: 120 monthly payments guaranteed.• TVA: or after the death of the spouse, 20% of the annuity is payable to each dependent child, not exceeding 60%.
Indexation	After retirement	Before retirement	Videotron: After retirement
			TVA: None

1. The provisions described are applicable to certain executive officers including the Named Executive Officers.
2. The basic defined benefit plan of QMI is no longer available to new entrants since January 1st, 2009.
3. The basic retirement plan of executive officers of TVA is no longer available to new entrants since October 31, 2012.
4. The basic retirement plan of Videotron is no longer available to new entrants since May 1st, 2012.
5. The supplemental executive retirement plan of TVA is no longer available to new officers.
6. The supplemental executive retirement plan of Videotron is no longer available to new officers.

The following table sets forth information on QMI, Videotron and TVA's retirement plans, namely registered plans and SERP. In addition to annual benefits payable, the table shows the change in value of such benefits (obligation) year-to-date and year-end. Variations from one individual to another are due to the individual's age, salary and credited years of service in the basic plan and the SERP.

These plans provide an annuity based on the salaries at the time of retirement (for the purpose of this table, payable benefits are based on salaries as at December 31, 2014).

Name	Number of years credited services (#)	Annual benefits payable (\$)		Opening present value of defined benefit obligation ¹ (\$)	Compensatory change (\$)	Non-compensatory change (\$)	Closing present value of defined benefit obligation ² (\$)
		At year end	At age 65				
Pierre Dion ³	10.3	84,100	143,300	1,188,600	143,500	192,400	1,524,500
Robert Dépatie ⁴	12.5	147,900	147,900	3,210,400	125,400	(513,300) ⁵	2,822,500
Jean-François Pruneau	9.2	25,400	82,400	210,500	17,600	85,800	313,900
Manon Brouillette	10.5	29,000	79,600	285,300	22,400	99,200	406,900
Julie Tremblay	16.3	45,300	71,400	554,900	29,200	132,600	716,700
Marc M. Tremblay	7.8	21,500	51,700	237,000	28,100	66,300	331,400

1. Calculations are made based on an interest rate assumption of 4.9%, an inflation rate of 2.25%, and an adjusted generational mortality table
2. Calculations are based on an assumption discount rate of 4.1%, inflation rate of 2.25% and a new CIA mortality table.
3. The participation of Pierre Dion in the SERP of TVA has been suspended on April 28, 2014, and Mr. Dion now participates in QMI's basic pension plan. For disclosure purposes, the amounts of TVA's and QMI's basic pension plans as well as TVA's SERP have been combined.
4. The number of credit years in the SERP is 11.3 for Robert Dépatie. Mr. Dépatie receives an annual pension benefit of \$147,900 since June 1st, 2014. This is reflected for purposes of calculating the "annual benefits payable" and the "present closing value of the defined benefit obligation".
5. The decrease is due to unrealized future salary increases.

VII. OTHER IMPORTANT INFORMATION

INDEBTEDNESS OF THE DIRECTORS AND OFFICERS

As of the date hereof, no amount is owed to the Corporation by any of the directors or officers of the Corporation or any of their associates. To that effect, the Corporation's practices do not permit to grant personal loans to directors and officers. The Board of Directors of QMI approved a policy that prohibits the corporation from granting any personal loans to its directors or officers.

TRANSACTIONS WITH RELATED PARTIES

To the knowledge of the Corporation, except as set forth in note 30 of the audited consolidated financial statements of the Corporation for the financial year ended December 31, 2014, no insider had an interest in a material transaction completed since the beginning of the most recently completed financial year of the Corporation or in a proposed transaction which had or was likely to have had a material effect on the Corporation or any of its subsidiaries.

During the financial year ended December 31, 2014, the Corporation and its subsidiaries did business, at competitive market rates, with various entities within their group. The Corporation and its principal subsidiaries intend to continue to engage in similar transactions on terms which are generally no less favourable to the Corporation than would be available to it from unaffiliated third parties.

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

SHAREHOLDER'S PROPOSALS

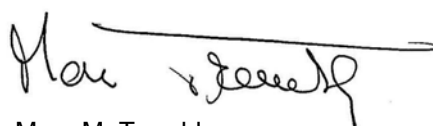
Shareholders entitled to vote at the next annual meeting of shareholders and who want to submit a proposal in respect of any matter to be raised at such meeting must ensure that their proposal is received by the Corporation, to the attention of the Secretary, no later than January 2nd, 2016.

AVAILABILITY OF DOCUMENTS

Financial information is provided in the Corporation's comparative financial statements and management's discussion and analysis for its most recently completed fiscal year ended December 31, 2014. Copies of the Corporation's latest annual information form, audited financial statements and management's discussion and analysis, may be obtained on request from the Corporate Secretariat of the Corporation, 612 Saint-Jacques Street, 18th floor, Montréal, Québec, Canada, H3C 4M8. All of these documents as well as additional information relating to the Corporation are available under the Corporation's SEDAR profile at www.sedar.com and on the Corporation's Website at www.quebecor.com.

APPROVAL

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



Marc M. Tremblay
Senior Vice-President, Chief Legal Officer and
Public Affairs and Secretary

Montréal, Québec
March 31st, 2015

SCHEDULE A

QUEBECOR INC.
(the "Corporation")

TRANSLATION

BY-LAWS

A. INTERPRETATION

1. Definitions

In these by-laws, unless the context indicates otherwise,

"Act" means the *Business Corporations Act*, CQLR, R.S.Q., c. S-31.1. Any reference to that statute or any provisions thereof in the Corporation's by-laws is interpreted as a reference to any amended or substituted provisions thereof;

"affairs" means the relationships among the Corporation, its affiliates and the shareholders, directors and officers of the Corporation and its affiliates but does not include the business carried on by the Corporation or its affiliates;

"affiliates": means legal persons one of whom is a subsidiary of the other, or legal persons who are controlled by the same person;

"associates" means, in relation to a person:

- a) the person's spouse, children and relatives, and the children and relatives of the person's spouse;
- b) a partner of the person;
- c) a succession or trust in which the person has a substantial interest similar to that of a beneficiary or in respect of which the person serves as liquidator, trustee or other administrator of the property of others, mandatary or depositary; or
- d) a legal person of whom the person owns securities making up more than 10% of a class of shares carrying voting rights at any shareholders meeting or the right to receive any declared dividend or a share of the remaining property of the legal person in the event of liquidation.

"group": means any legal person, any group of persons or any group of properties, including an organization, joint venture or trust;

"officer" means a person referred to in section 40 of these by-laws;

"resolution" or "ordinary resolution" means a resolution that requires a majority of the votes cast at a shareholders meeting by the shareholders entitled to vote on the resolution, or a resolution that requires the signature of all such shareholders;

“reporting issuer” means a reporting issuer within the meaning of the *Securities Act* (CQLR, ~~R.S.Q.~~, chapter V-1.1);

“security” means a share, debenture, bond or note that is dealt in or traded on a securities exchange or financial market;

“shareholder” means a shareholder who is registered in the securities register of the Corporation, and includes a shareholder’s representative;

“special resolution” means a resolution that requires at least two thirds of the votes cast at a shareholders meeting by the shareholders entitled to vote on the resolution, or a resolution that requires the signature of all such shareholders;

2. Interpretation

- a) the powers of the directors, shareholders and officers of the Corporation are subject to the Act and by-laws of the Corporation and any reference to the exercise of any of these powers in the by-laws of the Corporation is subject to the limits, restrictions or conditions that are expressed therein;
- b) the masculine gender includes both sexes, unless the contrary intention is evident by the context;
- c) the singular number extends to more than one person or more than one thing of the same sort, whenever the context admits of such extension. The plural number can apply to one person only or to one thing only if the context so permits;
- d) the headings used in these by-laws are for ease of reference only and do not form part of them;
- e) the text of these by-laws was adopted in the French language and is also available in English. In the event of contradiction, the French language version shall prevail.

B. HEAD OFFICE, ESTABLISHMENT AND SEAL

3. Head office

The head office of the Corporation shall be established in the judicial district of Montréal, in the Province of Quebec. The Corporation may relocate its head office in compliance with the Act.

4. Establishment

In addition to its head office, the Corporation may have other establishments, offices or agencies both within and outside Quebec.

