NOTICE OF ANNUAL MEETING

OF SHAREHOLDERS

AND

MANAGEMENT PROXY CIRCULAR

2012

TVA GROUP INC.
Tuesday, May 8, 2012 at 11:30 a.m.
612 Saint-Jacques Street – Montréal, Québec

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS 2012

Date : **Tuesday, May 8, 2012**

Time : **11:30 a.m.**

Place : **Quebecor Building**
612 Saint-Jacques Street
Montréal, Québec, Canada

Please note that at the Annual Meeting of the holders of shares of TVA Group Inc. (the "**Corporation**"), the shareholders will be asked to:

- receive the consolidated financial statements of the Corporation for the year ended December 31, 2011 and the External Auditor's report thereon;
- elect the directors;
- renew the mandate of the External Auditor and authorize the Board of Directors to determine its remuneration; 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 (to be used by holders of Class A Common Shares).

Shareholders registered at the close of business on March 12, 2012 are entitled to receive notice of the Meeting. Shareholders who are unable to attend the meeting are urged to complete and sign the enclosed form of proxy and return it in the postage-paid envelope provided for that purpose. To be valid, proxies must be received at Computershare Trust Company of Canada, 100 University Avenue, 9th floor, Toronto, Ontario, Canada, M5J 2Y1, no later than May 4, 2012 at 5:00 p.m.

BY ORDER OF THE BOARD OF DIRECTORS,

Claudine Tremblay
Vice-President and Corporate Secretary

Montréal, Québec
March 29, 2012

MANAGEMENT PROXY CIRCULAR 2012

1600 de Maisonneuve Boulevard East
Montréal, Québec
H2L 4P2

I. GENERAL INFORMATION

SOLICITATION OF PROXIES

This Management Proxy Circular (the "**Circular**") is provided in connection with the solicitation of proxies by the Management of TVA Group Inc. (the "**Corporation**") for use at the Annual Meeting of shareholders of the Corporation to be held on Tuesday, May 8, 2012 (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 7, 2012**. All dollar amounts appearing in this Circular are in Canadian dollars, unless another currency is specifically mentioned.

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 Common Shares (the "**Class A Shares**") whose names appear on the list of shareholders prepared at the close of business on March 12, 2012 (the "**Record Date**") will be entitled to vote at the Meeting and any adjournment thereof if present or represented by proxy thereat.

The holders of Class B Non-Voting Shares (the "**Class B Shares**") are entitled to receive notice of and to attend and participate at meetings of shareholders of the Corporation, but are not entitled to vote.

A transferee of Class A Shares acquired after the Record Date 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. Each Class A Share confers the right to one vote.

Our 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. They do not carry any voting rights.

As at March 7, 2012, 4,320,000 Class A Shares and 19,450,906 Class B Shares were issued and outstanding.

To the knowledge of the directors and executive officers of the Corporation, the only person who, on March 7, 2012, beneficially owned or exercised control over more than 10% of the Class A Shares of the Corporation was Quebecor Media Inc. ("**QMI**"). As of March 7, 2012, QMI directly held 4,318,008 Class A Shares, representing a total of 99.95% of all the voting rights attached to the issued and outstanding Class A Shares, and 7,910,583 Class B Shares being 40.67% of the issued and outstanding Class B Shares. As of March 7, 2012, QMI was owned directly and indirectly by Quebecor Inc. (54.72%) and by CDP Capital d'Amérique Investissements Inc. ("**CDP**") (45.28%). As provided in the shareholders' agreement dated October 23, 2000 as amended on December 11, 2000, executed by Capital Communications CDPQ inc. (now CDP) and Quebecor Inc., the shareholders agreed to exercise the voting rights associated with their shares in order to appoint to the Board of Directors and committees of QMI and some of its large subsidiaries, including the Corporation, a number of members proportional to their interest in shares in the capital stock of QMI. CDP has decided to designate two nominees to the Board of Directors of the Corporation: Messrs. A. Michel Lavigne and André Tranchemontagne.

RIGHTS IN THE EVENT OF A TAKE-OVER BID

In the event that a take-over bid is made for the Class A Shares, there are no provisions in the Articles of the Corporation granting the holders of Class B Shares the right to convert their shares into Class A Shares or any similar right designed to enable them to participate in such a take-over bid.

VOTING OF SHARES BY CLASS A SHAREHOLDERS

A. Registered shareholders

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

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

- in person at the Meeting;
- by proxy;
- by fax.

<u>Voting in person at the Meeting</u>

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

<u>Voting by proxy</u>

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 a be 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 Serge Gouin or Pierre Karl Péladeau, each of whom being a director 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 for him. If the proxyholder does not attend the Meeting and vote in person, the shares will not be voted. *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 Chairman of such Meeting on the day of the Meeting or any adjournment thereof.

<u>Voting by fax</u>

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

B. Non-registered shareholders (beneficial shareholders)

A shareholder is a non-registered shareholder (or a beneficial shareholder) if a bank, trust corporation, 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 Computershare, the Corporation's transfer agent, at 1-800-564-6253 (toll free in Canada and the United States) or at 514-982-7555 (in the Montréal area or from outside Canada and the United States).

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 his Class A 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 fax.

Voting in person at the Meeting

A non-registered shareholder who wishes to vote his shares in person at the Meeting must insert his own name in the space provided on the voting instruction form in order to appoint himself as proxyholder and follow the signature and return instructions provided by its nominee. 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 Computershare.

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 a be 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 Serge Gouin or Pierre Karl Péladeau, each of whom being a director 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. *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 insufficient notice of revocation.

Voting by fax

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

C. Vote by proxholders

The persons named in the enclosed form of proxy, or voting instruction form, will vote the shares in respect of which they are appointed 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; and ii) FOR the appointment of Ernst & Young LLP ("Ernst & Young") as External Auditor of the Corporation and to authorize the directors to fix its remuneration.**

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 the Corporation's transfer agent, Computershare, 100 University Avenue, 9^{th} floor, Toronto, Ontario, Canada, M5J 2Y1, or to vote by fax, have been fixed at 5:00 p.m. on May 4, 2012, 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. AGENDA OF THE MEETING

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.

FINANCIAL STATEMENTS AND EXTERNAL AUDITOR'S REPORT

The audited consolidated financial statements and the External Auditor's report thereon, for the financial year ended December 31, 2011, have been sent to all shareholders who have requested them and are available on the Corporation's Website at http:\\groupetva.ca 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 seven and a maximum of twenty directors.

The Board of Directors will consist of ten directors. The term of office of each director elected will expire upon the election of his or her successor, unless he or she resigns from office or his or her office becomes vacant by death, removal or other cause.

The election of the ten nominees whose names are hereinafter set forth is proposed. It is not contemplated that any of the nominees will be unable, or for any reason will become unwilling, to serve as a director but, if that should occur prior to the election, the persons named in the accompanying form of proxy, or voting instruction form, reserve the right to vote for another nominee in their discretion, unless the shareholder has specified that his shares are to be withheld from voting on the election of directors. Each nominee for the position of director submitted herein is currently a director of the Corporation.

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 the ten nominees whose names are hereinafter set forth.

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

The information on securities held was provided to the Corporation by each of the nominees. The number and value of shares are given as of December 31, 2011.

Marc A. Courtois

Independent
Director since 2003
Age: 59
Montréal
Québec (Canada)

Committee of the Board:

Chairman of the Audit Committee

Marc A. Courtois is a corporate director.

Mr. Courtois holds a MBA degree and has more than twenty years of experience in capital markets. He has particular expertise in the areas of financing, mergers and corporate acquisitions. He worked for RBC Dominion Securities Inc. from 1980 to 2001.

Mr. Courtois is a director and Chairman of the Board of Directors of Canada Post Corporation, as well as director and a member of the Audit and Pension Committees of NAV Canada.

Ownership of securities of the Corporation:

Class B Shares:	3, 300
Value of Class B Shares:	$28, 941

Other reporting issuers' directorship:
The GBC North American Growth Fund Inc.
Chairman of the Audit Committee
GLV Inc.
Member of the Audit Committee

Pierre Dion

Non independent
Director since 2011
Age: 47
Saint-Bruno
Québec (Canada)

Committee of the Board:

None

Pierre Dion has been President and Chief Executive Officer of the Corporation since March 2005.

He joined the Corporation in September 2004 as Executive Vice President and Chief Operating Officer. Prior to that date, Mr. Dion occupied several senior positions at Sélection du Reader's Digest (Canada) during eight years, four of which as President and Chief Executive Officer. From 1990 to 1996, he has held various management positions with Le Groupe Vidéotron ltée.

Mr. Dion is active in many charitable and cultural organizations.

Ownership of securities of the Corporation:

Class B Shares:	400
Value of Class B Shares:	$3,508

Other reporting issuers' directorship:

He is not a member of the Board of Directors of any other reporting issuers.

