TVA
tva.canoe.ca
A Quebecor Media Company

ANNUAL INFORMATION FORM

YEAR ENDED
DECEMBER 31, 2010

March 10, 2011

TABLE OF CONTENTS

INTRODUCTORY NOTE

In this Annual Information Form, unless the context otherwise requires, the term “Corporation” refers to TVA Group Inc., and the terms “we,” “us,” “our,” as well as the term “TVA,” refer to the Corporation and its subsidiaries. Unless otherwise indicated, the information presented in this Annual Information Form is given as at December 31, 2010. All dollar amounts appearing in this Annual Information Form are in Canadian dollars, except if another currency is specifically mentioned. In addition, the table below lists a number of defined terms that we use throughout this Annual Information Form to refer to various companies within the TVA group or affiliates.

Entity	**Defined term**
Quebecor Inc.	“Quebecor”
Quebecor Media Inc.	“Quebecor Media”
TVA Productions Inc. and TVA Productions II Inc.	“TVA Productions”
TVA Publishing Inc.	“TVA Publishing”

ITEM 1 OUR CORPORATION

The Corporation was incorporated in accordance with the laws of Québec by letters patent dated March 29, 1960, under the name of Télé-Métropole Corporation.

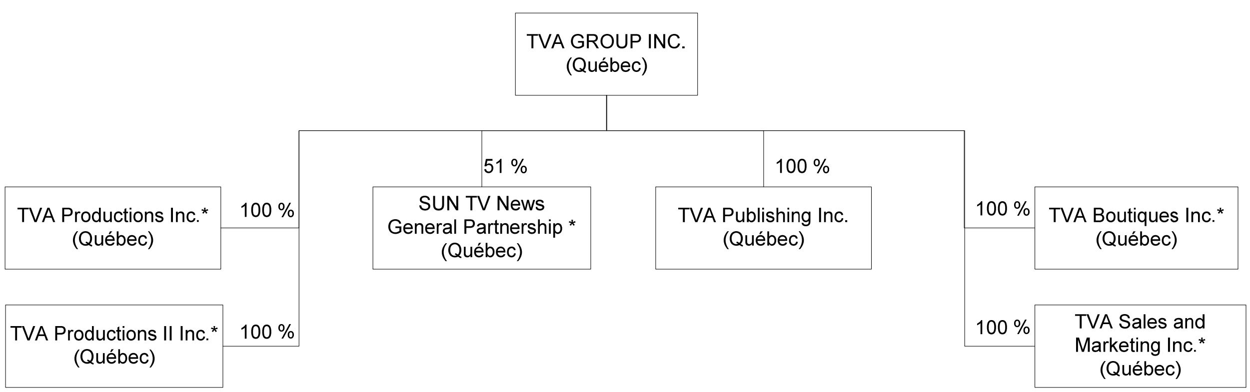
The Corporation was continued under Part IA of the *Companies Act* (Québec) by certificate and articles of continuance dated December 17, 1981. On February 17, 1998, the corporate name of Télé-Métropole Inc. was changed to TVA Group Inc. Since its coming into force on February 14, 2011, the Corporation is governed by the *Business Corporations Act* (Québec).

Our head office is located at 1600 de Maisonneuve Boulevard East, Montréal, Québec H2L 4P2. Our Website address is www.tva.canoe.ca. Our telephone number is (514) 526-9251 and our fax number is (514) 598-6085. The information found on our Website is neither an integral part of this Annual Information Form nor is it deemed to be incorporated by reference in this Annual Information Form.

1.1. OUR SUBSIDIARIES

The organizational chart below lists the Corporation's main subsidiaries at December 31, 2010 as well as their jurisdiction of incorporation and the percentage of voting rights held, directly or indirectly, by the Corporation. Some of the subsidiaries, whose total assets represented no more than 10% of our consolidated assets at December 31, 2010, and whose sales and operating revenues represented no more than 10% of our consolidated sales and consolidated operating revenues at that date, have been omitted. The omitted subsidiaries, taken as a whole, accounted for less than 20% of our consolidated assets and less than 20% of our consolidated sales and consolidated operating revenues at December 31, 2010.

The subsidiaries identified with an asterisk (*) represent 10% or less of our total consolidated assets and 10% or less of our consolidated sales and consolidated operating revenues at December 31, 2010. We have included them to better illustrate our overall structure.



ITEM 2 OUR BUSINESS

During the first quarter of 2010, the audiovisual product distribution activities have been incorporated into the Television sector's activities. Since then, we operate in two business sectors: Television and Publishing.

Television

We create, produce and broadcast entertainment, information and public affairs programming and distribute audiovisual products and films, in addition to our commercial production and home shopping operations. We operate North America's largest private French-language conventional television network, as well as nine specialty services and an English-language conventional television station in Toronto. We are planning operating a new news and opinion specialty service in the English-Canadian market during the spring of 2011. We also hold a minority interest in the Évasion specialty channel.

The Television sector includes the activities of TVA Network (including the subsidiaries and divisions TVA Productions, TVA Sales and Marketing Inc., TVA Accès, TVA Création, TVA Nouvelles, TVA interactif), the specialty services, the conventional station SUN TV, the home and online shopping services of our division TVA Boutiques, as well as the audiovisual and film distribution operations of our division TVA Films.

Publishing

We publish, through TVA Publications, more than 20 trademarks in more than 70 magazines and four Internet websites. Those trademarks specialize in show business and entertainment, television, fashion and beauty, teenagers, home decor and renovation, as well as services. With more than 50% of the market, TVA Publications is the most important French-language magazine publisher in Québec. As for our division TVA Studio, it specializes in custom publishing, commercial printed productions and premedia services.

The following table provides information on revenues for each of TVA's business sectors.

REVENUES BY BUSINESS SECTOR (in thousands of dollars)

	Year ended December 31, 2010	Year ended December 31, 2009
Television	$377,283	$368,325
Publishing	$75,004	$73,974
Intersegment items	($4,095)	($3,330)
TOTAL	$448,192	$438,969

2.1. TELEVISION

We own and operate six of the ten stations that make up TVA Network: CFTM-TV (Montréal), which is the network's flagship station, and five regional television stations: CFCM-TV (Québec City), CHLT-TV (Sherbrooke), CHEM-TV (Trois-Rivières), CFER-TV (Rimouski-Matane-Sept-Îles) and CJPM-TV (Saguenay/Lac St-Jean) (the "**regional stations**"). In addition to these regional stations are four affiliated stations: CHOT-TV (Gatineau) and CFEM-TV (Rouyn), owned by RNC Media Inc., as well as CIMT-TV (Rivière-du-Loup) and CHAU-TV (Carleton), owned by Télé Inter-Rives Ltée (the "**affiliated stations**").

We hold a 45% interest in Télé Inter-Rives Ltée. The TVA Network signal reaches nearly the entire French-speaking audience of the Province of Québec, as well as the French-speaking communities in the neighbouring provinces of Ontario and New Brunswick, and a significant portion of francophone viewers in the rest of Canada. We operate SUN TV, a conventional station located in Toronto, Ontario. We also own the specialty services LCN, addik^{tv}, Argent, Prise 2, CASA and YOOPA, in addition to holding stakes in the television channels The Cave, mysteryTV and Évasion. We also operate a home-shopping service.