5. Seal

The Board of Directors may adopt a seal but is not required to. The fact that a document of the Corporation is not sealed does not invalidate the document.

C. CORPORATE RECORDS

6. Records

The Corporation maintains, at its head office or at any other place designated by the Board of Directors, records containing:

- a) the articles and the by-laws;
- b) minutes of meetings of the shareholders and written resolutions of shareholders;
- c) the names and domicile of the directors, and the dates of the beginning and end of their term of office; and
- d) the securities register.

The secretary keeps such records up-to-date.

The shareholders may examine these records during its regular office hours, and obtain extracts from them. They may also, on request and without charge, obtain a copy of the articles and by-laws.

7. Accounting and Board records

The Corporation also maintains accounting records and books containing the minutes of meetings and written resolutions of the Board of Directors. The Corporation also maintains books for all the committees of the Board of Directors. These records and books are kept at the Corporation's head office or at any other place designated by the Board of Directors.

The Corporation is required to retain all accounting records for a period of six years after the end of the fiscal year to which they relate.

Only the directors and the auditor may have access to the accounting records and books containing the minutes of the meetings as well as the written resolutions of the Board of Directors and of its committees. However, the shareholders may examine, during the Corporation's regular office hours, any part of the minutes of the deliberations of the Board of Directors or any other document in which a director or officer makes the disclosure of interest referred to in sections 23 and 46 below.

8. Securities register

The securities register of the Corporation contains the following information with respect to its shares:

- a) the names, in alphabetical order, and the addresses of present and past shareholders;
- b) the number of shares held by each such shareholder;
- c) the date and details of the issue and transfer of each share; and
- d) any amount due on any share.

The register must contain, if applicable, the same information with respect to the Corporation's debentures, bonds and notes, with the necessary modifications. Any person may examine the Corporation's securities register if that person complies with the provisions of the Act in this regard. Any person may, on request and on payment of a reasonable fee established by the Corporation, obtain a copy of the list of the Corporation's shareholders as provided for in the Act.

9. Transfer Agents and Registrars

The Board of Directors may at any time, by resolution, appoint and replace the Corporation's transfer agent(s) and registrar(s) for the Corporation's shares and, subject to the laws that govern the Corporation, generally enact by-laws from time to time for the transfer and transmission of the Corporation's shares. All shares certificates representing shares of the Corporation issued after such an appointment must be countersigned by an authorized representative of those transfer agent(s) or registrar(s) and are only valid once so countersigned.

D. BOARD OF DIRECTORS

10. Functions and powers

The Board of Directors exercises all necessary powers to supervise the management of the business and affairs of the Corporation. Except to the extent provided by law, such powers may be exercised without shareholder approval.

Generally, the Board of Directors exercises the powers and takes the actions which the Corporation is authorized to take; it may also enter into any contract on behalf of the Corporation. The Board of Directors may, on behalf of the Corporation:

- a) borrow money;
- b) issue, reissue, sell or hypothecate its debt obligations;
- c) enter into a suretyship to secure performance of an obligation of any person; and
- d) hypothecate all or any of its property, owned or subsequently acquired, to secure any obligation.

11. Delegation of powers

The Board of Directors may create one of several committees composed of directors and may delegate certain powers to this or these committees. It can also delegate its powers to a director or an officer. However, the Board of Directors may not delegate its power:

- a) to submit to the shareholders any question or matter requiring their approval;
- b) to fill a vacancy among the directors or in the office of auditor;
- c) to appoint or dismiss the president of the Corporation, the Chair of the Board of Directors, the chief executive officer, the chief operating officer or the chief financial officer regardless of their title, and to determine their remuneration;
- d) to authorize the issue of shares;
- e) to approve the transfer of unpaid shares;
- f) to declare dividends;
- g) to acquire, including by purchase, redemption or exchange, shares issued by the Corporation;

- h) to split, consolidate or convert shares;
- i) to authorize the payment of a commission to a person who purchases shares or other securities of the Corporation, or procures or agrees to procure purchasers for those shares or securities;
- j) to approve the financial statements presented at the annual meetings of shareholders;
- k) to adopt, amend or repeal by-laws;
- l) to authorize calls for payment;
- m) to authorize the confiscation of shares;
- n) to approve articles of amendment allowing a class of unissued shares to be divided into series, and to determine the designation of and the rights and restrictions attaching to those shares or securities; or
- o) to approve a short-form amalgamation.

12. Contracts

All contracts, deeds, agreements, documents, bonds, debentures and other instruments requiring execution by the Corporation may be signed by two directors or two officers of the Corporation or by one director and one officer of the Corporation or by such persons as the Board of Directors may otherwise authorize from time to time by resolution. Any such authorization may be general or confined to specific instances.

13. Proceedings

Any director or officer of the Corporation, or any other person appointed for that purpose by any director or officer of the Corporation, is authorized to bring any action, proceeding, motion, civil, criminal, administrative or other legal procedure, in the name of the Corporation or to appear and to answer on behalf of the Corporation to any writ, to any order or injunction issued by any court, to any examination on the facts relating to any litigation or any examination on discovery, as well as to any action, proceeding, motion or other legal procedure in which the Corporation is involved; to respond in the name of the Corporation to any garnishment in which the Corporation is garnishee and to prepare any affidavit or any solemn declaration related to such a garnishment or to any other legal procedure to which the Corporation is a party; to make any application for the assignment of property or any petitions for a receiving order against any debtor of the Corporation; to attend and to vote in any meeting of the creditors of debtors of the Corporation; to grant proxies and, in respect of any such action, proceeding, motion or other legal procedure, to take any other action which he or she deems to be in the best interests of the Corporation.

14. Number

The exact number of directors is determined by the Board of Directors as provided in the articles of the Corporation.

The directors in office do not cease to hold their position as a result of an amendment of the articles which reduces their number.

15. Qualifications

Any natural person may be a director of the Corporation, except:

- a) a minor;
- b) a person of full age under tutorship or curatorship;
- c) a bankrupt;
- d) a person prohibited by the court from holding such office;
- e) a person declared incapable by decision of a court of another jurisdiction.

Unless otherwise provided in the articles, a director is not required to be a shareholder.

16. Election and term of office

The directors are elected each year at the annual shareholders meeting by a simple majority of the votes and remain in office until the next annual shareholders meeting or until their successors are appointed. Voting for the election of directors is conducted by a ~~show of hands unless a ballot is demanded by a shareholder entitled to vote.~~

In conformity with the Articles of the Corporation, 25% of the entire Board of Directors (the "Class B Directors") are elected by the holders of Class "B" Subordinate Voting Shares, voting separately as a class, and the remaining members of the Board (the "Class A Directors") are elected by the holders of Class "A" Multiple Voting Shares, voting separately as a class.

In conformity with the Articles of the Corporation, the Board of Directors may, at its discretion, appoint one (1) or more directors, who shall hold office for a term expiring no later than at the annual meeting of shareholders following their appointment, but the total number of directors so appointed may not exceed one-third (1/3) of the number of directors elected at the annual meeting of shareholders preceeding their appointment.

17. Cessation of office

A director ceases to hold office when he dies, becomes disqualified from being a director, resigns or is removed from office.

18. Resignation

A director may resign at any time. The resignation of a director becomes effective at the time the director's written resignation is received by the Corporation, or at the time specified in the resignation, whichever is later. The reason for the resignation need not be given.

19. Removal

The shareholders may by ordinary resolution at a special meeting remove any director or directors. If certain shareholders have an exclusive right to elect one or more directors, a director so elected may only be removed by ordinary resolution of those shareholders.

A director whose removal is to be proposed at a shareholders meeting may attend the meeting and be heard or, if not in attendance, may explain, in a written statement read by the person presiding over the meeting or made available to the shareholders before or at the meeting, why he opposes the resolution proposing his removal.

A vacancy created by the removal of a director may be filled at the shareholders meeting at which the director is removed or, if it is not, at a subsequent meeting of the Board of Directors.

20. Vacancy

A quorum of directors may fill any vacancy on the board unless there has been a failure to elect the fixed number or minimum number of directors required by the articles.

However, the directors then in office must without delay call a special shareholders meeting to fill the vacancies resulting from the lack of quorum or the failure to elect the fixed or minimal number of directors set out in the articles. If the directors refuse or fail to call a meeting, the meeting may be called by any shareholder.