Jacques Dorion

Independent
Director since 2001
Age: 63
Montréal
Québec (Canada)

<u>Committee of the Board</u>:

Member of the Compensation Committee

Jacques Dorion is Chief Executive Officer of Aegis Media Montreal, a media agency.

He holds a MBA degree. He has been an active member of the media industry for the past 30 years. In 1979, he founded Stratégem Inc., a media research and analysis company. In 1998, he joined Carat, an international group owned by the British public company Aegis. Mr. Dorion is recognized for his leadership and as being a man of vision in the evolving world of media. Not only is Mr. Dorion constantly aware of the latest trends in the business but he also has thorough knowledge of the particular needs of Canadian advertisers. As a consultant, he contributed to many market studies on the future of television and radio advertising in Canada. Many of his publications were filed with and published by the CRTC. Prior to starting his own business, Mr. Dorion worked in the international publishing and the newspaper and magazine distribution industries.

<u>Ownership of securities of the Corporation:</u>

Class B Shares:	750
Value of Class B Shares:	$6,578

<u>Other reporting issuers' directorships:</u>

He is not a member of the Board of Directors of any other reporting issuers.

Nathalie Elgrably-Lévy

Independent
Director since 2008
Age: 43
Côte St-Luc
Québec (Canada)

<u>Committee of the Board</u>:

None

Nathalie Elgrably-Lévy is an economist at HEC Montréal.

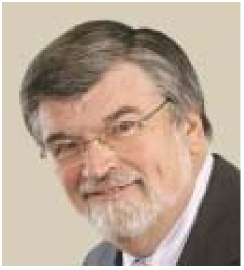
She graduated from HEC Montréal where she obtained her master of science in administration, option applied economics. She started her career at the Centre d'études en administration internationale (CETAI), HEC Montréal, where she worked for three years as a project manager. Since 1992, she has been teaching economics at HEC Montréal, Université de Montréal and UQAM. In 2005, she joined the Montreal Economic Institute as an economist, a position she has held until 2008. She is the author of *La face cachée des politiques publiques,* and of *Microéconomie,* and writes a weekly column in the *Journal de Montréal* and the *Journal de Québec.*

<u>Ownership of securities of the Corporation:</u>

Class B Shares:	—

<u>Other reporting issuers' directorship:</u>

She is not a member of the Board of Directors of any other reporting issuers.



Serge Gouin

Independent
Director since 2001
Age: 69
Outremont
Québec (Canada)

Committee of the Board:

Chairman of the Compensation Committee

Serge Gouin is Chairman of the Board of the Corporation and of QMI.

He has served as interim President and Chief Executive Officer of the Corporation from June 2004 to September 2005. He also served as President and Chief Executive Officer of QMI from March 2004 until May 2005. Among others, Mr. Gouin was a director of Citigroup Global Markets Canada Inc. from 1998 to 2003. From 1991 to 1996, Mr. Gouin served as President and Chief Operating Officer of Le Groupe Vidéotron ltée. From 1987 to 1991, he was President and Chief Executive Officer of Télé Métropole Inc. (now TVA Group Inc.). Mr. Gouin is also a member of the Advisory Committee of The Richard Ivey School of Business, as well as Chairman of the Board and Chairman of the Compensation Committee of QMI. In March 2011, Mr. Gouin was appointed Chairman of the Board of the Corporation.

Mr. Gouin holds a Bachelor of Arts degree from the University of Montreal as well as a Bachelor of Arts degree and Master of Business Administration degree from the Ivey School of Business.

Ownership of securities of the Corporation:

Class B Shares:	—

Other reporting issuers' directorship:
Onex Corporation
Member of the Audit Committee

Sylvie Lalande

Independent
Director since 2001
Age: 61
Lachute
Québec (Canada)

Committee of the Board:

Member of the Compensation Committee

Sylvie Lalande 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.

Ownership of securities of the Corporation:

Class B Shares:	1,550
Value of Class B Shares:	$13,594

Other reporting issuers' directorship:
GLV inc.
Chair of the Corporate Governance and Human Resources Committee
Lead director
Quebecor inc.
Member of the Corporate Governance Committee

A. Michel Lavigne

Independent
Director since 2005
Age: 61
Laval
Québec (Canada)

Committee of the Board:

Member of the Audit 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 agréés du Québec and a member of the Canadian Institute of Chartered Accountants since 1973.

Mr. Lavigne is also a director and a member of the Audit and Compensation Committees of QMI, a director and Chairman of the Audit Committee of Caisse de depôt et placement du Québec, as well as a director and member of the Pension and Audit Committees of Canada Post Corporation. He is also a director and Chairman of the Board of Teraxion Inc.

Mr. Lavigne is one of the designated nominee of CDP pursuant to the shareholder agreement (see section entitled "*I. General Information - Voting Shares and Principal Holders Thereof*").

Ownership of securities of the Corporation:

Class B Shares:	2,000
Value of Class B Shares:	$17,540

Other reporting issuers' directorship:
Primary Energy Recycling Corporation
Chairman of the Board
Member of the Audit Committee

Jean-Marc Léger

Independent
Director since 2007
Age: 50
Repentigny
Québec (Canada)

Committee of the Board:

None

Jean-Marc Léger is President and Chief Executive Officer of Leger Marketing, a survey and marketing research firm that has experienced strong growth in the past few years.

He is currently a member of the Board of governors of the Conseil du Patronat, UQAM's Raoul-Dandurand Chair of Strategic and Diplomatic Studies for the United States, and a member of the Chair in American Political and Economic Studies – Université de Montréal. Moreover, he is an economist and holds a master degree (Economics) from the Université de Montréal. He is also a member of the Board of Directors of *Le Devoir* newspaper, of the Fondation de l'entrepreneurship and of the Swiss firm Isopublic. Mr. Léger is also President of the Worldwide Independent Network of Market Research WIN.

Ownership of securities of the Corporation:

Class B Shares:	—

Other reporting issuers' directorship:
He is not a member of the Board of Directors of any other reporting issuers.

Pierre Karl Péladeau

Non independent
Director since 2007
Age: 50
Outremont
Québec (Canada)

<u>Committee of the Board</u>:

None

Pierre Karl Péladeau is Vice-Chairman of the Board of the Corporation. He is also President and Chief Executive Officer of Quebecor Inc., Quebecor Media Inc. and Sun Media Corporation.

He joined Quebecor Inc. as Assistant to the President in 1985. Since then, he has occupied various positions in the Quebecor group of companies. In 1998, he spearheaded the acquisition of Sun Media Corporation and in 2000, he was responsible for the acquisition of Groupe Vidéotron. He was also President and Chief Executive officer of Videotron Ltd. from July 2001 until June 2003, and President and Chief Executive Officer of QMI from August 2000 to March 2004. From March 2004 to May 2006, he held the position of President and Chief Executive Officer of Quebecor World Inc., in addition to his other functions and returned to QMI in May 2006 as Vice-Chairman of the Board and Chief Executive Officer, and as President and Chief Executive Officer since August 1st, 2008. He is also President and Chief Executive Officer of Sun Media Corporation since November 7, 2008. Pierre Karl Péladeau sits on the board of numerous Quebecor group companies and is active in many charitable and cultural organizations.

<u>Ownership in securities of the Corporation:</u>

Class B Shares:	— *

<u>Other reporting issuers' directorship:</u>
Quebecor Inc.

* Mr. Péladeau has indirect control over the Class A Shares of the Corporation held by QMI. Indeed, Pierre Karl Péladeau controls Quebecor Inc. through the voting rights conferred by the shares held or controlled by him.

André Tranchemontagne

Independent
Director since 2004
Age: 72
Brossard
Québec (Canada)

<u>Committee of the Board</u>:

Member of the Audit Committee

André Tranchemontagne is a corporate director.

André Tranchemontagne has spent most of his career at Molson. He joined this company in December 1966 as Marketing Research analyst and later held different administrative positions, mainly in Sales and in Marketing. He was appointed Vice-President and General Manager, then President of the Quebec Branch following the merger with O'Keefe. In his capacity, he became a member of the Board of Directors of Molson Breweries. In November 1998, he became a member of the Québec National Assembly for the Mont-Royal riding. He has also been a member of the Board of the Carnaval de Québec and of the St-Luc Hospital Foundation which later became the CHUM. André Tranchemontagne is a graduate of Université de Montréal. He holds a Bachelor degree and a MBA degree.

André Tranchemontagne is one of the designated nominee of CDP pursuant to the shareholder agreement (see section entitled "*I. General Information - Voting Shares and Principal Holders Thereof*").

<u>Ownership of securities of the Corporation:</u>

Class B Shares:	1,000
Value of Class B Shares:	$8,770

<u>Other reporting issuers' directorship:</u>
He is not a member of the Board of Directors of any other reporting issuers.

<u>Skills matrix - nominees for election to the Board of Directors</u>

The following table identifies some of the current skills that are listed on the skills matrix of the Board of Directors and identifies the skills of each nominee for election to the Board of Directors.