2.1.1. TELEVISION BROADCASTING

CFTM-TV (MONTRÉAL)

CFTM-TV (Montréal), which has been broadcasting since February 1961, operates from its television studios located at 1600 de Maisonneuve Boulevard East in Montréal. CFTM-TV (Montréal) transmits its signal from an antenna located on the summit of Mount Royal. Since February 1, 2007, the Corporation operates CFTM-DT (Montréal), under a High Definition (HD) transitional licence granted in March 2006.

CFTM-TV (Montréal)'s programming includes dramas, serials, variety and service shows, real-life series, sports programs, magazine-style and quiz shows, films, news and public affairs programs. A major portion of CFTM-TV (Montréal)'s programming schedule is produced by the Corporation and is complemented by shows and films acquired from independent producers and third parties. This programming constitutes a considerable portion of the programming schedules of the TVA Network's member stations. A portion of CFTM's programming is also broadcasted simultaneously on the Web, on the mobile network and is also available free of charge on video-on-demand.

REGIONAL STATIONS

The programming of our five regional stations comes primarily from CFTM-TV (Montréal) and is complemented by local programming produced by each regional station that reflects their respective cultural, economic, political and social realities. CFCM-TV (Québec City) produces an average of more than 18 hours of local programming per week, of which at least 9 hours are broadcasted exclusively on its local market. Each of the other regional stations produces and broadcasts an average of more than five hours of local programming per week. TVA Network's stations carry numerous reports originating from local newscasts and form an integral part of the news content of the LCN channel

AFFILIATED STATIONS

The affiliation agreements between the Corporation and Télé Inter-Rives Ltée (owner of the local stations CHAU-TV (Carleton) and CIMT-TV (Rivière-du-Loup), as well as between the Corporation and RNC Media Inc. (owner of the local stations CHOT-TV (Gatineau) and CFEM-TV (Rouyn)), are valid until August 31, 2013.

SUN TV

On December 25, 2010, the Corporation undertook to become sole owner of the assets of SUN TV station in connection with a corporate reorganization that ultimately resulted in the winding up of Sun TV Company, an entity that was formerly 75% owned by the Corporation and 25% by Sun Media Corporation.

Further to this transaction, the Corporation is the sole owner of a conventional television licence in Toronto, Canada's largest advertising market, to operate SUN TV. SUN TV's programming consists of public affairs and entertainment shows such as dramas, comedies, variety shows, documentaries and sports shows. It also simulcasts hit shows from the U.S. The Corporation intends to cease operation of its existing conventional television station as soon as the new news and opinion specialty service, SUN News, begins broadcasting.

2.1.2. SPECIALTY SERVICES

LE CANAL NOUVELLES (LCN)

Launched in September 1997, LCN broadcasts national news and general interest information. This channel has to offer newscasts updated at least every 120 minutes. Denis Lévesque, Le vrai Négociateur, Mongrain, Richard Martineau and Le Match are some examples of shows that are presented. In 2010, LCN again posted strong growth with an average market share of 3.9% and an average weekly reach of 3,260,000 viewers.

On February 12, 2010, TVA obtained a significant amendment to the LCN licence and is now subject to the normalized conditions that are imposed on other news services. Therefore, the LCN method is more flexible with a larger program schedule.

THE CAVE

The Corporation and its partner Shaw Television GP Inc. ("**Shaw**") (on behalf of and in the name of Shaw Television Limited Partnership) own a national licence to operate The Cave (previously mentv), an English-language digital specialty channel devoted to men's lifestyles that was launched on September 7, 2001. The Corporation and Shaw hold a 51% and a 49% interest respectively. Its Website is also accessible at www. thecavetv.ca.

MYSTERYTV

The Corporation and its partner Shaw own equal interest in a national licence for mysteryTV, an English-language digital specialty channel devoted to mystery and suspense programming that was launched on September 7, 2001. Its Website is also accessible at www.mysterytv.ca.

ADDIK^{TV}

The Corporation owns a national licence for addik^{tv} (formerly Mystère), a French-language digital specialty channel that was launched on October 21, 2004. Since August 2010, addik^{tv}'s programming has been modified so as to become a channel dedicated to the presentation of popular Canadian and American movies and television series. Its Website is also accessible at www.addik.tv.

ARGENT

The Corporation owns a national licence for a French-language digital specialty channel which offers programming that focuses on economic and business news, as well as personal finance, Argent. The official launch took place on February 21, 2005. Its Website is also accessible at www.argent.canoe.ca.

CASA

The Corporation owns a national licence for CASA (formerly Les idées de ma maison) a French-language digital specialty channel devoted to real estate, renovation, decoration as well as cooking. The channel was launched on February 19, 2008. Its Website is also accessible at www.casatv.ca.

YOOPA

The Corporation owns a national licence for YOOPA a French-language digital specialty channel aimed exclusively at preschoolers. This channel was launched on April 1st, 2010. Its Website is also accessible at www.yoopa.ca

PRISE 2

The Corporation owns a national licence for the French-language digital specialty channel dedicated to the great television and film classics, Prise 2. This channel was launched on February 9, 2006. Its Website is also accessible at www.prise2.canoe.ca.

SUN NEWS

During the third quarter of 2010, the Corporation and Sun Media Corporation have established a new general partnership, Sun TV News General Partnership, for the purpose of setting up and launching a new news and opinion specialty service in the English-language market. The Corporation and Sun Media Corporation hold a 51% and 49% interest respectively. The launching of this new channel is scheduled for the spring of 2011 under a Category 2 licence granted by the Canadian-Radio-television and Telecommunications Commission ("**CRTC**") on November 26, 2010. Its Website is also accessible at www.sunnewsnetwork.ca.

ÉVASION

Évasion owns a national licence for a French-language digital specialty channel devoted to travel, tourism and adventure that was launched January 31, 2000. The Corporation holds a 8.3% interest in Évasion. Its Website is also accessible at www.evasion.tv.

2.1.3. OTHER SPECIALITY SERVICES

On February 26, 2010, the CRTC granted the Corporation a new licence to operate a French language Category 2 specialty service, TVA Sports. This service will offer programs relating to every aspect of sports by focusing on professional Canadian sports of general interest. This service is not yet in operation.

On October 13, 2010, the CRTC granted the Corporation two new licences to operate two French language Category 2 specialty services. The first service, TVA Mode, will offer programs relating to fashion, beauty and well-being and should start airing in spring 2011. The second service, Star Système, will offer programs relating to show business, entertainment and humour. This service is not yet in operation.

2.1.4. TÉLÉ ACHATS

Télé achats is the sole French-language infomercial and home-shopping channel in Québec. Télé achats broadcasts promotional segments for products and services including those of Shopping TVA that sells consumer products directly, 24 hours a day, seven days a week.