A director appointed or elected to fill a vacancy holds office for the unexpired term of his predecessor.

21. Retiring director and updating declaration

A director who leaves office is authorized to sign on behalf of the Corporation and file in accordance with the *Act respecting the legal publicity of enterprises* (CQLR, chapter P-44.1) an updating declaration indicating such change, unless he has received, within thirty (30) days of the date on which such change took effect, proof that the Corporation has filed such declaration.

22. Duties of directors

Subject to the provisions of the Act, the directors are bound by the same obligations as are imposed by the *Civil Code of Québec* on any director of a legal person. Consequently, in the exercise of their functions, the directors are duty-bound toward the Corporation to act with prudence and diligence, honesty and loyalty and in the interest of the Corporation.

More specifically, but without limiting the generality of the foregoing:

- a) no director may mingle the property of the Corporation with his own property nor may he use for his own profit or that of a third person any property of the Corporation or any information he obtains by reason of his duties, unless he is authorized to do so by the shareholders of the Corporation;
- b) unless he has obtained the express consent of the Board of Directors, a director must keep confidential the deliberations of the Board of Directors, any internal document and any other information to which he has access in the performance of his duties which is not publicly known and which has not been publicly disclosed by the Corporation;
- c) a director must avoid placing himself in any situation where his personal interest would be in conflict with his obligations as a director of the Corporation;
- d) a director must disclose to the legal person any interest he has in an enterprise or association that may place him in a situation of conflict of interest and of any right he may set up against it, indicating their nature and value, where applicable.

23. Contracts or transactions – disclosure of interest

A director must disclose the nature and value of any interest he has in a contract or transaction to which the Corporation is a party. “Interest” means any financial stake in a contract or transaction that may reasonably be considered likely to influence decision-making. Furthermore, a proposed contract or a proposed transaction, including related negotiations, is considered a contract or transaction.

A director must also disclose a contract or transaction to which the Corporation and any of the following are a party:

- a) an associate of the director;
- b) a group of which the director is a director;
- c) a group in which the director or an associate of the director has an interest.

The director satisfies the requirement if he discloses, in a case specified in subparagraph b), the directorship or office held within the group or, in a case specified in subparagraph c), the nature and value of the interest he or his associate has in the group.

Unless it is recorded in the minutes of the first meeting of the Board of Directors at which the contract or transaction is discussed, the disclosure of an interest, contract or transaction must be made in writing to the Board of Directors as soon as the director becomes aware of the interest, contract or transaction.

The disclosure must be made even in the case of a contract or transaction that does not require approval by the Board of Directors.

24. Contracts or transactions – voting

No director may vote on a resolution to approve, amend or terminate the contract or transaction described in the foregoing section, or be present during deliberations concerning the approval, amendment or termination of such a contract or transaction unless the contract or transaction:

- a) relates primarily to the remuneration of the director or an associate of the director as a director of the Corporation or an affiliate of the Corporation;
- b) relates primarily to the remuneration of the director or an associate of the director as an officer, employee or mandatary of the Corporation or an affiliate of the Corporation, if the Corporation is not a reporting issuer;
- c) is for the indemnification of the directors in certain circumstances or liability insurance taken out by the Corporation;
- d) is with an affiliate of the Corporation, and the sole interest of the director is as a director or officer of the affiliate.

If no quorum exists for the purpose of voting on a resolution to approve a contract or transaction only because a director is not permitted to be present during deliberations, the other directors present are deemed to constitute a quorum for the purpose of voting on the resolution.

If all the directors are required to abstain from voting, the contract or transaction may be approved solely by the shareholders entitled to vote, by ordinary resolution. The disclosure must be made to the shareholders in a sufficiently clear manner before the contract or transaction is approved.

25. Remuneration

The Board of Directors determines the remuneration of the directors from time to time, by resolution. The directors are also entitled to be reimbursed for travel costs and reasonable expenses incurred in the performance of their duties.

E. MEETINGS OF THE BOARD OF DIRECTORS

26. Place

The Board of Directors meets at the head office of the Corporation or at any other place within or outside Quebec which the Chair of the Board of Directors may choose.

27. Calling of meeting

The Board of Directors meets as often as the Chair of the Board considers necessary. Board meetings are called by the Chair of the Board, or by the Vice Chair of the Board if any is appointed among the directors, or by the secretary at the request of the Chair of the Board or by the Vice Chair of the Board or in the absence or in case of incapacity to act as Chair of the Board or the Vice Chair of the Board, at the request of two (2) directors. At least two (2) days' notice must be given.

In the event that the Chair of the Board or the Vice Chair of the Board (or the secretary, at the request of the Chair of the Board or the Vice Chair of the Board or in the absence or in case of incapacity to act as Chair of the Board or the Vice Chair of the Board, of two directors) considers, at his discretion, that it is deemed urgent to call a meeting of the Board of Directors, he must see that the notice of the meeting be sent out using any possible means at least two (2) hours before the meeting and such notice shall be deemed sufficient for the meeting to be called.

The notice must state the time and place of the meeting and, where applicable, specify any matter referred to in section 11 of these by-laws.

A notice of meeting must be sent to each director, at his last known civic or electronic address, by any means providing proof of its sending.

A meeting may be held without notice if all the directors are present or if the absent directors agreed to the holding of such meeting. The meeting of the Board of Directors immediately following the annual shareholders meeting may take place without notice.

28. Waiver of notice

A director may, in writing, waive notice of a meeting; waiver of the notice may be validly given before or after the meeting. However, attendance of a director at a meeting of the board is a waiver of notice of the meeting unless the director attends the meeting for the sole purpose of objecting to the holding of the meeting on the grounds that it was not lawfully called.

29. Participation by any means of communication

A director may participate in a meeting of the board by means of equipment - telephone, electronic or other - enabling all participants to communicate directly with one another. In such a case, the director is deemed to be present at the meeting.

30. Attendance

Only the directors may attend board meetings. Other persons may also attend as needed, with the authorization of the Chair of the Board or the majority of the directors present.

31. Quorum

A majority of the directors in office constitutes a quorum. A quorum of directors may validly exercise all the powers of the directors, despite any vacancy on the board.

32. Chair and secretary of the meeting

Meetings of the Board of Directors are chaired by the Chair of the Board or, by default, by the vice-chair of the board or by default by a director assigned by the other participating directors. The secretary acts as meeting secretary, drafts the minutes of the meeting and co-signs the minutes with the Chair of the meeting.

33. Procedure

The Chair of the Board directs the meeting and ensures that it is conducted in an orderly manner. He submits the business to be discussed to the board. A director may also submit business to be discussed.

34. Voting

Unless otherwise provided in the articles, the Board of Directors decides any issue by a majority of the votes. Each director is entitled to one vote. Voting by proxy is not permitted.

Voting is by a show of hands or, at the request of the Chair of the Board or a director, by secret ballot. A vote by secret ballot may be requested before or after a vote by a show of hands.

If voting is by secret ballot, the secretary acts as scrutineer and counts the ballots. The Chair of the Board does not have a tie-breaking vote in the case of a tie.

35. Dissent

A director who is present at a meeting of the board or a committee of the board is deemed to have consented to any resolution passed at the meeting unless:

- a) the director's dissent has been entered in the minutes;
- b) the director sends a written dissent to the secretary of the meeting before the meeting is adjourned; or
- c) the director delivers a written dissent to the Chair of the Board, sends it to the Chair of the Board by any means providing proof of the date of receipt or delivers it to the head office of the Corporation immediately after the meeting is adjourned.

A director is not entitled to dissent after voting for or consenting to a resolution.

36. Dissent of an absent director

A director who was not present at a meeting of the board or a committee of the board at which a resolution was passed is deemed to have consented to the resolution unless the director records his dissent within seven days after becoming aware of the resolution, by written notice delivered to the Chair of the Board, or sent to the Chair of the Board by any means providing proof of the date of receipt or delivered to the head office of the Corporation.

37. Adjournment

The Chair of the Board or failing him, the Vice-Chair of the Board may, with the consent of the majority of the directors present, adjourn a meeting of the Board of Directors to a specified date, time and place without a new notice of meeting being required. The Chair of the Board or failing him, the Vice-Chair of the Board may also adjourn a meeting *ex officio* if he considers it impossible to conduct it in an orderly manner.