SKILLS MATRIX											
	Entrepreneurship	Economics / Communication / Marketing	Experience as a Board Member	Corporate Governance	Finance / Accounting / Risk Management	Legal	Regulatory and Public Affairs	Compensation / Labor Relations / Human Resources	Cultural Sector	Television	Publishing
Marc A. Courtois			√	√	√		√				
Pierrre Dion		√			√		√	√	√	√	√
Jacques Dorion	√	√	√					√	√	√	√
Nathalie Elgrably-Lévy		√	√				√				
Serge Gouin		√	√	√	√		√	√		√	√
Sylvie Lalande		√	√	√			√	√	√	√	√
A. Michel Lavigne	√		√	√	√			√			
Jean-Marc Léger	√	√	√				√			√	
Pierre Karl Péladeau	√	√	√		√	√	√	√	√	√	√
André Tranchemontagne		√	√		√			√			

Attendance at Board of Directors and Committee meetings

The following table sets forth the attendance of directors at meetings of the Board and of its committees held during the financial year ended December 31, 2011.

Directors	Board of Directors and Committees	Attendance at meetings
Marc A. Courtois	Board of Directors Audit Committee	6/7 4/4
Pierre Dion (1)	Board of Directors	5/5
Jacques Dorion	Board of Directors Compensation Committee	7/7 3/3
Nathalie Elgrably-Lévy	Board of Directors	7/7
Serge Gouin	Board of Directors Compensation Committee	7/7 3/3
Sylvie Lalande	Board of Directors Compensation Committee	7/7 3/3
A. Michel Lavigne	Board of Directors Audit Committee	7/7 4/4
Jean-Marc Léger	Board of Directors	7/7
Jean Neveu (2)	Board of Directors	1/1
Pierre Karl Péladeau	Board of Directors	5/7
André Tranchemontagne	Board of Directors Audit Committee	7/7 4/4
Overall rate of attendance	**Board of Directors meetings** **Committee meetings**	**96%** **100%**

(1) Since his election on May 24, 2011.
(2) Until March 12, 2011.

Cease trade orders, bankruptcies, penalties or sanctions

Between April 2, 2008 and May 20, 2008, Pierre Karl Péladeau was subject to a cease trade on the securities of Quebecor Inc. imposed by the *Autorité des marchés financiers* in the context of the late filing of Quebecor's 2007 annual financial statements and related management's discussion and analysis.

Furthermore, Pierre Karl Péladeau was director of Quebecor World Inc., a corporation that filed for protection under the *Companies' Creditors Arrangement Act* on January 21, 2008.

APPOINTMENT AND REMUNERATION 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, and to authorize the directors to establish its remuneration.

Except where authority to vote on the appointment of the External Auditor is withheld, the persons named in the accompanying form of proxy, or voting instruction form, will vote "**FOR**" the appointment of Ernst & Young as the External Auditor of the Corporation, the compensation for the External Auditor's services to be determined by the Board of Directors. Ernst & Young has been acting as the External Auditor of the Corporation since June 10, 2008.

The Corporation incorporates 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, 2011. The Annual Information Form may be viewed under the Corporation's SEDAR profile at www.sedar.com and on the Corporation's Website at www.http:\\groupetva.ca.

III. COMPENSATION

COMPENSATION OF EXECUTIVE OFFICERS

A. Compensation Committee

Composition of the Compensation Committee

The Compensation Committee is comprised of three independent directors. In 2011, the members of the Compensation Committee were Sylvie Lalande, Jacques Dorion and Serge Gouin. On the basis of their professional background, education and involvement on a Board of Directors, all members are sufficiently experienced in matters relating to compensation.

Serge Gouin, chair of the Compensation Committee, has extensive experience in the field of compensation of senior executives and has the required skills to guide the committee in its review of compensation practices. In fact, throughout his career, he has been managing and monitoring all aspects of compensation, having held several senior executive positions within large companies, including that of President and Chief Operating Officer of Le Groupe Vidéotron ltée and President and Chief Executive Officer of Télé-Métropole Inc. Throughout her career, Sylvie Lalande has held several management positions including one at the Corporation that led her to monitor various aspects of executive compensation. 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 plan. For his part, Jacques Dorion has been managing companies for many years and has the relevant experience in managing and monitoring compensation programs including performance assessment and compensation structure.

Mandate of the Compensation Committee

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

a) Review periodically the organizational structure and ensure the establishment of a succession plan for 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 or termination;

c) Annually review 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 Compensation Committee, and report annually to the Board of Directors on the results of its evaluation and recommend the Chief Executive Officer's total compensation and overall objectives to the Board of Directors;

d) Review and recommend to the Board of Directors the Chief Financial Officer's compensation;

e) Determine and approve grants of stock options under the Stock Option Plan;

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.

The 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.

The mandate of the Compensation Committee may be viewed under the "Corporate Governance" section, under the "Le Groupe" heading of the Corporation's Website at http:\\groupetva.ca.

Compensation Consultants

For the past several years, the Corporation has retained Towers Watson for compensation consulting services when needed.

In 2010 and 2011, the Corporation did not retain Towers Watson's services and therefore no fees were paid.

However, the compensation of the Corporation's executive officers is reviewed and analyzed when Quebecor Inc. reviews the compensation of its executive officers. Quebecor Inc. also retains the services of Towers Watson.

For more details, you may refer to Quebecor Inc.'s circular which is available on Quebecor Inc.'s Website at www.quebecor.com

B. 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 are relying on a global compensation structure that ensures:

Internal equity	Determine the relative value of positions and their classification in the salary structure, to meet pay equity requirements.
External equity	Offer compensation that is commensurate with that offered for equivalent positions in the reference market.
Individual equity	Consider the employee's individual performance and contribution in the determination of individual salaries.

In accordance 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 President and Chief Executive Officer, the Vice-President and Chief Financial Officer and the other three most highly compensated executives in the Corporation who held their positions as at December 31, 2011 (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	• Attract, retain, motivate and provide financial security.
Direct Compensation	Short-Term Incentive (bonus)	• Motivate to achieve strategic objectives and business priorities. • Assign accountability to senior executives for the achievement of financial and strategic objectives.
Direct Compensation	Mid-Term Incentive (retention program with respect to certain senior executives)	• Motivate to achieve strategic objectives and business priorities. • Target the focus of executives on the Corporation's mid-term strategic objectives. • Ensure retention of officers.
Direct Compensation	Long-Term Incentive (Stock Option Plan)	• Motivate to achieve strategic objectives and business priorities. • Render senior executives accountable for the achievement of financial objectives. • Target the focus of executives on the Corporation's long-term strategic objectives. • Attach executive initiatives with those of the shareholders.
Indirect Compensation	Benefits (including pension)	• Support and promote employee health and well-being (financial and physical). • Provide financial security for retirement and offer competitive benefits.
Indirect Compensation	Perquisites	• Attract and retain talent. • Offer competitive benefits.

Direct compensation (base salary; short, mid and long-term incentives) is established by taking into account the reference market, the positioning desired by the Corporation and its capacity to pay. The reference market, being the television broadcasting market in Canada, is reviewed periodically against databases compiled by certain leading compensation consulting firms, such as AON Hewitt, Mercer and Towers Watson. The composition of reference groups is reviewed by the Corporation's Compensation Committee as the need arises.

For the President, the comparison market determined by Towers Watson, in collaboration with the Compensation Committee, takes into account the following market of Canadian public corporations or subsidiaries that are in operations in the same industry to that of the Corporation or looking for the same skills as those required by the Corporation. These corporations are as follows:

Astral Media Inc.
Bell Aliant
CHUM Radio Network
Cogeco Inc.
Corus Entertainment Inc.
CTVglobemedia Inc.
Glacier Media Inc.
Lions Gate Entertainment Corp.
Rogers Broadcasting
Score Media Inc.
Shaw Communications Inc.
Torstar Corporation

A compensation study was completed in 2010, the results of which, after validation, are still relevant for 2011.

<u>Objectives of the Compensation Elements</u>

In support of the Corporation and its subsidiaries to implement and carry out their business strategies, the various compensation components were designed to reward foremost performance, but equally attitude, aptitudes and abilities. The base salary offers a degree of financial security to remain competitive in the market. The incentive plans aim to recognize the achievement of specific objectives, primarily financial, but also strategic in the short, mid and long term.

In response to the major changes the media industry is going through, the Corporation adapted its bonus objectives to take into account strategic factors that will make it possible for the Corporation to build a solid foundation, properly aligned with its business plan. Although the financial objective based on operating income[1] (to which some adjustments have been made) is still a major component in the calculation of the various incentive plans, some target organizational objectives have been integrated for most of the Named Executive Officers in order to reward the implementation of specific strategies for each of the Corporation's business sectors. Whether in terms of protecting the Corporation's market share while creating new content, establishing multiplatform structures (i.e., for the broadcasting of content in multiple media), or strict cost control, these elements are all criteria that enable the Corporation to create solid foundations for the mid-term strategic plan and that were included in the 2011 bonus objectives.