2.1.5. TVA BOUTIQUES INC.

TVA Boutiques operates among others under the trademark *Shopping TVA* and produces the same name home-shopping show broadcasted on TVA and Télé achats. TVA Boutiques manages all consumer product sales segments broadcasted on both networks. The *Shopping TVA* program broadcasted on TVA Network and Télé achats includes the full production of the home-shopping segment and all the necessary infrastructure to support sales, from order taking to the delivery of goods. *Shopping TVA* also operates a transactional Website at www.shoppingtva.ca.

In addition, TVA Boutiques manages the manufacturing and marketing of a wide range of products endorsed by popular figures or brands, like ”Tout Simplement Clodine” available on the Web at www.shoppingclodine.ca., the products of “Bijoux Caroline Néron” available on the Web at www.bijouxcarolineneron.com, as well as the products of “Boutique en forme avec Josée Lavigueur” available on the Web at www.boutiqueenforme.ca.

2.1.6. PRODUCTION

TVA Productions produced close to 1,563 hours of original programming during the fiscal year ended December 31, 2010 including drama, youth programs, variety and magazine-style shows, galas, documentaries, game shows and real-life series. TVA Productions’ output is produced for airing on the TVA Network, the specialty channels of the Corporation, its Websites as well as on video-on-demand and mobile network.

2.1.7. DISTRIBUTION

During the fiscal year ended December 31, 2010, TVA Films continued its objectives to acquire Québec productions while increasing its presence on the Canadian market by expanding its catalogue consisting of Québec, Canadian and foreign films. In Québec, the film “Piché, entre ciel et terre” has been a success movie in 2010, with more than $3,600,000 box office receipts. Furthermore, TVA Films entered into agreements with certain producers regarding the distribution of future commercial films in the province of Québec.

In DVD/Blu-ray, where the market is dominated by the American majors who are distributing, under sub-distribution contracts, the titles of external producers, TVA Films entered into agreements with Distribution Sélect, Universal Studio Home Entertainment, Sony Pictures Home Entertainment inc., iTunes (Apple inc.) and Maple Pictures.

2.1.8. REVENUE SOURCES

Private conventional television stations derive most of their revenues from the sale of air time for advertising. The rates set by stations depend largely on their audience share, on the demographic and socio-economic make-up of their audience and on other available media or promotional vehicles.

Air time on the TVA Network, i.e. CFTM-TV (Montréal), as well as the regional and affiliated stations, is sold by sales representatives employed by TVA Sales and Marketing Inc. and QMI Agency to advertising agencies acting for national advertisers. Air time is also sold by local sales representatives to local retailers or advertisers.

A total of 60% of specialty channel revenues is derived from subscription charges paid by broadcasting distribution undertakings, while 40% is derived from advertising revenues.

The revenues of TVA Boutiques are generated from the sale of air time on Télé achats channel as well as the sale of consumer products.

As for TVA Films, it acquires and manages rights for the distribution of films and audiovisual productions in Canada and abroad. Revenues are derived from three main sources: the presentation of films in movie theatres, the rental and sale of DVDs and Blu-rays and the sale of products contained in its catalogue on the various audiovisual platforms (video-on-demand, pay-TV and pay-per-view, conventional and specialty TV channels).

2.1.9. LICENCES AND REGULATION

Television stations and specialty channels are all operated under licences issued by the CRTC. These activities are subject to the requirements and regulations of the *Broadcasting Act* (Canada), in particular the *Television Broadcasting Regulations, 1987* and the *Specialty Services Regulations, 1990*, as well as to CRTC policies and decisions published from time to time, and to the terms, conditions and expectations set out in the licence pertaining to each station or specialty channel. These licences are issued for a fixed term and, before their expiry, we must apply to the CRTC for their renewal. Renewals are generally granted to corporations that have complied with the terms and conditions of their licences. The acquisition or disposition of television broadcasting activities also requires regulatory approval. We believe we are compliant with all the terms and conditions of our various licences, and have no reason to believe that our licences would not be renewed upon their expiry.

Ownership and Control of Canadian Broadcast Undertakings

Subject to any directions of general application that the Government of Canada has the power to issue under the *Broadcasting Act* (Canada), the CRTC regulates and supervises all aspects of the Canadian broadcasting system.

Through an Order-in-Council referred to as the *Direction to the CRTC* (Ineligibility of Non-Canadians) (the "**Direction**"), the CRTC is prohibited from issuing, amending or renewing a broadcasting license to an applicant that is a non-Canadian. Canadian, a defined term in the Direction, means, among other things, a citizen or a permanent resident of Canada, a qualified corporation, a Canadian government, a non-share capital corporation of which a majority of the directors are appointed or designated by statute, regulation or specified governmental authorities, or a qualified mutual insurance company, qualified pension fund society or qualified cooperative of which not less than 80% of the directors or members are Canadian. A qualified corporation is one incorporated or continued in Canada, of which the chief executive officer (or if there is no chief executive officer, the person performing functions similar to those performed by a chief executive officer) and not less than 80% of the directors are Canadian, and not less than 80% of the issued and outstanding voting shares and not less than 80% of the votes are beneficially owned and controlled, directly or indirectly, by Canadians.

In addition to the above requirements, Canadians must beneficially own and control, directly or indirectly, not less than 66.6% of the issued and outstanding voting shares and not less than 66.6% of the votes of the parent corporation that controls the subsidiary, and neither the parent corporation nor its directors may exercise control or influence over any programming decisions of the subsidiary if Canadians beneficially own and control less than 80% of the issued and outstanding shares and votes of the parent corporation, if the chief executive officer of the parent corporation is a non-Canadian or if less than 80% of the parent corporation's directors are Canadian. There are no specific restrictions on the number of non-voting shares which may be owned by non-Canadians. Finally, an applicant seeking to acquire, amend or renew a broadcasting license must not otherwise be controlled in fact by non-Canadians. This question of fact may be determined by the CRTC in its sole discretion. Control is defined broadly in the Direction to mean control in any manner that results in control in fact, whether directly through the ownership of securities or indirectly through a trust, agreement or arrangement, the ownership of a corporation or otherwise. TVA and Sun Media Corporation are qualified Canadian corporations.

Regulations made under the *Broadcasting Act* (Canada) require the prior approval of the CRTC for any transaction that directly or indirectly results in (i) a change in effective control of the licensee of a broadcasting distribution undertaking or a television programming undertaking (such as a conventional television station, network or pay or specialty undertaking service), (ii) a person or a person and its associates acquiring control of 30% or more of the voting interests of a licensee or of a person who has, directly or indirectly, effective control of a licensee, or (iii) a person or a person and its associates acquiring 50% or more of the issued common shares of the licensee or of a person who has direct or indirect effective control of a licensee. In addition, if any act, agreement or transaction results in a person or a person and its associates acquiring control of at least 20% but less than 30% of the voting interests of a licensee, or of a person who has, directly or indirectly, effective control of the licensee, the CRTC must be notified of the transaction. Similarly, if any act, agreement or transaction results in a person or a person and its associates acquiring control of 40% or more but less than 50% of the voting interests of a licensee, or a person who has directly or indirectly effective control of the licensee, the CRTC must be notified.