The meeting is validly resumed if it is held on the specified date and at the specified place and if a quorum is present. If a quorum does not exist when the meeting resumes, the initial meeting is deemed to have ended immediately after it was adjourned.

38. Signed resolution

A resolution in writing, signed by all the directors entitled to vote on the resolution, has the same force as if it had been passed at a meeting of the board or, as the case may be, of a committee of the Board of Directors. These resolutions are kept with the minutes of meetings and the written resolutions of the Board of Directors.

The written resolutions that are signed electronically are as legally valid as a written signature.

39. Recording of deliberations

Only the secretary may record the deliberations of the Board of Directors, for the purpose of preparing the minutes. The secretary must destroy the recording once the concerned minutes have been approved.

F. OFFICERS

40. General

The officers of the Corporation are the Chair of the Board, the vice-chair of the board (if applicable), the president and chief executive officer, the chief financial officer, the vice-presidents, the secretary, the treasurer and/or the assistant-secretary(ies). The Board of Directors may designate another person as an officer by resolution.

41. Qualifications

The officers need not be directors or shareholders of the Corporation except for the Chair of the Board of Directors who must be a director. The same person may hold more than one position as officer.

42. Term of office

Unless the Board of Directors provides otherwise when he is appointed, an officer holds office from his appointment until the first meeting of the Board of Directors following the annual meeting or until a replacement has been named.

43. Cessation of office

An officer may resign at any time. The resignation of an officer takes effect on the date the Corporation receives the written notice he gives or on the later date indicated therein.

The Board of Directors or the president and chief executive officer may remove an officer at any time and the reason for the removal is not required to be given. However, the removal of the president, the Chair of the Board, the chief executive officer, the chief operating officer, or the chief financial officer regardless of their title, as their appointment, is the responsibility of the Board of Directors.

44. Vacancy

The Board of Directors may fill any vacancy in an office at any time.

45. Powers of officers

An officer exercises the powers attached to his position. He also exercises all the powers which the Board of Directors can delegate to him. In the event an officer is unable to act, the powers of such officer are exercised by any other person designated by the Board of Directors.

46. Duties of officers

The officers are mandataries of the Corporation. In this capacity, in the exercise of their functions, the officers are bound, among other things, toward the Corporation to act with prudence and diligence, honesty and loyalty and in the interest of the Corporation.

An officer must disclose the nature and value of any interest he has in a contract or transaction to which the Corporation is a party. An officer must disclose any contract or transaction to which the Corporation and any of the following are a party:

- a) an associate of the director or officer;
- b) a group of which the director or officer is a director or officer;
- c) a group in which the director or officer or an associate of the director or officer has an interest.

The officer satisfies the requirement if he discloses, in a case specified in subparagraph b), the directorship or office held within the group or, in a case specified in subparagraph c), the nature and value of the interest he or his associate has in the group.

In the case of an officer who is not a director, the disclosure must be made as soon as:

- a) the officer becomes an officer;
- b) the officer becomes aware that the contract or transaction is to be discussed or has been discussed at a meeting of the board; or
- c) the officer or the officer's associate acquires an interest in the contract or transaction, if it was entered into earlier.

The disclosure must be made even in the case of a contract or transaction that does not require approval by the Board of Directors.

47. Chair or Vice Chair of the Board

The Chair of the Board or if necessary, the Vice-Chair of the Board, shall be chosen from among the directors. The Chair of the Board or failing him, the Vice Chair of the Board presides over all the meetings of the directors and all shareholders meetings at which he is present and as such has all the powers and fulfils all his responsibilities that the Board of Directors may determine from time to time.

48. President

The president and chief executive officer controls and supervises the management of the activities and affairs of the Corporation. He signs the documents which require his signature. He also has the powers and fulfills all the responsibilities that the Board of Directors determines from time to time.

49. Vice-president

The vice-president (or vice presidents), exercises the powers and assumes the obligations that the Board of Directors determines from time to time. In the event of an absence, inability, refusal or omission to act as the president, the vice-president assigned by the directors can exercise his powers and fulfill all his responsibilities.

50. Secretary

The secretary is responsible for safekeeping the records and documents of the Corporation. He acts as secretary of the meetings of the Board of Directors and committees of the board as well as the meetings of shareholders. He signs the share certificates and other documents that require his signature and sends the directors and shareholders notice of meetings and other notices which may be required. He has all the powers and fulfills all the functions that the Board of Directors determines from time to time.

The assistant secretary fulfills all responsibilities assigned to him from time to time by the secretary.

51. Chief Financial Officer and/or Treasurer

He is in charge of the financial management of the Corporation. He oversees the financial situation of the Corporation and sees to the management of its property and the keeping of its accounting records. He reports periodically to the audit committee and to the Board of Directors on the financial situation of the Corporation. He signs the documents which require his signature.

52. Remuneration

The Board of Directors determines, from time to time, the remuneration of the president and chief executive officer, the Chair of the Board, the chief operating officer and of the chief financial officer, regardless of their title. The remuneration of the other officers is determined by management, subject to the powers devolved to the committee acting as the remuneration committees.

The officers are also entitled to be reimbursed the travel costs and all reasonable fees and expenses incurred in the performance of their duties.

G. COMMITTEES OF THE BOARD OF DIRECTORS

53. Creation

The Board of Directors may, by resolution, create one or more committees made up of directors. The resolution creating the committee sets out the number of directors making it up.

54. Powers

A committee of the Board of Directors exercises the powers delegated to it by the Board of Directors. However, the Board of Directors may not delegate the powers which it must exercise exclusively, according to the Act or section 11 of these by-laws.

A committee reports on its activities to the Board of Directors. Subject to the rights of third parties, the Board of Directors may overrule or modify a committee's decisions.

55. Cessation of office

A director may resign from a committee of the Board of Directors at any time. The resignation of a director becomes effective at the time the director's written resignation is received by the Corporation, or at the time specified in the resignation, whichever is later. The reason for the resignation is not required to be given.

The Board of Directors may, by resolution, replace a member of a committee of the board.

56. Vacancy

The Board of Directors may fill any vacancy on a committee of the board.

57. Meetings

Meetings of a committee of the board are called in the same manner as meetings of the Board of Directors.

58. Quorum

Unless otherwise provided in a resolution of the Board of Directors, the majority of the members of a committee of the board in office constitute a quorum.

59. Chair and secretary

Meetings of a committee of the board are chaired by the Chair of the committee; in his absence, the members present choose a meeting Chair from among themselves. The secretary of the Corporation acts as secretary of any committee of the board. The members present at a meeting can, if necessary, choose another person as meeting Chair or secretary.

60. Procedure

Meetings of committees of the Board of Directors are held in the same manner as the meetings of the Board of Directors.

61. Written resolution

A written resolution, signed by all the members of the committee entitled to vote on this resolution has the same force as if it had been passed at a meeting of the committee. The resolutions are kept with the minutes of the meetings and the written resolutions of the Board of Directors.

The written resolutions that are signed electronically are as legally valid as a written signature.

62. Remuneration

The members of a committee of the board may, as such, receive the remuneration set by resolution of the Board of Directors.

H. PROTECTION OF DIRECTORS AND OFFICERS

63. Presumption

A director is presumed to have fulfilled the obligation to act with prudence and diligence if the director relied, in good faith and based on reasonable grounds, on a report, information or an opinion

provided by one of the following persons:

- a) an officer of the Corporation who the director believes to be reliable and competent in the functions performed;
- b) legal counsel, professional accountants or other persons retained by the Corporation as to matters involving skills or expertise the director believes are matters within the particular person's professional or expert competence or as to which the particular person merits confidence; or
- c) a committee of the Board of Directors of which the director is not a member if the director believes the committee merits confidence.

64. Relief Provided by the Act

A director cannot be held liable under sections 154, 155, 156, 287 or 392 of the Act if the director acted with a reasonable degree of prudence and diligence in the circumstances. Furthermore, for the purposes of sections 155, 156, 287 and 392 of the Act, the court may, after considering all the circumstances and on the terms the court considers appropriate, relieve a director, either wholly or partly, from the liability the director would otherwise incur if it appears to the court that the director has acted reasonably, honestly and loyally, and ought fairly to be excused.