A mid-term compensation plan was introduced in 2010 in order to support mid-term strategies. It is a 3-year cycle program which will enable the achievement of strategic objectives while promoting the retention of certain officers.

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 benefit of this compensation component is that it aligns the interests of the senior executives with those of the shareholders. The long-term incentive plan was reviewed in 2007 so that the senior executives could receive stock options of the Corporation combined with stock options of QMI. After review, the Corporation's Compensation Committee grants the stock options (except for grants to the President and to the Vice-President and Chief Financial Officer which are approved by the Board of Directors) and makes the appropriate recommendations to QMI's Compensation Committee, which then grants QMI stock options to the Corporation's executives who have been recommended. The number of stock options granted varies according to the level of responsibility of the position held. In order to demonstrate to certain senior executives the importance the Corporation ascribes to their performance and contribution and to provide an 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 2011 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 with the interests of the shareholders to maximize their equity over the long term;
- Promotion of and remuneration for the attainment or overachievement of organizational and financial objectives;
- Offering a competitive compensation package to retain and motivate talent.

The various compensation components are described below:

[1] 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 consistent with IFRS in the Corporation's financial statements, please refer to management's discussion and analysis for the period ended December 31, 2011, which is available on our Website and on the SEDAR Website at www.sedar.com.

Components	Description	Éligibility
Base salary	• Annual cash base compensation commensurate with skills, the level of responsibilities and the reference market.	All employees

Short-Term Incentive	• Bonus plan with targets between 4% and 80% of base salary.
	• Objectives vary depending on the sector
	  • President: 100% on consolidated operating income
	  • Corporate: 75% on consolidated operating income, and 25% on strategic objectives
	  • Business Units: 20% to 25% on consolidated operating income
	    50% to 60% on business unit operating income, and
	    20% to 25% on strategic objectives
	• If the objectives are exceeded, bonus may be increased up to a maximum of 1.6x of target.
		Professionals and senior positions

Mid-Term Incentive	• 3-year bonus plan subject to the achievement of objectives provided in the strategic plan which are based on market share and the launch of new specialty channels. • Bonus earned and paid after the 3-year cycle attributed on a percentage of annual base salary, varying from 20% to 40%. • Bonus paid under the Mid-term incentive plan are capped and cannot be increased even if the objectives are surpassed.	Selected senior executives
Long-Term Incentive	• Stock option plan of the Corporation and QMI. • Attributed on a % of base salary calculated based on Black & Scholes value. • The compensation value varies from 80% to 185%, 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
Benefits	• Flexible benefits. • Executive fringe benefits including complete annual medical exam.	All employees
Pension	• Retirement plan for senior executives including a supplementary plan.	Senior executives
Perquisites	• Company car or allocation.	Senior executives and general managers

The relationship between each of the compensation components was 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 organizational objectives. If it deems appropriate, the 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 Board of Directors from awarding compensation even if the performance objective has not been reached or from increasing or decreasing an award or payment. In 2011, the Board of Directors did not exercise this discretionary prerogative in relation to a Named Executive Officer.

Risk Assessment in Establishing the Elements of Compensation

To remain competitive and to encourage 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 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 Compensation Committee ensures that a portion of compensation be based on long-term goals. This translates to the granting of stock options of the Corporation and of QMI. This aspect 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. In addition, stock options are subject to vesting periods restricting the exercise of such options.

Although several senior executives did not receive compensation in the form of medium and long-term incentives in 2011 (as described in the "Elements of Compensation" section), these executives are included in the assessment cycle and will receive compensation in the following years based on the achievement of their respective objectives.

For the time being, the Board of Directors has not considered it appropriate to adopt a clawback policy should a restatement of part or all of the financial statements of the Corporation becomes necessary as a result of gross negligence or fraud by a senior executive. 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 transactions of this kind.

Method for Determining Compensation for the Year 2011

The compensation for the Named Executive Officers is determined by the Corporation's Compensation Committee, except, as stated above, for the President and for the Chief Financial Officer of the Corporation whose compensation is approved by the Board of Directors of the Corporation.

The various elements of compensation are described hereafter:

<table>
<tr><th></th><th>Pierre
Dion</th><th>Denis
Rozon</th><th>Jocelyn
Poirier</th><th>Édith
Perreault</th><th>France
Lauzière</th></tr>
<tr><td rowspan="2">Base salary</td><td colspan="5">Market positioning</td></tr>
<tr><td colspan="5">50th percentile (including commissions for Édith Perreault)</td></tr>
<tr><td rowspan="6">Short-Term Incentive</td><td colspan="5">Target bonus (% of base salary)</td></tr>
<tr><td>80%</td><td>35%</td><td>40%</td><td>35%</td><td>40%</td></tr>
<tr><td colspan="5">Objectives</td></tr>
<tr><td>100% on reaching the Corporation’s budgeted operating income (reached at 107.2% for a multiplying factor of 160%).</td><td>75% on reaching the Corporation’s budgeted operating income (reached at 107.2% for a multiplying factor of 160%).

25% on reaching strategic objectives which are related to the effective management of financial resources and the optimization of internal processes (reached at 135%).</td><td>87.5% on reaching TVA Publishing’s objectives.

➢ 50% on reaching the budgeted operating income of the publishing sector (reached at 101% for a multiplying factor of 106%);

➢ 25% on reaching the Corporation’s budgeted operating income (reached at 107.2% for a multiplying factor of 160%);

➢ 25% on reaching strategic objectives which are related to market share, brand and content development, the creation of new sources of revenues and the efficient management of operations (reached at 105%).

12.5 % on reaching objectives related to TVA Boutiques’ performance (not reached).</td><td>12.5% on reaching the Corporation’s budgeted operating income (reached at 107.2% for a multiplying factor of 160%).

25% on reaching the budgeted operating income for the television sector (reached at 108.8% for a multiplying factor of 160%).

12.5% on reaching strategic objectives which are related to the growth of sources of revenues and the implementation of the sales structure (reached at 160%).

50% on reaching sales objectives generated by the platforms under her responsibility (reached at 160%).</td><td>25% on reaching the Corporation’s budgeted operating income (reached at 107.2% for a multiplying factor of 160%).

50% on reaching the budgeted operating income for the television sector (reached at 108.8% for a multiplying factor of 160%).

25% on reaching strategic objectives which are related to market share, brand and content development and the efficient management of operations (reached at 145%).</td></tr>
<tr><td colspan="5">Bonus paid (% of target bonus)</td></tr>
<tr><td>160%</td><td>154%</td><td>104%</td><td>160%</td><td>156%</td></tr>
<tr><td rowspan="6">Mid-Term Incentive</td><td colspan="5">% of base salary</td></tr>
<tr><td>40%</td><td>25%</td><td>n/a</td><td>30%</td><td>30%</td></tr>
<tr><td colspan="5">Objectives</td></tr>
<tr><td colspan="2">Market share and launch of new specialty channels.</td><td></td><td colspan="2">Market share and launch of new specialty channels.</td></tr>
<tr><td colspan="5">Payment</td></tr>
<tr><td colspan="2">The payment under the 2009-2012 plan is expected in the first quarter of 2013, if objectives are achieved.</td><td></td><td colspan="2">The payment under the 2009-2012 plan is expected in the first quarter of 2013, if objectives are achieved.</td></tr>
</table>

Long-Term Incentive	**Market positioning**				
	Adjusted such that direct compensation represents the 75th percentile.	Adjusted such that direct compensation represents the median.	Adjusted such that direct compensation represents the median.	Adjusted such that direct compensation represents the median.	
	Grant				
	No options granted in 2011. Options with a 3-year horizon were granted in 2010 (QMI plan).	No options granted in 2011. Options with a 3-year horizon were granted in 2010 (QMI plan).	In 2011, he received 10,000 options (QMI plan), at an exercise price of $50.366. Those options are subject to vesting periods. Options with a 3-year horizon were granted in 2010 (QMI plan).	No options granted in 2011. Options with a 3-year horizon were granted in 2010 (QMI plan).	No options granted in 2011. Options with a 3-year horizon were granted in 2010 (QMI plan).

The President's objectives are reviewed by the Compensation Committee on an annual basis and submitted to the Board of Directors for approval. The Compensation Committee reviews and approves the financial objectives of the Named Executive Officers, and the President and Chief Executive Officer sets the strategic objectives. Payment of any bonus further to the attainment of objectives is subject to the Compensation Committee's pre-approval.