Jurisdiction Over Canadian Broadcast Undertakings

TVA's programming activities are subject to the *Broadcasting Act* (Canada) and regulations made under the *Broadcasting Act* (Canada) that empower the CRTC, subject to Direction from the Governor in Council, to regulate and supervise all aspects of the Canadian broadcasting system in order to implement the policy set out in that Act. Certain of TVA's undertakings are also subject to the *Radiocommunication Act* (Canada), which empowers Industry Canada to establish and administer the technical standards that networks and transmission must respect, namely, maintaining the technical quality of signals.

The CRTC has, among other things, the power under the *Broadcasting Act* (Canada) and regulations to issue, subject to appropriate conditions, amend, renew, suspend and revoke broadcasting licenses, approve certain changes in corporate ownership and control, and establish and oversee compliance with regulations and policies concerning broadcasting, including various programming and distribution requirements, subject to certain directions from the Federal Cabinet.

Copyright Board Proceedings

The conventional and specialized television services of the Corporation require licences under the *Copyright Act* of the Canadian system in order to use the musical components of the program schedule and other works broadcasted by these services. Under these licences, TVA is required to pay royalties, as established by the Copyright Board under the requirements of the *Copyright Act* of the Canadian system, to the collective societies (who represent the copyright owners).

Upon request of the collective societies, and subject to the approval of the Copyright Board, the level of royalties to be paid by TVA may be modified.

Canadian Broadcast Programming (Off the Air and Thematic Television)

Programming of Canadian Content

CRTC regulations require licensees of television stations to maintain a specified percentage of Canadian content in their programming. Television broadcasters are subject to regulations requiring that, over the broadcast year and over any six-month period specified in the license, a minimum of 60% of the aggregate programming shown during the broadcast day (a continuous 18-hour period between 6:00 a.m. and 1:00 a.m. the following day) must be of Canadian origin. Canadian origin is most commonly achieved on the basis of a points system requiring that a number of creative and production staff be Canadian and that specified Canadian production expenditure levels be met. In addition, not less than 50% of the aggregate programming between the hours of 6:00 p.m. and 12:00 midnight over the broadcast year must be of Canadian origin. Specialty or thematic television channels also have to maintain a specified percentage of Canadian content in their programming generally set forth in the conditions of their license.

In Broadcasting Regulatory Policy CRTC 2010-167, the CRTC provided that the amendment to the *Television Broadcasting Regulations, 1987*, which lowers the minimum Canadian content requirements for conventional television stations from 60% to 55%, as well as the CRTC's decision to no longer include licence-fee top-ups as eligible Canadian expenditures for the purpose of fulfilling Canadian programming expenditures requirements, will apply to French-language conventional television licensees at the time of licence renewals, which will take place in fall 2011.

Since September 1, 2000, we have been subject to a CRTC policy requiring the largest multi station ownership groups to broadcast over the broadcast year on average a minimum of eight hours per week of priority programming during prime time, from 7:00 p.m. to 11:00 p.m. To permit greater flexibility in meeting these requirements, the definitions of priority programs and prime time have been expanded. Priority programming now includes Canadian produced drama, music and dance, variety and long-form documentaries, but does not include news and information or sports programming.

Local Programming Improvement Fund

Since September 1, 2009, the regional stations of TVA are eligible to the Local Programming Improvement Fund ("**LPIF**") contributions.

Digital Transition

In the Broadcasting Regulatory Policy with respect to digital transition, the CRTC identified the major markets where it expects conventional broadcasters to convert, before August 31, 2011, their full-power, over-the-air analog transmitters to digital. The only market where TVA is present and where the conversion is not mandatory is Rimouski.

Advertising

Even though limits to advertising content applicable to conventional television stations have been deregulated since September 1, 2009 (Broadcasting Public Notice 2007-53), the CRTC continues to regulate the quantity and content of specialty television advertising. A specialty service licensee shall not broadcast more than 12 minutes of advertising during any hour subject to certain exceptions for unpaid public service announcements and promotions for upcoming Canadian programs.

Broadcasting License Fees

Broadcasting licensees are subject to annual license fees payable to the CRTC. The license fees consist of two separate fees. One fee allocates the CRTC's regulatory costs for the year to licensees based on a licensee's proportion of the gross revenue derived during the year from the licensed activities of all licensees whose gross revenues exceed specific exemption levels. The other fee, also called the Part II license fee, for all companies, is 1.365% of the amount by which its gross revenue derived during the year from its licensed activity exceeds $1,500,000. Our broadcasting activities are subject to both fees.

Compensation for the value of local conventional television station signals

In Regulatory Policy CRTC 2010-167, the CRTC proposed a compensation scheme for the value of local conventional television station signals. Under this system, licensees of private local television stations will be able to choose whether (i) they will negotiate with Broadcasting distribution undertakings ("**BDU**s") for the value of the distribution of their programming services, subject to certain conditions, failing which they will be able to withdraw the programming they own, or for which they have obtained the broadcasting rights, from all signals distributed in their market; or ii) they will continue to benefit from existing regulatory protections. While the CRTC has found that it is necessary to provide the licensees of private local conventional television stations with the right to negotiate a fair value for the distribution of their programming services by BDUs, it recognizes that there is a valid dispute between parties over its legal authority to impose such a system. Therefore, given the importance of the matter of the CRTC's jurisdiction to the achievement of the objectives of the Act, and given the constant need for certainty in dealing with licence renewals according to a group-based approach, the CRTC has decided to refer the question of its legal authority to the Federal Court of Appeal.

The Federal Court of Appeal rendered its decision determining that the CRTC has the power to establish a system to enable private local television stations to choose to negotiate with broadcasting distribution undertakings a fair value in exchange for the distribution of the programming services broadcasted by those stations. Parties or intervenors who disagree with this decision have sixty days to file an application for leave to appeal to the Supreme Court of Canada.

Opening of genres for competition

In the Broadcasting Regulatory Policy CRTC 2008-100, the CRTC has determined that it would be appropriate to introduce competition between Canadian specialty services operating in the genres of mainstream sports and mainstream national news. Once a genre has been opened for competition, the following rules will apply to all services within the genre:

- a common and standard nature of service definition;
- common Canadian programming exhibition and spending obligations;
- no access rights; and
- no regulated wholesale fee.

The conditions of licence for Canadian competing specialty services operating in the genres of mainstream sports and mainstream national news can be found in the Broadcasting Regulatory Policy CRTC 2009-562.

Exclusive content

On January 26, 2011, in Decision CRTC 2011-48 (the "**Decision**"), the CRTC set out its findings on complaints filed by TELUS and Bell concerning exclusive TVA content on Videotron's illico on Demand ("**VOD**") service. The CRTC found that TVA and/or Videotron had contravened applicable regulations that prohibit them from giving an undue preference or subjecting any person to an undue disadvantage. To remedy the violations, the CRTC set out requirements including that TVA programs distributed on VOD be provided without delay to TELUS and to Bell and that, within thirty days following the date of the Decision, the parties negotiate an agreement for the provision of TVA programming by VOD services or agree on a process for determining a reasonable fee and reasonable terms and conditions for the provision of TVA programming by VOD services. On February 25, 2011, TVA and Videotron filed with the CRTC two separate reports on the progress of negotiations with TELUS and Bell. An application for leave to appeal the Decision has been filed with the Federal Court of Appeal.