I. INDEMNIFICATION AND LIABILITY INSURANCE

65. Indemnification

Subject to the following, the Corporation must indemnify a director or officer of the Corporation, a former director or officer of the Corporation, a mandatary, or any other person who acts or acted at the Corporation's request as a director or officer of another group against all costs, charges and expenses reasonably incurred in the exercise of their functions, including an amount paid to settle an action or satisfy a judgment, or arising from any investigative or other proceeding in which the person is involved if

- a) the person acted with honesty and loyalty in the interest of the Corporation or, as the case may be, in the interest of the other group for which the person acted as director or officer or in a similar capacity at the Corporation's request; and
- b) in the case of a proceeding that is enforced by a monetary penalty, the person had reasonable grounds for believing that his conduct was lawful.

The Corporation must also advance monies to such a person for the costs, charges and expenses of a proceeding referred to in the first paragraph.

However, in the event that a court or any other competent authority judges that the conditions set out in subparagraphs a) and b) above are not fulfilled, or that the person has a committed intentional or gross fault, the Corporation may not indemnify the person and the person must repay to the Corporation any monies advanced.

The indemnity provided for in the preceding paragraphs can be obtained even if a person has ceased being a director, officer or representative of the Corporation. In case of death, the indemnity can be paid to the heirs, legatees, liquidators, assignees, authorized representants or beneficiaries of this person.

66. Actions by or on behalf of the Corporation

The Corporation may, with the approval of the court, in respect of an action by or on behalf of the Corporation or other group referred to in the preceding section against a person referred to in the preceding section, advance the necessary monies to the person or indemnify the person against all costs, charges and expenses reasonably incurred by the person in connection with the action, if the person fulfills the conditions set out in the preceding section.

67. Liability insurance

The Corporation must purchase and maintain insurance for the benefit of its directors, officers and other mandataries against any liability they may incur as such or in their capacity as directors, officers or mandataries of another group, if they act or acted in that capacity at the Corporation's request.

J. SHAREHOLDERS MEETINGS

68. General

The Corporation must hold an annual meeting of shareholders; it may hold one or more special meetings of shareholders as needed.

69. Annual meeting

An annual meeting must be held fifteen (15) months after the last preceding annual meeting. The following business is discussed at the annual meeting:

- a) the presentation and examination of the financial statements of the Corporation for the fiscal year ended within six months of the date of the meeting;
- b) the presentation and examination of any other financial information required by the articles or the by-laws to be presented to the shareholders;
- c) the presentation and examination of the auditor's report, where applicable;
- d) the renewal of the auditor's term, where applicable;
- e) the election of directors.

The annual meeting may also examine and discuss any other business.

The Board of Directors calls the annual shareholders meeting. Otherwise, the meeting may be called by the shareholders in accordance with the rules for calling special meetings at the request of the shareholders as provided in the Act.

70. Place

A meeting is held within the province of Quebec at the place determined by the Board of Directors.

71. Calling of meeting

Notice of a shareholders meeting must be sent to each shareholder entitled to vote at the meeting and to each director at least twenty-one (21) days, but at the most sixty (60) days before the meeting.

If a director or a shareholder entitled to vote at a shareholders meeting gives written notice not less than ten (10) days before the meeting to the auditor or a former auditor of the Corporation, the auditor or former auditor attends the meeting at the Corporation's expense and answers any question relating to their duties as auditor.

72. Notice of meeting

Subject to the *Securities Act* and the applicable securities regulations, the notice of a shareholders meeting must be sent to each shareholder able to vote and to each director, in writing, by any means providing proof of the date of sending. It is sent to such persons at the address indicated in the Corporation's records. If a person's address is not indicated in the Corporation's records, the notice of meeting must be sent to the address where, in the opinion of the person sending such notice, it is the most likely to reach the person the quickest.

The notice of meeting is sent to the shareholders entered in the securities register at the record date.

A certificate from the secretary or any other duly authorized officer of the Corporation in office at the time of the preparation of such certificate, or any officer, transfer agent, or share transfer registrar of the Corporation constitutes proof of the sending of the notice of meeting and ties in each shareholder.

The notice of meeting indicates the date, time and place of the meeting as well as the business on the agenda. It also states, where applicable, the date by which the proxies of the shareholders wishing to be represented at the meeting must be received by the Corporation; such date may not be more than forty-eight (48) hours, excluding Saturdays and holidays, before the date of the meeting or any adjournment thereof.

The notice of meeting must state the business on the agenda in sufficient detail to permit the shareholders to form a reasoned judgment on it, and contain the text of any special resolution to be submitted to the meeting.

Irregularities in the notice of meeting or in its sending do not affect the validity of the meeting. Similarly, the unintentional failure to send a notice of meeting to a person entitled to it, or the failure to receive it by a person entitled to the notice, does not invalidate the resolutions passed at the meeting. In addition, the unintentional failure to include a matter to be discussed at the meeting in the notice does not prevent the meeting from discussing such business, unless the interests of a shareholder or director are or could be affected thereby.

73. Record Date

The Board of Directors may fix, in conformity with the applicable requirements of the securities regulations, before any annual shareholders meeting or special shareholders meeting, the record date for the determination of the shareholders entitled to receive notice of any such meeting.

74. Waiver

A shareholder or director may, in writing, waive notice of a shareholders meeting; waiver of the notice may be validly given before or after the meeting. Their attendance at the meeting is a waiver of notice of the meeting unless they attend the meeting for the sole purpose of objecting to the holding of the meeting on the grounds that it was not lawfully called or held.

75. Holding of or participation in meeting by electronic means

A shareholders meeting may be held solely by means of equipment enabling all participants to communicate directly with one another.

Furthermore, any person entitled to attend a shareholders meeting may participate in the meeting by means of any equipment enabling all participants to communicate directly with one another. A person participating in a meeting by such means is deemed to be present at the meeting.

Any shareholder participating in a shareholders meeting by means of equipment enabling all participants to communicate directly with one another may vote by any means enabling votes to be cast in a way that allows them to be verified afterwards and protects the secrecy of the vote when a secret ballot has been requested.

76. Quorum

Two persons representing at least twenty-five per cent (25%) of votes cast by holders of outstanding voting shares of the Corporation, present in person or represented by proxy at the meeting, constitute the quorum for any annual meeting and any special meeting of shareholders of the Corporation.

The actions taken by holders of the majority of shares so represented, which entitle their holders to vote, are considered as actions taken by all shareholders, unless the vote or consent of holders of a greater number of shares is required or prescribed by the applicable legislation, the articles or the by-laws of the Corporation.

In the absence of the quorum at a shareholders meeting, shareholders present in person who can be accounted for to constitute the quorum have the power to adjourn the meeting at any time and in any place, with no further notice other than mentioning it at the meeting, until the quorum is obtained. Any matter that could have been brought before the adjourned meeting may then be brought before any adjournment thereof provided the quorum is duly constituted.

77. Meeting Chair and secretary

The Chair of the Board of the Corporation or, in his absence, the Vice-Chair of the Board, if any, or in his absence, the president and chief executive officer of the Corporation or any other person that may be named by the Board of Directors from time to time chairs a shareholders' meeting. The secretary of the Corporation acts as meeting secretary.

If the person who is to chair the meeting is not present at the meeting within 15 minutes after the time appointed for the meeting, the shareholders present choose one of their own to chair of the Board the meeting.

78. Procedure

The Chair of the meeting directs the meeting and ensures its orderly conduct. His decisions, including those relating to the validity of proxies, are final and binding on all the shareholders.

The Chair of a shareholders' meeting must allow shareholders to raise and discuss, for a reasonable period of time, any matter the primary purpose of which relates to the business or affairs of the Corporation and which is not to enforce a personal claim or redress a personal grievance against the Corporation or its directors, officers or shareholders.

At a shareholders meeting, unless a vote is demanded, a declaration by the Chair of the meeting that a resolution of the shareholders has been carried and that an entry to that effect has been made in the minutes of the meeting is, in the absence of any evidence to the contrary, proof of that fact, without it being necessary to prove the number or proportion of the votes recorded for and against the resolution.

79. Voting

Unless otherwise provided in the articles, each share of the Corporation entitles the holder to one vote.