Potential Payment in the Event of Termination

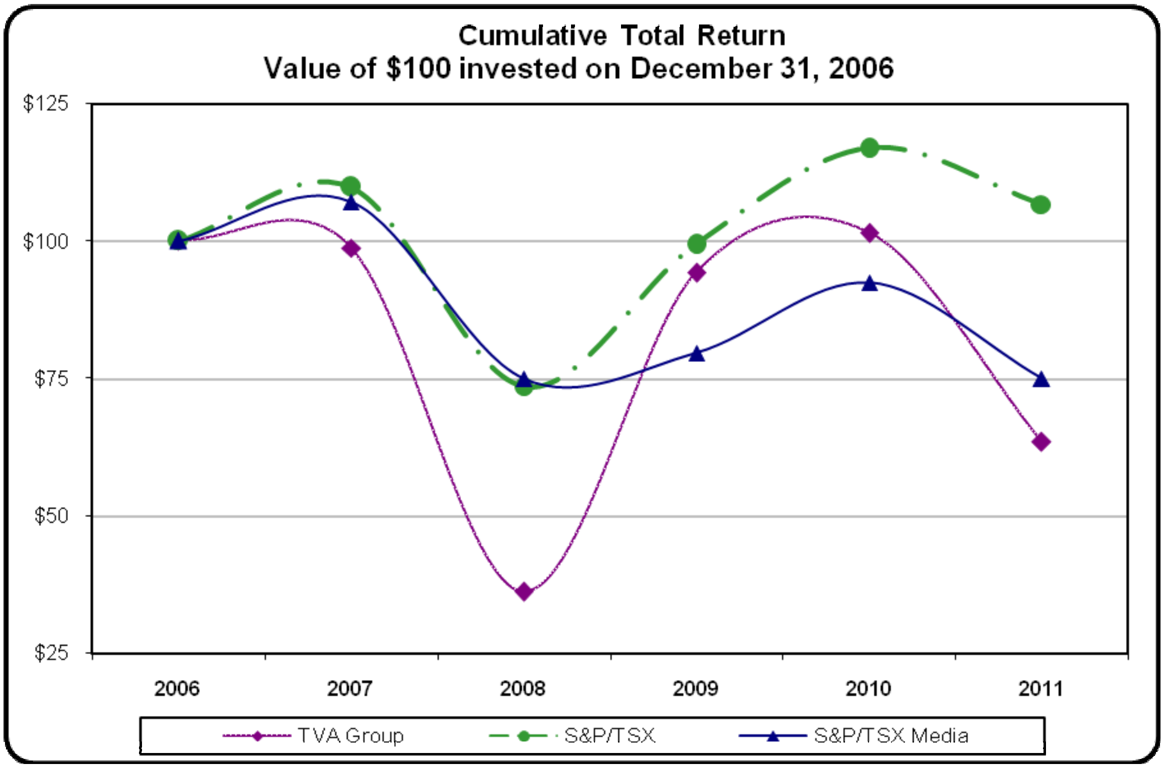
The Corporation has entered into employment agreements with the Named Executive Officers. The potential costs in the event of employment termination without cause as set out in the following table are tied to non-competition and non-solicitation agreements ranging from 6 to 12 months depending on the position. Each agreement is individually formulated and no single policy applies to everyone. Pierre Dion's employment agreement stipulates that the indemnity shown below is also payable in the event his employment is being terminated due to a change of control.

Name	Agreement	Potential # of Months of severance	Severance Value
Pierre Dion	Termination by the Corporation, except for cause; or substantial reduction in responsibilities.	18 months of base salary.	$810,000
Denis Rozon	No arrangement is stipulated in the agreement.	-	-
Jocelyn Poirier	Termination by the Corporation, except for cause.	12 months of base salary.	$280,901
Édith Perreault	Termination by the Corporation, except for cause.	12 months of base salary plus commission that could have been paid for the current year.	$306,911
France Lauzière	Termination by the Corporation, except for cause.	12 months of base salary.	$275,907

Performance Graph

The performance graph set out below illustrates the cumulative total return, over a period of five years, of a $100 investment in the Class B Shares of the Corporation as compared to the S&P/TSX Composite Index and the TSX "Media" Sub-index.

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



	2006	2007	2008	2009	2010	2011
TVA Group Inc.	$100	$99	$36	$94	$101	$63
S&P/TSX Index	$100	$110	$74	$99	$117	$107
S&P/TSX Media Index	$100	$107	$75	$80	$92	$75

Although it may take it into account in its evaluation, the Corporation's Compensation Committee does not base its compensation decisions only on the trading price of the Class B 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.

C. Equity Compensation Plans

Stock Option Plan of the Corporation

The Corporation has a stock option plan (the "**Plan**") which entitles officers of the Corporation and of its subsidiaries, and its directors, 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 2,200,000 Class B Shares, being 9.3% of the issued and outstanding Class A and Class B Shares as at December 31, 2011. As of this date, 1,832,180 Class B Shares, being 7.7% of the outstanding Class A and Class B Shares are still reserved under the Plan with the Toronto Stock Exchange.

The Compensation Committee administers the 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. However, the Plan contains restrictions regarding the number of options that may be granted and the number of Class B Shares that may be issued. No insider may be granted, within any one year period, a number of Class B Shares exceeding 5% of the total number of Class B Shares and Class A Shares issued and outstanding from time to time (the "**Corporation's Issued Share Capital**"), less shares issued under equity compensation plans during the preceding year. Moreover, the number of Class B Shares which may be reserved for issuance under options granted to insiders under the Plan and any other equity compensation plans of the Corporation, cannot exceed 10% of the Corporation's Issued Share Capital. The Plan also provides that, in any given one-year period, the number of Class B Shares which may be issued to insiders under the Plan cannot exceed 10% of the Corporation's Issued Share Capital, less shares issued under equity compensation plans during the preceding year. All options granted are non-transferable. The Compensation Committee ratifies the recommendations made by Management or makes the appropriate modifications (except for grants to the President and to the Vice-President and Chief Financial Officer that are approved by the Board). Prior grants are taken into consideration and market comparisons are analyzed.

The subscription price of each share under option 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. In the absence of a closing price for a board lot of Class B Shares on the Toronto Stock Exchange on that day, the subscription price may not be less than the average ask and bid prices of the Class B Shares on the Toronto Stock Exchange on the same day. At the time of exercising their options, optionees may decide to (i) subscribe for the Class B Shares in respect of which the option is being exercised; or (ii) receive from the Corporation a cash payment equal to the number of shares corresponding to the options exercised, multiplied by the difference between the market value and the subscription 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 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 granted under the Plan prior to January 2006 usually vest annually equally with the first 25% vesting on the second anniversary of the date of grant.

Since January 2006, except under specific circumstances and unless the Compensation Committee of the Corporation has decided 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.

The right to exercise options expires on the earlier of:

- The expiry date of the option, as determined at the time of the grant (maximum of 10 years);
- On the day of termination of the optionee's employment for cause;
- Thirty days following the date on which the optionee's employment is terminated by reason of voluntary termination of employment by resignation or termination without cause, retirement or disability;
- Three months following the death of the optionee.

The Board or Directors of the Corporation may, without being required to obtain the prior approval of shareholders and regulatory authorities, amend the terms and conditions of the Plan including, but not limited to, an amendment to the vesting terms of an option, an amendment to the subscription price, unless the amendment is a reduction of the subscription price of an option held by an insider and an amendment intended to correct or rectify an ambiguity, inapplicable provision, error or omission in the Plan or an option except for: (i) an increase in the number of Class B shares reserved for issuance under the Plan; and (ii) a reduction of the subscription price or the extension of the term of an option held by an insider. The Board can also decide to accelerate the exercise of options as part of a proposed transaction subject to the controlling shareholder ceasing to be the controlling shareholder upon completion of the transaction. The Corporation does not provide financial assistance to optionees for the exercise of their options.

Finally, the Plan provides that if an expiry date falls during a blackout period or within 10 days following a blackout period, the period during which an option may be exercised shall be extended by 10 business days from the expiry of the blackout period (for those optionees subject to the Corporation's Policy Relating to the Use of Privileged Information).

During the financial year ended December 31, 2011, no options were granted and no shares were issued upon the exercise of stock options. As at December 31, 2011, 833,610 options were outstanding, being 3.5% of the Corporation's Issued Share Capital. As of the date hereof, 819,421 options are outstanding, being 3.4% of the Corporation's Issued Share Capital.

Class B Stock Purchase Plans for Executives and Employees and Deferred Share Unit Plan

At its meeting held on November 2, 2011, the Board of Directors of the Corporation approved the cancellation of the Class B stock purchase plans introduced in 1990 for the benefit, on the one hand, of employees, and, on the other hand, executives of the Corporation. The Board of Directors also approved the cancellation of the deferred share unit plan introduced in 2000. These plans had not been used for more than 10 years and no rights were outstanding thereunder.

The following table gives information with regard to all of the Corporation's equity compensation plans as of December 31, 2011.