The following table shows the broadcasting licences for each of our television stations, as well as the licences for our wholly-owned specialty channels:

Stations and specialty services	Location	Expiry date	Decision number
TVA Network	Canada	August 31, 2011	CRTC 2009-410
CFTM-TV	Montréal	August 31, 2011	CRTC 2009-410
CHLT-TV	Sherbrooke	August 31, 2011	CRTC 2009-410
CHEM-TV	Trois-Rivières	August 31, 2011	CRTC 2009-410
CFCM-TV	Québec City	August 31, 2011	CRTC 2009-410
CJPM-TV	Saguenay/Lac St-Jean	August 31, 2011	CRTC 2009-410
CFER-TV	Rimouski	August 31, 2011	CRTC 2009-410
Le Canal Nouvelles (LCN)	Canada	August 31, 2011	CRTC 2010-562
addik^{TV}	Canada	August 31, 2011	CRTC 2010-562
Argent	Canada	August 31, 2011	CRTC 2010-562
Prise 2	Canada	August 31, 2012	CRTC 2005-527
CASA	Canada	August 31, 2012	CRTC 2005-521
SUN TV	Toronto, Hamilton, London, Ottawa	March 31, 2011	CRTC 2010-562
YOOPA	Canada	August 31, 2016	CRTC 2010-103
TVA Sports	Canada	August 31, 2016	CRTC 2010-116
TVA Mode	Canada	August 31, 2017	CRTC 2010-752
Star Système	Canada	August 31, 2017	CRTC 2010-753
SUN News	Canada	August 31, 2015	CRTC 2010-882

Note: The licences for The Cave and mysteryTV expire on August 31, 2011, and the licence for Évasion expires on August 31, 2012. As for CHAU-TV (Carleton), CIMT-TV (Rivière-du-Loup), CHOT-TV (Gatineau) and CFEM-TV (Rouyn), the licences expire on August 31, 2016.

2.1.10. COMPETITION, VIEWING AUDIENCES AND TELEVISION MARKET SHARE

The television sector competes directly with all other advertising media. The competition will continue to be intense for the future. The distribution of advertising dollars among these various media is determined by several factors, among them the economic climate, advertiser preferences and interest in the product offered.

The television sector in Québec has to deal with a very competitive environment due to the multiplication of specialty services and the increase in sales of air time by them. Moreover, publicly owned stations benefit from strong financial support from governments, while also maintaining access to the advertising market and funding available for Canadian programming and for LPIF. In addition to the larger number of television channels, viewers are increasingly solicited by the Internet and its peripheral services that may attract their interest. The negative impact that the new media have on the television sector is increasingly affecting traditional advertising revenues.

The quality of our programming, the great popularity of our shows, the reputation for our news and information services and the use of new broadcasting platforms are all factors that help us maintain our audience ratings and our significant share of the advertising market. For the year 2010, TVA dominated in terms of market share seven evenings a week and broadcasted 23 of the 30 best-watched shows in spite of an increase in the viewing share of specialty channels in the French-language market in 2010.

In the distribution sector, the market in both English-speaking Canada and Québec is dominated by American films. Most American blockbusters are distributed by the American “majors” being 20th Century Fox, Warner, Disney and Paramount Pictures.

The DVD/Blu-ray market is dominated by the American “majors” who, in addition to marketing their own products, are also distributing, under sub-distribution contracts, the titles of external producers. Given the agreements concluded with Distribution Sélect, Universal Studio Home Entertainment, Sony Pictures Home Entertainment Inc. and iTunes, TVA Films is in a good position to maximize the sales of films it distributes.

2.2. PUBLISHING

2.2.1. TVA PUBLISHING

TVA Publishing publishes more than 70 magazines including regular, special and seasonal issues. Its principal trademarks focus on five market niches:

Entertainment
- 7 Jours
- Dernière Heure
- Le Lundi
- Star Système
- Échos Vedettes
- TV Hebdo
- TV 7 Jours

Decoration
- Chez soi
- Les Idées de ma maison
- Rénovation Bricolage
- Côté Cours Côté Jardins
- Hors Série Décoration
- Votre Maison
- 150 plans

Fashion and Beauty
- Clin d’oeil
- Femme d’aujourd’hui (FA)
- Star Inc.

Teenagers
- Cool

Services
- Moi & Cie
- À vos pinceaux
- Animal
- YOOPA
- Tout simplement Clodine

Through its division TVA Studio, TVA Publishing is also active in the custom publishing segment, the commercial printed productions and the premedia services. TVA Studio has received mandates from prestigious clients, as evidenced by the following publications:

- Atmosphère (Air Transat)
- Perspectives (Fraser Institute)
- Le Quartier (Quartier DIX30)
- Branché (Videotron)
- Idées Réno Dépôt (Réno Dépôt)
- Montréal Centre-ville (Destination Centre-ville)

TVA Publishing also operates Websites in order to broadcast its trademarks and contents on different digital platforms. Thus, Websites such as www.clindoeil.ca, www.tvhebdo.com, www.moietcie.ca and www.7jours.canoe.ca are broadcasting daily relevant content related to the editorial content of our corresponding trademarks. In the short term, TVA Publishing is looking to increase its trademarks' visibility on digital platforms to diversify its offer to the readers and advertisers.

Each magazine's content is either produced internally by our employees or freelancers or purchased on the market. Art direction, computer graphics as well as coordination and review of the content are done by the TVA Publishing staff. Printing and touch up are done by different printers. All our magazines are distributed at newsstands by an affiliate, Messageries Dynamiques, a Sun Media Corporation division.

2.2.2. REVENUE SOURCES

The main sources of revenue for the publishing sector are newsstand sales, subscriptions and advertising sales. TVA Publishing also benefits from certain government programs to support Canadian magazine publishing. The downward trend in the publishing market and the increase in media diversity remain significant issues affecting the sector's performance. Nevertheless, the strength of trademarks brings new business opportunities.

2.2.3. COMPETITION

Competition in this sector remains very vigorous. Nevertheless, we remain Québec's largest publisher of French-language magazines. Our weeklies are read by more than 2.9 million readers each week, according to data compiled by the Print Measurement Bureau (PMB). The magazine 7 Jours alone, which features artistic and cultural events, has nearly 900,000 readers each week. In addition, TVA's monthlies are read by more than 4 million readers on a monthly basis. We are the newsstand sales leader, holding a share of 73% of the French-language market. In this market, TVA Publishing, with all of its magazines, obtains 51% of all subscriptions and newsstand sales.

2.3. INTELLECTUAL PROPERTY

The core segments of the Corporation, which primarily include television and editing, hold or use under licence a number of trademarks which form part of our most important intangible assets. The main trademarks for our products and services are filed or registered in Canada. In addition, we have the rights arising from our use of unregistered trademarks. We take all required legal measures to protect our trademarks and believe that these trademarks are appropriately covered for the needs of the Corporation.