80. Majority decision

Unless otherwise provided in the law, the articles or the by-laws, a decision of the shareholders is adopted by ordinary resolution.

81. Tie-breaking vote

In the case of a tie, the Chair of the meeting has a tie-breaking vote.

82. Voting

Voting is conducted by a show of hands, open voice or secret ballot.

83. Voting by a show of hands

Except for the election of directors for which voting shall be cast by secret ballot, voting is conducted by a show of hands unless an open voice vote or a ballot is demanded. In such a case, the shareholders or proxies vote by raising their hand and the number of votes is calculated according to the number of hands raised.

A proxyholder who has conflicting instructions from more than one shareholder may not vote by a show of hands.

84. Open voice voting

The Chair of the meeting, a shareholder or a proxyholder may demand an open voice vote unless a ballot has been demanded. In such a case, each shareholder or proxyholder verbally states his name, that of the shareholder or shareholders whose proxy he holds, the number of votes he holds and the breakdown of such votes.

85. Voting by secret ballot

Except for the election of directors for which voting shall be cast by secret ballot, voting is conducted by secret ballot if the Chair of the meeting, a shareholder or a proxyholder so requests, in the manner indicated by the Chair of the meeting. Each shareholder or proxyholder gives the scrutineers a ballot indicating his name, that of the shareholder whose proxy he holds, the number of votes he holds and the breakdown of such votes.

A shareholder may demand a ballot either before or after a vote by show of hands. A demand for a secret ballot may be withdrawn any time before voting begins.

When voting is conducted by secret ballot, the meeting appoints one person to act as scrutineer.

86. Scrutineer

The Chair of any shareholder meeting can appoint one or two persons to act as scrutineers.

87. Voting by a group

A natural person authorized by a resolution of the Board of Directors or of the management of a shareholder who is a group may participate in and vote at a shareholders meeting.

88. Voting by the administrator of the property of others

A person acting for a shareholder as administrator of the property of others may participate in and vote at a shareholders meeting.

89. Voting by joint shareholders

If two or more persons hold shares jointly, one of those shareholders present at a shareholders meeting may, in the absence of the others, exercise the voting right attached to those shares. If more than one (1) shareholder are present, they shall vote as one shareholder.

90. Proxies

A shareholder may be represented at a shareholders meeting by a proxyholder. A shareholder so represented is deemed to be present at the meeting. Any person, whether or not a shareholder of the Corporation, may be appointed a proxyholder. A proxyholder has the same rights as the shareholder represented to speak at a shareholders meeting in respect of any matter and to vote at the meeting.

A proxy must be in writing and signed by the shareholder. In addition to the date, the proxy must include the name of the proxyholder and, if applicable, revoke any former proxy.

A proxy may also contain voting instructions which the proxyholder is required to follow. A proxy is not required to be witnessed.

Unless otherwise indicated, a proxy lapses one year after the date it is given. It may be revoked at any time.

A proxy may be filed with the secretary of the Corporation or any authorized person. A proxy mechanically reproduced or sent by fax or any other means of communication providing proof of the date of receipt is valid.

91. Preservation of ballots and proxies

The Corporation must, for at least three months after a shareholders meeting, keep at its head office the ballots cast and the proxies presented at the meeting. Any shareholder or proxyholder who was entitled to vote at the meeting may, without charge, inspect the ballots and proxies kept by the Corporation.

92. Adjournment

The Chair of the meeting may adjourn any shareholders meeting, with the consent of the shareholders present or represented by proxy. The Chair of the meeting may also adjourn a meeting *ex officio* if he believes it is impossible to conduct it in an orderly manner.

If a shareholders' meeting is adjourned for less than thirty (30) days, it is not necessary to give notice of the adjourned meeting other than by announcement at the original meeting. If a shareholders' meeting is adjourned by one or more adjournments for an aggregate of thirty (30) days or more, notice of the adjourned meeting must be given as for an original meeting.

The meeting is validly resumed if it is held on the date and at the time and place announced and if there is a quorum. In the absence of a quorum at the resumed meeting, the original meeting is deemed to have terminated immediately after its adjournment.

93. Signed resolution

A resolution in writing signed by all the shareholders entitled to vote on the resolution is as valid as if it had been passed at a shareholders meeting. The resolution must be kept with the minutes of the shareholders meetings and written resolutions.

The written resolutions that are signed electronically are as legally valid as a written signature.

K. SHARES AND CERTIFICATES

94. Issue of shares

Subject to the existence of a pre-emptive right granted to the shareholders, shares may be issued at the times, to the persons, including the directors or officers of the Corporation, and for the consideration the Board of Directors determines. In exercising this power, the Board of Directors may, by resolution, accept subscriptions, issue the unissued shares of the Corporation's share capital and grant an exchange right, option or right to acquire shares of the Corporation.

95. Payment of shares

The shares of the Corporation may be issued whether or not they are fully paid. However, shares may only be considered paid if consideration equal to the issue price (which may not be less than the par value, if any, of the shares) determined by the Board of Directors has been paid to the Corporation.

Consideration for the shares issued by the Corporation is payable in money, or in property or past services determined by the Board of Directors to be the fair equivalent of the money consideration, considering all the circumstances.

A promissory note or a promise to pay made by a person to whom shares are issued, or a person who does not deal at arm's length, within the meaning of that expression in the *Taxation Act* (CQLR, R.S.Q., chapter I-3), with a person to whom shares are issued does not constitute consideration for the shares.

96. Share certificates

Shares issued by the Corporation may be certificated shares or uncertificated shares. A certificated share is represented by a paper certificate in registered form, and an uncertificated share is represented by an entry in the securities register in the name of the shareholder.

Unless otherwise provided in the articles of the Corporation, shares are issued as certificated shares unless the Board of Directors determines, by resolution, that the shares of any class or series of shares or certain shares of a class or series are to be issued as uncertificated shares.

The Board of Directors may also, by resolution, determine that certificated shares become uncertificated shares as soon as the paper certificate is surrendered to the Corporation.

97. Certificated shares

In the case of certificated shares, the Corporation must issue to the shareholder, without charge, a certificate in registered form. The Corporation is not required to issue more than one certificate for shares held jointly by two or more persons.

The Board of Directors adopts the form of the share certificate by resolution, as governed by the Act.

The share certificates of the Corporation must be signed by the secretary or by any director or any officer. This signature may be affixed by an automatic device or electronic process.

In the absence of any evidence to the contrary, the certificate is proof of the shareholder's title to the shares represented by the certificate.

The seal is not required to be affixed to the share certificate.

98. Uncertificated shares

In the case of uncertificated shares, the Corporation must send the shareholder a written notice containing the information prescribed by the Act.

99. Damaged, lost or destroyed certificates

If a shareholder claims that a share certificate has been lost, wrongfully taken or destroyed, the Corporation must issue a new certificate if the shareholder:

- a) so requests before the Corporation has notice that the lost, wrongfully taken or allegedly destroyed share certificate has been delivered to a protected purchaser within the meaning of the *Act respecting the transfer of securities and the establishment of security entitlements* (CQLR, chapter T-11);
- b) provides security sufficient in the Corporation's judgment to protect the Corporation from any loss that the Corporation may suffer by issuing a new certificate; and
- c) satisfies any other reasonable requirements imposed by the Corporation.

100. Unpaid shares

Unless the terms of payment for shares are determined by contract, the Board of Directors may call for payment of all or part of the unpaid amounts on shares subscribed or held by the shareholders, the whole as provided by the Act.

101. Transfer of shares

The transfer of shares of the Corporation is governed by the *Act respecting the transfer of securities and the establishment of security entitlements*.

Shares that are not fully paid but for which no instalment is payable may only be transferred with the authorization of the Board of Directors. The directors must reasonably verify the acquirer's ability to pay for the shares before authorizing the transfer.

A share may not be transferred until all instalments payable up to the time of transfer have been fully paid.