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 Shareholders:			
Stock Option Plan of the Corporation	833,610 (or 4.29% of the number of Class B Shares issued and outstanding)	$16.35	998,570 (or 5.13% of the number of Class B Shares issued and outstanding)
Equity Compensation Plans Not Approved by Shareholders:	—	—	—

QMI Stock Option Plan

On January 29, 2002, QMI established a stock option plan for officers, senior employees, directors and other key employees of QMI and its subsidiaries (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 the fair market value, on the date of grant, of the common shares of QMI, as determined by an external expert whose services are retained by the Board of Directors of QMI (if the common shares of QMI are not listed on a recognized stock exchange at the time of grant), or the five-day weighted average closing price ending on the day preceding the date of grant of the common shares of QMI on the stock exchanges where such shares are listed. As long as the common 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 stated conditions, subscribe to common shares of QMI. The Compensation Committee ratifies the recommendations made by Management or makes the appropriate modifications. Prior grants are taken into consideration and market comparisons are analyzed.

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

(i) equally over five years with the first 20% vesting on the first anniversary of the date of the grant;
(ii) equally over four years with the first 25% vesting on the second anniversary of the date of the grant; or
(iii) equally over three years with the first 33⅓ % vesting on the third anniversary of the date of the grant.

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

D. Summary Compensation Table

The following table shows certain selected compensation information for the President and Chief Executive Officer, the Vice-President and Chief Financial Officer and the three other most highly compensated executive officers of the Corporation during the financial year ended December 31, 2011 for their services rendered during the financial years ended December 31, 2011, 2010 and 2009.

Name and principal position	Year	Salary ($)	Option-based awards[1] ($)	Non-equity incentive plan compensation ($) Annual incentive plans [2]	Pension value [3] ($)	All other compens-ation [4] ($)	Total compens-ation ($)
Pierre Dion President and Chief Executive Officer	2011	539,033	–	691,200	139,200	–	1,369,433
	2010	489,229	1,368,900 [5]	470,400	98,100	–	2,426,629
	2009	440,003	–	422,400	33,200	–	895,603
Denis Rozon Vice President and Chief Financial Officer	2011	223,955	–	120,577	47,800	–	392,332
	2010	217,710	228,150 [5]	120,505	35,700	–	602,065
	2009	215,330	–	118,724	23,700	–	357,754
Jocelyn Poirier President, TVA Publishing and TVA Boutiques	2011	280,767	145,700 [6]	117,143	55,600	–	599,210
	2010	273,993	456,300 [5]	151,070	40,600	–	921,963
	2009	269,882	–	170,605	27,000	–	467,487
Édith Perreault Vice President, Sales and Marketing and Executive Vice President, National Sales, QMI[8]	2011	307,123[7]	–	171,870	53,100	–	532,093
	2010	299,383[7]	296,595 [5]	167,678	36,100	–	799,756
	2009	315,832[7]	–	165,200	39,900	–	520,932
France Lauzière Vice-President, Programming, Branded & Content	2011	275,783	–	172,442	52,500	–	500,725
	2010	269,117	296,595 [6]	172,274	37,600	–	775,586
	2009	265,132	–	212,160	23,500	–	500,792

The total compensation includes the estimated value of the stock options granted as determined by using the Black & Scholes value (binomial in 2010) 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 indicated in the above table does not represent the real cash compensation earned by the executive officer.**

(1) The compensation value included herein represents the estimated value of the stock options granted as determined by using the binomial model which is based on various assumptions.
(2) Please refer to the “Compensation Analysis – Method for Determining Compensation for the year 2011” of this Circular for details relating to those payments.
(3) Refer to the “Pension Benefits” section of this Circular for additional details.

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

(5) Underlying securities: common shares of QMI. The amount indicated represents the binomial value of the options at the time of grant. It is to be noted that the Compensation Committee has granted those options with a horizon of several years. Therefore, the total value of the options indicated in the table, represents compensation awarded on a 3-year horizon.

(6) Underlying securities: common shares of QMI. The amount indicated represents the binomial value of the options at the time of grant. It is to be noted that the Compensation Committee has granted those options with a horizon of several years. Therefore, the total value of the options indicated in the table, represents compensation awarded on a 3-year horizon. Please refer to the "Black & Scholes value" table for details concerning the calculation.

(7) Those amounts include salary and commissions paid. For the year 2011, Édith Perreault received $208 081 in salary (68%) and $99,042 in commissions (32%). For the year 2010, she received $208,033 in salary (69%) and $91,350 in commissions (31%). For the year 2009, she received $204,658 in salary (65%) and $111,173 in commissions (35%).

(8) Édith Perreault was appointed Executive Vice President, National Sales of QMI on January 1st, 2012.

For purposes of properly illustrating the calculation of the Black & Scholes value of the options granted to one of the Named Executive Officers in 2011, the key assumptions and estimates that were used are set out below. Information concerning the options granted in 2010 can be found in our 2011 proxy circular.

Due to the use of the Black & Scholes model to determine the book value of stock options since the transition to IFRS, it was deemed appropriate to use the Black & Scholes model in 2011 to establish the compensation value of the stock options. The binomial model was used in 2010.

Black & Scholes Value

Date of grant	Exercise price ($)	Dividend yield (% / year)	Volatility (%)	Expected life (years)	Risk-free rate (%)	Black & Scholes Value ($)
June 8, 2011 (1)	50.366	1.61	32.12	5.75	2.47	14.57

(1) Underlying securities: common shares of QMI. 3-year horizon. Options vest equally over five years with the first 25% vesting on the second anniversary of the date of the grant.

* 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.

E. Outstanding option-based awards

The following table sets forth, for each Named Executive Officer, all awards outstanding as at December 31, 2011.

Name	Number of securities underlying unexercised options (#)	Option exercise price [1] ($)	Option expiration date	Value of unexercised in-the-money options [2] ($)
Pierre Dion	126,500 [3]	20.75	September 8, 2014	-
	52,619 [3]	21.38	March 30, 2015	-
	94,915 [4]	14.75	November 5, 2017	-
	4,486 [5]	27.864	March 30, 2015	97,176
	63,442 [6]	47.287	November 1, 2017	142,047
	90 000 [6]	46.483	February 22, 2020	273,870
Denis Rozon	35,910 [4]	14.62	September 5, 2016	-
	45,199 [4]	14.75	November 5, 2017	-
	14,099 [6]	47.287	November 1, 2017	31,568
	15,000 [6]	46.483	February 22, 2020	45,645
Jocelyn Poirier	4,878 [3]	20.50	February 10, 2015	-
	33,068 [4]	15.99	January 30, 2016	-
	90,399 [4]	14.75	November 5, 2017	-
	28,198 [6]	47.287	November 1, 2017	63,135
	30,000 [6]	46.483	February 22, 2020	91,290
	10,000 [6]	50.366	June 8, 2021	-
Édith Perreault	24,009 [4]	16.40	August 3, 2017	-
	45,199 [4]	14.75	November 5, 2017	-
	2,953 [6]	44.446	August 3, 2017	15,001
	14,099 [6]	47.287	November 1, 2017	31,568
	19,500 [6]	46.483	February 22, 2020	59,339
France Lauzière	2,988 [3]	20.50	February 10, 2015	-
	24,625 [4]	15.99	January 30, 2016	-
	58,759 [4]	14.75	November 5, 2017	-
	13,746 [6]	47.287	November 1, 2017	30,777
	19,500 [6]	46.483	February 22, 2020	59,339

(1) The exercise price of an option of the Corporation 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. The exercise price of a QMI option is the market value of the common shares at the time of grant, as determined on a quarterly basis by the external expert retained by QMI's Board of Directors.

(2) The value of unexercised in-the-money options of the Corporation is the difference between the option exercise price and the closing price of the underlying security on the Toronto Stock Exchange on December 29, 2011 or the difference between the option exercise price and the value of the common shares of the QMI options on December 31, 2011 as determined by the external expert retained by QMI's 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 29, 2011, the last day of trading of securities in 2011, the closing price of the Class B shares of the Corporation on the Toronto Stock Exchange was $8.77. For purposes of stock option grants, the external expert retained by QMI's Board of Directors has established the value of the common shares of QMI, as of December 31, 2011, at $49.526 per share.

(3) Options of the Corporation granted prior to January 2006. Options can be exercised equally over four years with the first 25% vesting on the second anniversary of the date of grant.

(4) Options of the Corporation – Three-year horizon. Options can be exercised equally over four years with the first 25% vesting on the second anniversary of the date of the grant.

(5) QMI options – Five-year horizon. Options can be exercised equally over three years with the first 33⅓% vesting on the third anniversary of the date of the grant.
(6) QMI options – Three-year horizon. Options can be exercised equally over four years with the first 25% vesting on the second anniversary of the date of the grant.

F. Incentive plan awards – Table of 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 2011, and the bonus earned during the 2011 fiscal year.