The audiovisual contents that we produce, distribute or broadcast usually benefit from a legal protection regime under the copyright laws applicable in the territories where they arise from or where they are used. These protection regimes generally provide for civil and criminal penalties in the event of any unauthorized use, broadcast or reproduction. The literary and photographical contents included in our publications and on our Websites are also protected under the copyright regime. Under the laws or contracts, we are the owners of the intellectual property rights on most of the literary contents reproduced in our publications, subject to limited exceptions, including the contents taken from national or international agencies. We therefore ensure that we enter into licence agreements with these agencies, freelancers and any other providers of similar contents under conditions that enable us to meet our operating needs. We believe that we have taken the appropriate and reasonable measures to cover, use, protect and guarantee the protection of the contents that we create and distribute.

2.4. HUMAN RESOURCES AND LABOUR RELATIONS

At December 31, 2010, we had 1,367 regular employees.

The following chart shows the number of regular employees in each business sectors.

Television:	1,132
Publishing:	235
TOTAL:	1,367

TVA's labour relations are governed by 13 collective agreements. A fourteenth collective agreement is being negotiated with a group of representatives recently unionized. At December 31, 2010, two collective agreements had expired or expired at that date. The collective agreements that were expired on December 31, 2010 cover approximately 2% of the Corporation's unionized regular employees.

On September 7, 2010, the Corporation signed a new collective agreement with its employees in Montréal. The agreement expires on December 31, 2012.

2.5. ENVIRONMENT

Our operations are subject to federal, provincial and municipal laws and regulations concerning environmental matters. Our management as well as the management of our subsidiaries believe that compliance with these regulations has not a material adverse effect on our business, financial condition or results of operations.

As provided in our environmental strategy, we are determined to reduce the environmental impact of our activities by implementing various initiatives based on the environmental performance assessment, the implementation of green practices, the responsible procurement and the employee awareness-raising campaign.

ITEM 3 OUR HIGHLIGHTS

In the past three fiscal years, the following events have had an impact on our development and growth:

2010 HIGHLIGHTS

On March 17, 2010, the Corporation filed an issuer bid to repurchase for cancellation between March 19, 2010 and March 18, 2011, up to 972,545 of the Corporation's Class B shares, representing approximately 5% of the number of Class B shares issued and outstanding. As at December 31, 2010, no Class B shares were repurchased for cancellation.

As announced on June 15, 2010, the Corporation and Sun Media Corporation have put into place during the third quarter of 2010, a new partnership, SUN TV News General Partnership, (51% TVA and 49% Sun Media Corporation) for the purpose of setting up a new news and opinion specialty service in the English-Canadian market. This general partnership has been granted a Category 2 licence on November 26, 2010. This service should start airing in the spring of 2011.

On September 7, 2010, TVA signed a new collective agreement with its employees in Montréal. The agreement expires on December 31, 2012.

2009 HIGHLIGHTS

On March 17, 2009, the Corporation filed an issuer bid to repurchase for cancellation between March 19, 2009 and March 18, 2010, up to 985,210 of the Corporation's Class B shares, representing approximately 5% of the number of Class B shares issued and outstanding. During the fiscal year ended December 31, 2009, 253,500 Class B shares were repurchased for cancellation.

On April 20, 2009, the Corporation concluded an agreement with Videotron Ltd. to sell the assets of the pay-per-view television service "Canal Indigo". On December 1, 2009, the CRTC gave its approval to this sale of assets.

On June 29, 2009, the Corporation has undertaken to become the sole owner of the television station SUN TV. On December 1, 2009, the Corporation has received the CRTC's approval to acquire all outstanding shares not already owned by TVA.

On June 29, 2009, Quebecor Media proceeded to the liquidation of Canoë Inc., which was 86.2% owned by Quebecor Media and 13.8% by the Corporation, and its assets were distributed proportionally to shareholders. The Corporation received an amount in cash and three portals including the site "Argent/Money" for the disposal of its investment in Canoë Inc.

On October 7, 2009, a number of companies, including TVA, signed an out-of-court settlement with the Crown under which the applicant companies abandoned their objection to pay Part II licence fees of the CRTC and their financial claims. On his part, the government gave up its claim of unpaid Part II licence fees for the period between September 1, 2006 and August 31, 2009. In addition, under this out-of-court settlement, the government also covenanted to recommend to the CRTC to modify its regulations, in order to limit the amount of Part II licence fees payable after August 31, 2009.

On December 11, 2009, the Corporation completed its debt refinancing in a 5-year term loan for an amount of $75 million and a 3 year revolving credit facility for an amount of $100 million.

2008 HIGHLIGHTS

On August 31, 2008, TVA acquired the remaining partnership interest in Canal Indigo that it did not already own. Since then, the assets of Canal Indigo were transferred to Videotron Ltd.

In the fall of 2008, new rebroadcasting transmitters were made operational to broadcast the digital signal of SUN TV in the London and Ottawa markets.

In the year ended December 31, 2008, the Corporation launched a Substantial Issuer Bid to repurchase for cancellation a maximum amount of 3,000,000 Class B shares, at a price of $17.00 per share. On June 6, 2008, TVA repurchased 3,000,642 Class B shares further to this issuer bid.

ITEM 4 OUR RISK FACTORS

We urge all of our current and potential investors to carefully consider the risks described in the sections referred to below as well as the other information contained in this Annual Information Form and other information and documents filed by us with the appropriate securities regulatory authorities before making any investment decision with respect to any of our securities. The risks and uncertainties described in such sections are not the only ones we may face. Additional risks and uncertainties that we are unaware of, or that we currently deem to be immaterial, may also become important factors that affect us. If any of the following risks actually occurs, our business, cash flows, financial condition or results of operation could be materially adversely affected. Such risk factors should be considered in connection with any forward-looking statements in this document and with the cautionary statements contained in Item 13 – Forward-Looking Statements.

We describe the primary risk factors facing our activities and businesses under the "Risks and Uncertainties" section on pages 26 to 31 of our Management's Discussion and Analysis for the year ended December 31, 2010. The report was filed with Canadian securities regulatory authorities on March 7, 2011. The pages are incorporated herein by reference and may be viewed under the Corporation's profile on the SEDAR Website at www.sedar.com.

ITEM 5 OUR CAPITAL STRUCTURE

5.1. CAPITAL STRUCTURE

On January 7, 1985, the Corporation amended its articles of continuance to modify the designation of the Class B shares to their current designation.

On May 11, 1990, the Corporation filed articles of amendment creating Series 1, 2, 3, 4, 5 and 6 preferred shares.

5.2. AUTHORIZED CAPITAL STOCK

The authorized capital stock is as follows:

- An unlimited number of preferred shares, non-participating, non-voting, with a par value of $10 each, issuable in series;

- An unlimited number of Class A common shares, voting, participating, without par value, ("**Class A Shares**");

- An unlimited number of Class B shares, non-voting, participating, without par value, ("**Class B Shares**").