102. Transmission of shares

In the event of a transfer of shares by will, the Corporation may consider as entitled to exercise the rights of a deceased shareholder, an heir or personal representative of the heirs or of the succession of that shareholder, upon reception of sufficient proof of their appointment. That person is entitled to become the registered holder of the shares of the deceased or to designate those holders upon delivery to the Corporation of an affidavit or declaration setting out the conditions of the transfer and, as the case may be, of (a) an original of the decision concerning the probate of the will or the notarized minutes of the probate, or a copy of one of the aforementioned documents certified by the Court which rendered the decision or by the notary who prepared the minutes, or by a trust company constituted under provincial or federal legislation or by an attorney or notary acting on behalf of that person, (b) a certified true copy of the notarial will.

L. DIVIDENDS

103. Declaration of dividends

Unless otherwise provided in the articles, the Board of Directors may declare and the Corporation may pay a dividend either in money or property or by issuing fully paid shares or options or rights to acquire fully paid shares of the Corporation.

The Corporation may not declare and pay a dividend, except by issuing shares or options or rights to acquire shares, if there are reasonable grounds for believing that the Corporation is, or would after the payment be, unable to pay its liabilities as they become due.

The Corporation may deduct from the dividends payable to a shareholder any amount due to the Corporation by the shareholder, on account of calls for payment or otherwise.

104. Record Date

The Board of Directors may fix, in advance, in accordance with applicable securities regulations, a record date for the determination of the shareholders entitled to receive dividends.

M. FISCAL YEAR AND AUDITOR

105. Fiscal year

The fiscal year of the Corporation ends on December 31st or on the date set by resolution of the Board of Directors.

106. Auditor

The shareholders of the Corporation appoint an auditor at each annual shareholders meeting. The auditor is appointed by ordinary resolution. The term of the auditor begins on appointment. The auditor's remuneration is fixed by ordinary resolution of the shareholders at the time of appointment. If it is not fixed at that time, it is fixed by the Board of Directors.

The shareholders may, by ordinary resolution at a special meeting, remove the auditor from office. They may appoint a new auditor by ordinary resolution at the same meeting.

Subject to the shareholders' right to fill the vacancy after removing an auditor, the Board of Directors fills a vacancy in the office of auditor without delay for the unexpired term.

N. NOTICE

107. Shares registered in the name of more than one person (joint shareholders)

Subject to the *Securities Act* and the applicable securities regulations, if two or more persons hold shares jointly, any notice or other document relating to such shares is sent to the first shareholder indicated in the Corporation's securities register. Such notice or other document is deemed to have been sent to all the other shareholders.

108. Registered shareholder

Before due presentation for registration of transfer of a certificated share or the receipt of an instruction for registration of transfer of an uncertificated share, the Corporation may treat the shareholder registered in the securities register as the person exclusively entitled to receive notices or other documents.

109. Address of shareholders

A shareholder must provide the Corporation with an address to which all notices or documents for him are sent.

110. Signing of notices

Notices sent by the Corporation are signed by a director, officer or any other authorized person. Their signature may be affixed by an automatic device or electronic process.

111. Calculation of time limits

Unless otherwise provided in these by-laws, in computing any time limit fixed by the articles or these by-laws:

- a) the day which marks the start of the time limit is not counted, but the terminal day is counted;
- b) non-juridical days within the meaning of the *Code of Civil Procedure* are counted; but when the last day is a non-juridical day, the time limit is extended to the next following juridical day;
- c) Saturday is considered a non-juridical day.

O. OTHER PROVISIONS

112. Declarations in the enterprise register

A director, officer or any authorized person signs the declarations which must be sent by the Corporation to the enterprise registrar under the *Act respecting the legal publicity of enterprises*.

113. Conflict with the Act and the articles

In the event of a contradiction between the Act, the articles and the by-laws, the Act shall prevail over the articles and the by-laws and the provisions of the articles shall take precedence over the by-laws.

114. By-laws

The Board of Directors adopts the Corporation's by-laws. The by-laws are effective as of the date of the resolution of the board. The by-laws must be submitted to the shareholders for approval at the

next shareholders meeting, and the shareholders may, by ordinary resolution, ratify, reject or amend them. They cease to be effective at the close of the meeting if they are rejected by or not submitted to the shareholders.

The rules of this section apply, with the necessary modifications to the amendment or repeal of by-laws.

Any new by-law adopted by the Board of Directors that has substantially the same purpose or effect as a by-law previously rejected by or not submitted to the shareholders at the meeting is not effective until confirmed by the shareholders.

SCHEDULE B

ADVANCE NOTICE BY-LAW (No. 2015-1)

INTRODUCTION

The purpose of this Advance Notice By-law (the “**By-law**”) is to establish the conditions under which holders of record of Class A and Class B shares of the Corporation may exercise their right to submit director nominations by fixing a deadline by which such nominations must be submitted by a shareholder to the Corporation prior to any annual or special meeting of shareholders, and sets forth the information that a shareholder must include in the notice to the Corporation for the notice to be in proper written form.

It is the position of the Corporation that this By-law is beneficial to the Corporation and to its shareholders.

NOMINATIONS OF DIRECTORS

1. **Nomination procedures** - Subject only to the *Business Corporations Act* (Québec) (the “**Act**”) and the articles of the Corporation, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the board of directors of the Corporation (the “**Board**”) may be made at any annual meeting of shareholders, or at any special meeting of shareholders, if one of the purposes for which the special meeting was called is the election of directors. Such nominations may be made in the following manner:
 - a) by or at the direction of the Board, including pursuant to a notice of meeting;
 - b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act and its regulations or a requisition of the shareholders made in accordance with the provisions of the Act; or
 - c) by any person (a “**Nominating Shareholder**”):
 - (A) who, at the close of business on the date of the giving of the notice provided for below in this By-law and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and
 - (B) who complies with the notice procedures set forth below in this By-law.
2. **Timely notice** - In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Corporate Secretary of the Corporation at the head office of the Corporation.
3. **Manner of timely notice** - To be timely, a Nominating Shareholder’s notice provided for in paragraph 2 of the By-law must be made:
 - a) in the case of an annual meeting of shareholders, not less than 30 days prior to the date of the annual meeting of shareholders or of any postponement or adjournment thereof; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the “**Notice Date**”) on which the first public announcement of the date of the annual meeting was made, notice by the Nominating

Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and

- b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

4. Proper form of timely notice - To be in proper written form, a Nominating Shareholder's notice provided for in paragraph 2 of the By-law must set forth:

- a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person; (C) the class and number of shares in the capital of the Corporation which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and (D) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and its by-laws and Applicable Securities Laws (as defined below); and
- b) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Corporation and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and its by-laws and Applicable Securities Laws (as defined below).

The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

5. Eligibility for nomination as a director - No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this By-law; provided, however, that nothing in this By-law shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act and its regulations. The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in this by-law and, if any proposed nomination is not in compliance with such provisions, to declare that such defective nomination shall be disregarded.

6. Delivery of notice - Notwithstanding any other provision of this By-law, notice given to the Corporate Secretary of the Corporation pursuant to this By-law may only be given by personal delivery or by email (at such email address as stipulated from time to time by the Corporate Secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery or email (at the aforesaid address) to the Corporate Secretary at the address of the head office of the Corporation; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Montreal time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

7. Board Discretion - Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this By-law.

8. Terms - For purposes of this By-law:

- a) “**public announcement**” shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and
- b) “**Applicable Securities Laws**” means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.

SCHEDULE C

SHAREHOLDER'S PROPOSAL

PROPOSAL FROM THE MOUVEMENT D'ÉDUCATION ET DE DÉFENSE DES ACTIONNAIRES (MÉDAC)

The Mouvement d'éducation et de défense des actionnaires (MÉDAC), located at 82 Sherbrooke Street West, Montréal, Québec H2X 1X3, has submitted one proposal for review by the shareholders at the annual meeting of the Corporation.

MÉDAC has been a shareholder of the Corporation since September 2005, holding 100 Class B shares. These proposals and MÉDAC's justifications for them are reproduced below, verbatim.

PROPOSAL NO. 1 – “SAY ON PAY” ADVISORY VOTE

It is proposed that the Board of Directors adopt a policy whereby the compensation policy for its five most senior executives be put to a shareholder advisory vote.

Arguments

Currently, Quebecor Inc.'s shareholders cannot express their opinion on the executive compensation policy. Close to one hundred companies now give their shareholders this option.

It is reasonable to believe that many shareholders have questions about the Corporation's compensation policy because, at the last annual meeting, a proposal by MÉDAC for implementing advisory voting at Quebecor Inc. obtained the support of 15.78% of the votes cast, the vast majority (85.18%) of the voting rights attached to the shares held by the public.