Name	Option-based awards – Value vested during the year (1) ($)	Non-equity incentive plan compensation– Value earned during the year ($)
Pierre Dion	33,417 (2)	691,200
Denis Rozon	7,427 (2)	120,577
Jocelyn Poirier	43,230 (2) (3)	117,143
Édith Perreault	10,582 (2)	171,870
France Lauzière	30,771 (2) (3)	172,442

(1) The value vested is the difference between the market value of the underlying securities at the vesting date and the exercise price of the options. The market value is defined: (i) in the case of options of the Corporation, by the average closing market price of the Class B shares on the Toronto Stock Exchange for the five trading days preceding the date on which the option became vested; and (ii) in the case of the QMI options, the market value of the common shares on the vesting date, as determined on a quarterly basis by the external expert retained by QMI's Board of Directors.
(2) Underlying securities: common shares of QMI.
(3) Part of those options was exercised in 2011.

G. Pension benefits

Senior executives participate in the supplemental and additional pension plans for the benefit of the designated senior executives of the Corporation, its subsidiaries or affiliates. The material provisions of these plans are as follows:

Provisions	Basic Pension Plan	Supplemental executive retirement plan (« SERP »)
Named Executive Officers	All	All
Participant contributions	None	
Normal retirement age	65	
Retirement age without reduction in retirement pension	65	
Reduction in the event of retirement before permitted age	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	2% of the average salary over the best five consecutive years of salary (including commissions) multiplied by the number of years of membership in the plan. Subject to the maximum annuity prescribed by the *Income Tax Act* (Canada).	2% of the average salary over the best five consecutive years of salary (including commissions) 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**	
	Lifetime annuity to spouse equal to 60% of the annuity paid.	
	Without eligible spouse at the time of retirement or after the death of the latter	
	20% of the annuity is payable to each dependent child, not exceeding 60%.	
Indexation	After retirement	None

The following table sets forth information on the Corporation'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 base 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, 2011).

Name	Number of years credit services (#)	Annual benefits payable ($)		Opening present value of defined benefit obligation [2] ($)	Compensatory change ($)	Non-compensatory change [2] ($)	Closing present value of defined benefit obligation [2] ($)
		At year end[1]	At age 65				
Pierre Dion	7.3	55,700	232,300	617,200	139,200	159,400	915,800
Denis Rozon	5.3	18,700	91,500	215,900	47,800	56,500	320,200
Jocelyn Poirier	7.0	30,100	130,600	352,600	55,600	89,200	497,400
Édith Perreault [3]	14.5	46,400	154,500	598,400	53,100	148,800	800,300
France Lauzière [4]	9.8	35,300	145,200	413,900	52,500	108,400	574,800

(1) Assumption: retirement at 59 years.
(2) Calculations are based on an assumption discount rate of 5.25% at the beginning of the year and 4.75% at year-end.
(3) The number of credit years in the supplementary plan is 4.9 for Édith Perreault.
(4) The number of credit years in the supplementary plan is 6.0 for France Lauzière.

COMPENSATION OF DIRECTORS

Annual compensation and attendance fees

All the directors who are not senior executives of the Corporation received, during the financial year ended December 31, 2011, the following compensation:

➢ Annual base compensation for the directors	$30,000
➢ Additional annual base compensation for the Chairman of the Audit Committee	$8,000
➢ Additional annual base compensation for the Chairman of the Compensation Committee	$5,000
➢ Additional annual base compensation for members of the Audit Committee (except Chairman)	$2,000
➢ Additional annual base compensation for members of the Compensation Committee (except Chairman)	$1,500
➢ Attendance fee for Audit Committee meetings	$2,000
➢ Attendance fee for Board of Directors and Compensation Committee meetings	$1,500

Pierre Dion and Pierre Karl Péladeau do not receive compensation for acting as directors of the Corporation.

The following table sets forth the details of the annual compensation and attendance fees paid to the directors for the year 2011. No option-based and share-based awards were granted to directors of the Corporation during the last fiscal year, nor any other form of compensation.

Directors	Compensation				
	Annual Compensation $	Attendance fees $	Compensation Chairman of a Committee $	Compensation Committee members $	Total Compensation Paid $
Marc A. Courtois	30,000	17,000	8,000	-	55,000
Jacques Dorion	30,000	15,000	-	1,500	46,500
Nathalie Elgrably-Lévy	30,000	10,500	-	-	40,500
Serge Gouin(1)	30,000	15,000	5,000	-	50,000
Sylvie Lalande	30,000	15,000	-	1,500	46,500
A. Michel Lavigne	30,000	18,500	-	2,000	50,500
Jean-Marc Léger	30,000	10,500	-	-	40,500
Jean Neveu(2)	23,834	1,500	-	-	25,334
André Tranchemontagne	30,000	18,500	-	2,000	50,500
TOTAL	**263,834**	**121,500**	**13,000**	**7,000**	**405,334**

(1) For fiscal year 2011, Mr. Gouin did not receive additional compensation for acting as Chairman of the Board of the Corporation.
(2) Until March 12, 2011.

IV. OTHER IMPORTANT INFORMATION

INDEBTEDNESS OF DIRECTORS AND OFFICERS

As of the date hereof, no amount is owed to the Corporation by any of its directors or officers or any of their associates.

CORPORATE GOVERNANCE DISCLOSURE

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

TRANSACTIONS WITH RELATED PARTIES

To the knowledge of the Corporation, except as set forth in note 24 to the audited consolidated financial statements of the Corporation for the financial year ended December 31, 2011, 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 a material effect on the Corporation or any of its subsidiaries.

During the financial year ended December 31, 2011, the Corporation entered into transactions with its parent company, QMI, and with other companies under the control of QMI or Quebecor Inc., which transactions were entered into in the normal course of its operations and under terms and conditions that are generally not less favourable to the Corporation than those that would be offered by companies not affiliated with the Corporation.

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

OTHER BUSINESS

Management of the Corporation knows of no other matter that should have been put before the Meeting. If, however, any other matters properly come before the Meeting and are 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.

SHAREHOLDER PROPOSALS FOR NEXT ANNUAL MEETING

Holders of Class A Shares 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 Vice-President and Corporate Secretary, no later than December 29, 2012.

ADDITIONAL INFORMATION

Financial information is provided in the Corporation's comparative financial statements and management's discussion and analysis for its financial year ended December 31, 2011. 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 http:\\groupetva.ca.

DIRECTORS' APPROVAL

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

Claudine Tremblay
Vice-President and Corporate Secretary

Montréal, Québec
March 29, 2012

SCHEDULE A

CORPORATE GOVERNANCE PRACTICES

1. BOARD OF DIRECTORS

Within the meaning of section 1.4 of Regulation 52-110, an independent director is a director who has no direct or indirect material relationship with the 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 nominee standing for election to the Board, the Board of Directors has determined that eight of the ten persons nominated by Management for election to the Board of Directors are independent of the Corporation.

Directors	Independent	Non independent
Marc A. Courtois	√	
Pierre Dion		Mr. Pierre Dion is not independent because he is President and Chief Executive Officer of the Corporation.
Jacques Dorion	√	
Nathalie Elgrably-Lévy	√	
Serge Gouin	√	
Sylvie Lalande	√	
A. Michel Lavigne	√	
Jean-Marc Léger	√	
Pierre Karl Péladeau		Mr. Pierre Karl Péladeau is not independent because he is an executive officer of Sun Media Corporation, QMI and of Quebecor Inc.
André Tranchemontagne	√	

The Chair of the Board of is appointed each year from among the members of the Board of Directors. After each meeting of the Board of Directors and of its committees, a meeting of the independent directors is held, at which members of management are not in attendance. These meetings encourage free and open discussions between the independent directors.

A number of directors of the Corporation are also members of the Board of Directors of another reporting issuer. This information is set out in the biography of each director.

The conditions attached to the broadcasting licences of the Corporation stipulate that a maximum of 40% of the directors of the Corporation can be members, or previous members, of the Board of directors of Quebecor or QMI, or of any Board of directors of a company controlled directly or indirectly by Quebecor or QMI. The Corporation complies with this condition.

The number of meetings of the Board of Directors and of its committees, as well as the attendance record of each director at meetings held during the financial year ended December 31, 2011 is set out under the "Attendance at Board of Directors and committee meetings" section of this Circular.

2. BOARD AND DIRECTORS MANDATE

The mandate of the Board of Directors of the Corporation is 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 and affairs of the Corporation.

A copy of the Board Mandate is annexed hereto as Schedule "**B**". A copy of the Board Mandate is also available on the Corporation's Website at http:\\groupetva.ca.

3. POSITION DESCRIPTIONS

a) Chairman of the Board and Committee Chairman

The Board of Directors has adopted position descriptions for the Chairman of the Board and the chairman of each Board committee.

The Chairman of the Board is responsible for the 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.

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

Position descriptions (chairman mandates) are available on the Corporation's Website at http:\\groupetva.ca.

b) President and Chief Executive Officer

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.