Our class B Shares are "restricted securities" (within the meaning of the relevant Canadian regulations respecting securities) in that they do not carry any voting rights.

In the event that a takeover 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.

5.3. ISSUED AND OUTSTANDING CAPITAL STOCK

At March 1, 2011, there were 4,320,000 Class A and 19,450,906 Class B shares issued and outstanding.

5.4. CONSTRAINTS ON ISSUE AND TRANSFER OF SHARES

The issue and transfer of the Corporation's shares are constrained by its Articles in order to ensure that it complies with the conditions of the licences granted by the CRTC. The Corporation is subject to Canadian ownership and control requirements that preclude citizens or companies from countries other than Canada from owning more than 20% of any Class of the Corporation's outstanding shares.

Each subscriber or transferee of Corporation shares is required to supply a declaration stating his citizenship. The transfer agent ensures that no share is issued or transferred, if this would prevent the Corporation from holding its licences.

5.5. DIVIDENDS

Each Class A and Class B share bestows the right to receive dividends that the Board of Directors of the Corporation declares. The amount is identical and is paid on the same date and in the same form as though the Class A Shares and Class B Shares belong to a single category.

During the last three years, the Corporation has declared and paid quarterly dividends totaling $0.20 annually per Class A Share and Class B Share.

Dividend declaration and payment are the responsibility of the Board of Directors, which takes into consideration the Corporation's financial situation and its cash-flow strategy. In addition, in accordance with the Corporation's credit agreements, the Corporation is subject to restrictions including the maintenance of certain financial ratios that may limit the amount of the dividend that the Corporation can declare and pay.

5.6. MARKET FOR SECURITIES

Only the Class B Shares are listed on a stock exchange, namely the Toronto Stock Exchange. They are listed under the symbol "TVA.B".

The following table sets forth the monthly price range per share, the closing price and the trading volume for each month in 2010.

Month	*Closing Price*	*High*	*Low*	*Monthly trading volume*
January	13.54	14.49	13.20	31,307
February	13.30	13.96	13.02	40,417
March	15.06	15.70	13.11	92,130
April	14.50	15.39	14.02	27,848
May	12.50	14.50	11.89	56,123
June	11.80	12.67	11.80	14,638
July	11.90	12.50	11.26	16,687
August	11.75	12.39	11.51	158,500
September	12.26	12.50	11.61	218,382
October	12.76	13.48	12.25	36,086
November	12.99	13.00	12.00	52,408
December	14.69	14.69	12.55	307,361

ITEM 6 OUR DIRECTORS AND SENIOR OFFICERS

6.1. OUR DIRECTORS

The Corporation's Board of Directors is responsible for supervising the management of its business and internal affairs with a view to increasing shareholder value. The Board of Directors is responsible for the efficient management of the Corporation and, in this capacity, is required to provide effective and independent oversight of the Corporation's operations and business, which is the daily responsibility of the Corporation's management. The Board of Directors may delegate certain tasks to its committees. Such delegation does not release the Board of Directors from its general management responsibilities towards the Corporation.

The mandate of the Corporation's Board of Directors is attached as Appendix A to this Annual Information Form.

The Corporation's Board of Directors currently consists of ten directors. The mandate of each director ends upon the election of a successor, unless they resign from office or their office becomes vacant by reason of death, removal or other cause. The following table provides the names, provinces and countries of residence and principal occupations of each of the directors of the Corporation as at March 1st, 2011, as well as the year each one was appointed as director of the Corporation and the committees on which each director sits.

All information in this section has been provided by the persons concerned.

Name, province and country of residence	**Principal occupation**	**Director since**
Marc A. Courtois(1) Québec, Canada	Corporate Director	2003
Jacques Dorion(2) Québec, Canada	Chief Executive Officer, Aegis Media Canada Inc. (media agency)	2001
Nathalie Elgrably-Levy Québec, Canada	Economist, HEC Montréal (University teaching)	2008
Serge Gouin(2) Québec, Canada	Chairman of the Board, Quebecor Media Inc. (communications corporation)	2001
Sylvie Lalande (2) Québec, Canada	Corporate Director	2001
A. Michel Lavigne(1) Québec, Canada	Corporate Director	2005
Jean-Marc Léger Québec, Canada	President, Léger Marketing (survey and marketing research firm)	2007
Jean Neveu Québec, Canada	Chairman of the Board of the Corporation and Chairman of the Board, Quebecor Inc. (communications holding corporation)	2001
Pierre Karl Péladeau Québec, Canada	President and Chief Executive Officer, Quebecor Inc. (communications holding corporation), President and Chief Executive Officer, Quebecor Media Inc. (communications corporation) and President and Chief Executive Officer, Sun Media Corporation (newspapers)	2007

Name, province and country of residence	Principal occupation	Director since
André Tranchemontagne (1) Québec, Canada	Corporate Director	2004

(1) Member of the Audit Committee

(2) Member of the Compensation Committee

Except as stated below, each of the aforementioned directors has, during the past five years, carried on his or her current principal occupation or held other management positions with the same or other associated companies or firms, including affiliates and predecessors, indicated opposite his or her name, with the exception of: Jacques Dorion who was President and Chief Executive Officer of Carat Canada from January 1998 to October 2007.

6.2. SENIOR OFFICERS

The following table provides the names of the Corporation's senior officers, their province and country of residence and their position in the Corporation as at March 1st, 2011.

Name, province and country of residence	Position in the Corporation
Jean Neveu Québec, Canada	Chairman of the Board *
Pierre Dion Québec, Canada	President and Chief Executive Officer
Jocelyn Poirier Québec, Canada	President, TVA Publications
Denis Rozon Québec, Canada	Vice-President and Chief Financial Officer
Daniel Boudreau Québec, Canada	Vice-President, Operations
Denis Dubois Québec, Canada	Vice-President, Specialty channels
Serge Fortin Québec, Canada	Vice-President, News TVA, LCN, Argent and Public Affairs
Richard Gauthier Québec, Canada	Vice-President, Human Resources
France Lauzière Québec, Canada	Vice-President, Programming
Edith Perreault Québec, Canada	Vice-President, Sales and Marketing

Name, province and country of residence	Position in the Corporation
Claudine Tremblay Québec, Canada	Vice-President and Corporate Secretary
Maxime Bédard Québec, Canada	Director, Legal Affairs
Christian Marcoux Québec, Canada	Assistant Secretary

*Jean Neveu serves as Chairman of the Board on a part-time basis and is not a member of the management team.

Each of the senior officers has carried on the above-mentioned principal occupation or held other positions with Quebecor or its affiliates in the past five years, except for: Richard Gauthier, who served as Vice-President, Human Resources, for Mont Tremblant Ski Resort (Intrawest) from March 2004 to October 2006; Denis Dubois, who from December 2007 to May 2009, was consultant media, and from September 1992 to November 2007, held various duties with Astral Group, among which Vice-President, Program Vrak-TV; Denis Rozon, who was Vice-President, Finance and Business Development, at Astral Media Radio Inc. from January 2001 to April 2006; and Christian Marcoux, who from January 2004 to December 2006, served as Manager, Listed Issuer Services at the Toronto Stock Exchange.