The advisory vote on executive compensation is a basic component of good relations with the shareholders and allows the Board of Directors to ensure its shareholders' satisfaction regarding its compensation policy and to maintain a good dialogue with its shareholders, regardless of the number of shares they hold, thus preserving the Company's good reputation with its various stakeholders and the financial community. It also makes it possible to avoid excessively high abstention votes against directors sitting on compensation committees, which taint their reputation as directors, when the shareholders do not have an advisory vote to express their dissatisfaction. In our opinion, any dissatisfaction regarding compensation policy should be expressed relative to the Board of Directors in its entirety rather than relative to a few directors.

The Board of Directors of the Corporation recommends to its shareholders and their proxyholders to VOTE AGAINST this proposal.

Determining the salaries of the senior executives is one of the responsibilities of the Board of Directors and the Board believes that the process followed in this regard is the best way to fulfill its responsibilities and to ensure that it acts in the best interests of the Corporation and its shareholders.

To fulfill this responsibility rigorously, the Board of Directors has the advantage of recommendations from its Human Resources and Compensation Committee (the “Committee”), comprised entirely of independent members who have relevant experience in compensation and a good understanding of the long-term impacts of the Corporation's compensation policies and the issues related to the contracts of employment of senior executives. When it makes recommendations to the Board in matters of compensation, the Committee relies on its knowledge of the Corporation's activities and the market in which it operates. This Committee can also avail itself of the services of an outside consultant for advice on best practices in compensation.

Moreover, one of the Committee's responsibilities is to ensure that the compensation policies in place do not induce the senior executives to take undue risks or to make decisions that are profitable in the short term but that could undermine the Corporation's viability in the long term. Consequently, during the year, on the Committee's recommendation, the Board adopted guidelines extending the holding period of options granted to certain executives and a policy on recovery of the compensation paid. These policies give the Board new tools to regulate senior executive compensation.

The Corporation finds that a "say on pay" advisory vote gives the shareholders too broad a spectrum to decide not to support the compensation plan for a multitude of reasons and may be used to express disagreement with an element unrelated to compensation. This makes it extremely difficult to analyze the results of the vote and especially to implement solutions to respond to the shareholders' concerns. Furthermore, the opinions of corporate governance bodies vary when it comes to the relevance of such an advisory vote.

Instead of holding such an advisory vote, the Board of Directors reiterates its invitation to those shareholders who might have questions or comments on the Corporation's compensation policy to submit them directly to management or to the members of the Committee during the Meeting. The Corporation believes that an open discussion on specific aspects of compensation would be much more productive.

For these reasons, the Board of Directors recommends that the shareholders vote AGAINST this proposal.

SCHEDULE D

MANDATE OF THE BOARD OF DIRECTORS

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

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

COMPOSITION AND QUORUM

The majority of the members of the Board must be considered independent by the Board, as defined in the laws and regulations¹. The Board analyses annually the independent status of each of its members. In accordance with the articles of the Corporation, 25% of all the members of the Board are elected by holders of Class B Subordinate Voting Shares (the “**Class B directors**”) and the other members of the Board are elected by holders of Class A Multiple Voting Shares (the “**Class A directors**”). Throughout the term of the mandate, a quorum of the members of the Board may fill any vacancy on the Board by appointing a new director who will serve until the next annual meeting of shareholders.

The Board may appoint one or more additional directors who shall hold office for a term expiring not later than the close of the annual meeting of shareholders following their appointment, but the total number of directors so appointed may not exceed one third of the number of directors elected at the annual meeting of shareholders preceeding their appointment.

All members of the Board must have the skills and qualifications required for their appointment as a director. The Board, as a whole, must reflect a diversity of particular experiences and qualifications to meet the Corporation’s specific needs including the representation of women.

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

RESPONSIBILITIES

The Board has the following responsibilities:

A. With respect to strategic planning

1. Assess and approve annually the strategic planning of the Corporation including its financial strategy and business priorities.
2. Review and, at the option of the Board, approve all strategic decisions for the Corporation, including acquisitions or sales of shares, assets or businesses which exceed the delegated approval powers.

¹ A director is independent if he or she has no direct or indirect material relationship with the Corporation, i.e. that he or she has no relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of his or her independent judgement.

B. With respect to human resources and performance assessment

1. Appoint the President and Chief Executive Officer. Select a Chair of the Board amongst the directors and, if appropriate, a Vice Chair of the Board. If the Chair of the Board is not an independent director, a Lead Director is then appointed and the Vice Chair of the Board may hold both offices.
2. Approve the appointment of the other members of management.
3. Ensure that the Human Resources and Compensation Committee assesses annually the performance of the Chief Executive Officer and of the Chief Financial Officer, taking into consideration the Board's expectations and the objectives that have been set.
4. Approve, upon the recommendation of the Human Resources and Compensation Committee, the compensation of the Chief Executive Officer and of the Chief Financial Officer as well as the overall objectives the Chief Executive Officer must achieve.
5. Approve the Chair of the Board's and the directors' compensation.
6. Ensure that a management succession planning process is in place.
7. Ensure that the Human Resources and Compensation Committee considers the implications of the risks associated with the Corporation's compensation policies and practices.

C. With respect to financial matters and internal controls

1. Ensure the integrity and quality of the Corporation's financial statements and the adequacy of the disclosure made.
2. Review and approve the annual and interim financial statements and management's discussion and analysis. Review the press release relating thereto.
3. Approve operating and capital expenditures budgets, the issuance of securities and, subject to the Limit of Authority Policy of Quebecor Media Inc., all transactions outside the ordinary course of business, including proposed amalgamations, acquisitions or other material transactions such as investments or divestitures.
4. Determine dividend policies and declare dividends when deemed appropriate.
5. Ensure that appropriate systems are in place to identify business risks and opportunities and oversee the implementation of an appropriate process to evaluate those risks and to manage the principal risks generally relating to the Corporation.
6. Monitor the quality and integrity of the Corporation's accounting and financial reporting systems, disclosure controls and internal procedures for information validation.
7. Monitor the Corporation's compliance with legal and regulatory requirements applicable to its operations.
8. Review, when needed and upon recommendation of the Audit Committee, the Corporation's Disclosure Policy, monitor the Corporation's dealings with analysts, investors and the public and ensure that measures are in place in order to facilitate shareholders feedback.
9. Recommend to the shareholders the appointment of the external auditor.

10. Approve the audit fees of the external auditor.

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

1. Ensure that appropriate systems are in place to monitor the management of the pension plans.
2. Approve grants of stock options in virtue of the Stock Option Plan.

E. With respect to corporate governance matters

1. Ensure that management manages the Corporation competently and in compliance with applicable legislation, including by making timely disclosure of relevant information regarding the Corporation and making statutory filings.
2. Review, on a regular basis, corporate governance structures and procedures, including the decisions requiring the approval of the Board.
3. Ensure that a Code of ethics is in place and that it is communicated to the Corporation's employees and enforced.
4. Establish a policy which enables committees of the Board and, subject to the approval of the Corporate Governance and Nominating Committee, a director, to hire external advisors at the expense of the Corporation when circumstances so require, subject to notification of the Chair of the Board.
5. Review the size and composition of the Board and its committees based on qualifications, skills and personal qualities sought in Board members. Review annually the composition of Board committees and appoint chair of committees. Approve annually the mandates of Board committees upon recommendation of the Corporate Governance and Nominating Committee, as well as the description of functions that should be approved by the Board.
6. Approve the list of Board nominees for election by shareholders.
7. Determine the independence of directors annually under the rules on the independence of directors.
8. Review and approve the Corporation's management proxy circular as well as its annual information form and all documents or agreements requiring its approval.
9. Receive annual confirmation from the Board's various committees that all matters required under their mandate and working plan have been covered.
10. Receive the Chair of the Board's report (or the Vice Chair of the Board's) on the annual assessment of the overall effectiveness of the Board.
11. Ensure 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. Special meetings of the Board are held annually in order to review and approve the Corporation's strategic plan as well as operating and capital budgets.
2. The Chair 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 sufficiently in advance.
3. The independent directors meet after each meeting of the Board, or more frequently, as required.