4. ORIENTATION AND CONTINUING EDUCATION

Each director receives a Guide for Directors which is updated periodically. The Guide contains, among other things, the mandates and working plans of the Board of Directors and the committees, as well as useful information about the Corporation. Senior management of the Corporation also provides directors with historical and forward-looking information regarding the Corporation's market position, operations and financial situation, so as to ensure that the directors understand the nature, functioning and positioning of the Corporation.

Members of senior management regularly make presentations to the Board of Directors regarding the Corporation's principal business sectors. For this purpose, the Corporation organizes education sessions to present the major trends related to its main activities. Thus, presentations were given on the following topics:

- Strategies concerning the programming grid;
- Deregulation of the broadcasting sector;
- Impact of the new *Business Corporations Act* (Québec);

- Major trends in the magazine publishing sector.

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.

5. ETHICAL BUSINESS CONDUCT

The Board of Directors adopted a Code of Business Conduct to encourage and promote a culture of ethical business conduct within the Corporation. The Code of Business Conduct may be consulted under the Corporation's SEDAR profile at www.sedar.com. The Code is also available on the Corporation's Website at http:\\groupetva.ca .

The Board of Directors has not allowed departures from the Code of Business Conduct by a director or executive officer during the fiscal year 2011. Accordingly, no material change report was needed or filed.

If a director is in a situation of conflict of interests during any discussions occurring at a meeting of the Board of Directors or one of its committees, he must declare his interest and withdraw from the meeting so as not to participate in the discussions or in any decisions which may be made. This is noted in the minutes of the meeting.

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

In particular, a Policy relating to the use of privileged information 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 the 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.

Lastly, a 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, in accordance with the applicable statutory and regulatory requirements.

6. NOMINATION OF DIRECTORS

The Chairman of the Board consults the members of the Board in that regard and reviews the criteria for the selection of directors in assessing, on the one hand, skills, personal qualities, business experience and diversity of experience within the Board of Directors and, on the other hand, the needs of the Corporation.

However, the Board of Directors must also take into account the shareholders' agreement between CDP and Quebecor under which the shareholders agreed to exercise the voting rights associated with their shares in order to appoint to the Board of Directors of the Corporation a number of members proportional to their interest in shares in the capital stock of QMI. Two nominees are therefore designated to the Board of Directors of the Corporation by CDP. For the year 2011, those two directors were A. Michel Lavigne and André Tranchemontagne.

The Corporation has not established a committee to recruit new candidates for Board of Directors nomination.

7. COMPENSATION

The Compensation Committee is responsible for reviewing annually the compensation of the Corporation's directors and to make recommendations to the Board of Directors.

The Compensation Committee is also responsible for reviewing and recommending to the Board of Directors the amount and method of compensation of the President and Chief Executive Officer and of the Chief Financial Officer. The Committee reviews this compensation once a year. The Chairman of the Committee reports thereon the decision and recommendations to the Board.

The Committee reviews the succession planning process for executive officers. It also makes recommendations to the Board of Directors on the appointment of executive officers. It reviews the objectives of the Chief Executive Officer, assesses his performance in relation to those objectives and makes recommendations on the overall objectives of the Chief Executive Officer to the Board of Directors for approval. The Committee authorizes the granting of options under the Corporation's Stock Option Plan

The Compensation Committee is composed of three independent members, namely:

Chairman: Serge Gouin
Members: Jacques Dorion
Sylvie Lalande

During the fiscal year ended December 31, 2011, the Compensation Committee held three meetings.

All the minutes of the Compensation Committee are submitted to the Board of Directors of the Corporation for information, and the Committee Chairman also reports to the Board of Directors on its activities. A copy of the mandate is available on the Corporation's Website at http:\\groupetva.ca.

8. AUDIT COMMITTEE

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

The Audit Committee is composed exclusively of independent directors, namely:

Chairman: Marc A. Courtois
Members: A. Michel Lavigne
André Tranchemontagne

During the fiscal year ended December 31, 2011, the Audit Committee held four meetings.

All the minutes of the Audit Committee are submitted to the Board of Directors of the Corporation for information, and the Committee Chairman also reports to the Board of Directors on its activities. A copy of the mandate is available on the Corporation's Website at http:\\groupetva.ca.

The Corporation hereby incorporates by reference the additional information on its Audit Committee set out in its Annual Information Form for the fiscal year ended December 31, 2011. The Annual Information Form is available under the Corporation's SEDAR profile at www.sedar.com or on the Corporation's Website at http:\\groupetva.ca.

9. OTHER BOARD OF DIRECTORS COMMITTEES

There are no standing committees of the Board of Directors other than the Audit Committee and the Compensation Committee whose mandates are summarized hereinabove.

10. ASSESSMENT

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

On an annual basis, the Chairman of the Board meets each of the directors individually to review the effectiveness of the Board and the contribution of its members.

SCHEDULE B

MANDATE OF THE BOARD OF DIRECTORS

The Board of Directors (the "**Board**") of TVA Group Inc. (the "**Corporation**") is responsible for supervising 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 its committees. 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[2] by the Board, as defined in the laws and regulations. The Board considers annually the independence of each of its members. The members of the Board are elected annually by the holders of Class A common shares. Throughout the term of the mandate, the members of the Board may fill any vacancy on the Board.

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

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

RESPONSIBILITIES

The Board has the following responsibilities:

A. With respect to strategic planning

1. Assessing and approving annually the strategic planning of the Corporation including its financial strategy and business priorities.

2. Reviewing and, at the option of the Board, approving all strategic decisions for the Corporation, including acquisitions or sales of shares, assets or businesses which exceed the delegated approval powers.

B. With respect to human resources and performance assessment

1. Appointing the President and Chief Executive Officer. Selecting a Chairman among the members of the Board.

2. Approving the appointment of the other members of management.

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[2] A director is independent if he has no direct or indirect material relationship with the Corporation i.e. he has no relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of his independent judgment.

3. Ensuring that the Compensation Committee assesses annually the performance of the Chief Executive Officer and of senior management, taking into consideration the Board's expectations and the objectives that have been set.

4. Approving, upon the recommendation of the Compensation Committee, the compensation of the Chairman, the Chief Executive Officer and the Chief Financial Officer, as well as the Chief Executive Officer's overall objectives.

5. Ensure that a management succession planning process is in place.

C. <u>With respect to financial matters and internal controls</u>

1. Ensuring the integrity and quality of the Corporation's financial statements and the adequacy of the disclosure made.

2. Reviewing and approving the annual and quarterly financial statements and management's discussion and analysis. Reviewing the press release relating thereto.

3. Approving operating and capital budgets, the issuance of securities and, subject to authority limit policies, all transactions outside the ordinary course of business, including proposed amalgamations, acquisitions or other material transactions such as investments or divestitures.

4. Determining dividend policies and declaring dividends when deemed appropriate.

5. Ensuring that appropriate systems are in place to identify business risks and opportunities and overseeing the implementation of a process to evaluate those risks and to manage the principal risks generally relating to the Corporation.

6. Monitor the Corporation's internal control and management information systems.

7. Monitoring the Corporation's compliance with legal and regulatory requirements applicable to its operations.

8. Reviewing when required and upon recommendation of the Audit Committee, the Corporation's communications policy, monitor the Corporation's dealings with analysts, investors and the public and ensuring that measures are in place in order to facilitate shareholder feedback.

D. <u>With respect to corporate governance matters</u>

1. Ensuring 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. Reviewing, on a regular basis, corporate governance structures and procedures.

3. Ensuring that a code of ethics is in place and that it is communicated to the Corporation's employees and enforced.

4. Authorizing the directors to hire external advisors at the expense of the Corporation when the circumstances so require, subject to prior notification of the Chairman of the Board.

5. Reviewing the size and composition of the Board and its committees based on qualifications, skills and personal qualities sought in Board members. Annually reviewing the composition of Board committees and appointing committee chairs. Reviewing, when required, the mandates of the Board and Board committees.

6. Approving the list of Board nominees for election by shareholders.

7. Establishing annually the independence of the directors under the rules on the independence of directors.

8. Reviewing and approving the Corporation's management proxy circular as well as the annual information form and all documents or agreements requiring its approval.

9. Receiving annually confirmation from the Board's various committees that all matters required under their mandate and working plan have been covered.

10. Ensuring that the directors have all the support they require in order to fully perform their duties.

METHOD OF OPERATION

1. Meetings of the Board are held quarterly, or more frequently, as required. A special meeting of the Board is held annually to review and approve the strategic plan, as well as the Corporation's operating and capital budgets.

2. The Chairman of the Board, in collaboration with the President and Chief Executive Officer and the Secretary, proposes the agenda for each meeting of the Board. The agenda and the relevant documents are provided to directors of the Corporation sufficiently in advance.

3. The independent directors meet after each meeting of the Board, or more frequently, as required.