The Corporation's directors and senior officers do not own as a group, directly or indirectly, any voting shares of the Corporation or any of its subsidiaries, except for the following:

At March 1st, 2011, Quebecor Media owned 4,318,008 of the Corporation's Class A shares, representing 99.95% of all of the Corporation's voting shares. Quebecor Media is controlled by Quebecor, which holds 54.72% of Quebecor Media's voting rights. Quebecor is in turn controlled by Pierre Karl Péladeau who holds, directly and indirectly, 72.12% of Quebecor voting rights.

On January 21, 2008, Quebecor World Inc. ("**Quebecor World**") obtained a court order allowing it to protect itself from its creditors under the *Companies' Creditors Arrangement Act*. Jean Neveu and Pierre Karl Péladeau were at the time directors of Quebecor World, a position they ceased to occupy in December 2008.

In addition, between April 2 and May 20, 2008, Jean Neveu and Pierre Karl Péladeau were prohibited from trading in the securities of Quebecor, by virtue of a cease trade order imposed on directors and officers of Quebecor 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.

ITEM 7 OUR AUDIT COMMITTEE

7.1. MANDATE OF THE AUDIT COMMITTEE

The Audit Committee (the "**Committee**") assists the Board of Directors in overseeing the Corporation's financial controls and reporting. The Committee also ascertains that the Corporation complies with its financial covenants as well as the legal and regulatory requirements governing financial disclosure matters and financial risk management.

A copy of the Committee's mandate is attached as Appendix B to this Annual Information Form.

7.2. COMPOSITION OF THE COMMITTEE

The Committee is composed of Marc A. Courtois, A. Michel Lavigne and André Tranchemontagne. Mr. Courtois is Chair of the Committee.

The Board of Directors of the Corporation has determined that the three members of the Committee are independent and have the financial skills required to sit on this Committee in accordance with *Regulation 52-110 Respecting Audit Committees* (“**Regulation 52-110**”).

7.3. RELEVANT EDUCATION AND EXPERIENCE

Member	Relevant education and experience
Marc A. Courtois (Chair)	Mr. Courtois, who holds an MBA, has more than 20 years of experience in the financial markets. He has specific expertise in the areas of financing, mergers and corporate acquisitions.
A. Michel Lavigne	Mr. Lavigne is a Fellow of the *Ordre des comptables agréés du Québec,* and a member of the Canadian Institute of Chartered Accountants. He has served as President and Chief Executive Officer of the accounting firm Raymond Chabot Grant Thornton for several years.
André Tranchemontagne	Mr. Tranchemontagne holds an MBA from Université de Montréal. He has served as President of the Québec division of Molson Inc. and as a member of the Board of Directors of Molson Breweries of Canada.

7.4. RELIANCE ON CERTAIN EXEMPTIONS

We did not avail ourselves of any exemptions provided for under Regulation 52-110 at any time during the last fiscal year.

7.5. PRE-APPROVAL POLICIES AND PROCEDURES

The Corporation’s Committee adopted an Audit and Non-Audit Services Pre-Approval Policy. This policy sets forth the procedures and the conditions pursuant to which services proposed to be performed by the external auditor may be pre-approved.

At the beginning of the year, the list of audit and non-audit services is pre-approved by the Committee. Once the approval is obtained, the Vice-President and Chief Financial Officer of the Corporation may hire the auditor for specific tasks or engagements that comply with the conditions approved by the Committee.

For all services to be provided by the external auditor that have not been pre-approved by the Committee, the Chairman of the Committee has authority to approve them up to $75,000. For services in excess of $75,000, they must be approved by the Committee. In all cases, a report must be presented to the Committee each quarter.

For fiscal year 2010, the total amount of all non-audit services that have not been pre-approved, does not represent more than 5% of the total amount of the fees paid to our external auditor.

7.6. EXTERNAL AUDITOR SERVICE FEES

The following table shows the fees paid to (i) Ernst & Young, our auditor, for the services rendered during the fiscal years 2010 and 2009:

	2010	**2009**
Audit fees [1]	$340,926	$323,086
Audit-related fees [2]	$119,930	$87,907
Tax fees [3]	-	-
All other fees [4]	$8,295	$14,438
Total	**$469,151**	**$425,431**

(1) *Audit fees* consist of fees billed for the audit of the Corporation's annual and quarterly consolidated financial statements or for services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements. They also include fees billed for other audit services, which are those services that only the external auditor reasonably can provide, and include the provision of comfort letters and consents, the consultation concerning financial accounting and reporting of specific issues and the review of documents filed with regulatory authorities.

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

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

(4) *All other fees* include fees billed for forensic accounting and occasional training services. These fees also include consultations and assistance in preparing documentation regarding disclosure controls and procedures and internal financial reporting control measures for the Corporation and its subsidiaries.

ITEM 8 INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

We conduct, in the normal course of our activities, on terms which are generally no less favourable to us than would be available from unaffiliated third parties, operations with our parent company, Quebecor Media, as well as with certain companies under common control of Quebecor Media or Quebecor. The transactions with the affiliated companies are recorded at the exchange value negotiated between the parties.

The Corporation incorporates herein by reference the text contained in Note 19 which is taken from the financial statements for the year ended December 31, 2010, filed on March 7, 2011 and which may be viewed under the Corporation's profile on the SEDAR Website at www.sedar.com.

To our knowledge, no member of the management or the Corporation's Board of Directors or any other insiders had any interest in a material transaction entered into since the beginning of our last full fiscal year or in a proposed transaction that materially affected or reasonably might have materially affected us.

ITEM 9 OUR LEGAL PROCEEDINGS

We are involved in various claims and litigations as a regular part of our business. Our management and that of our affiliates believe that the outcome of these claims and litigations (which in several cases are covered by insurance, subject to applicable deductibles) should not have a material adverse effect on our business, our financial position or results of operations.

ITEM 10 OUR MATERIAL CONTRACTS

10.1. SHAREHOLDERS' AGREEMENT

Quebecor, CDP Capital d'Amérique Investissements inc. (formerly Capital Communications CDPQ inc.) ("**CDP**"), and Quebecor Media entered into a shareholders' agreement dated October 23, 2000, as consolidated and amended by shareholder agreement on December 11, 2000, which sets forth, in particular, their respective rights of representation on the Board of Directors and Committees of the Board of Quebecor Media and of the Corporation. CDP exercised its right of representation on the Board of Directors with the appointment of A. Michel Lavigne and André Tranchemontagne.

This agreement is available on the SEDAR website under the Corporation's profile at www.sedar.com.

10.2. OTHER MATERIAL CONTRACTS

CREDIT AGREEMENTS

On December 11, 2009, the Corporation completed its debt refinancing in a 5-year term loan for an amount of $75 million as well as the renewal of its revolving term bank loan for an amount of $100 million for a 3-year term. The term loan bears interest at 5.54% annually with interest payments on June 15 and December 15 of each year. The revolving term bank loan bears interest at floating rates based on the banker's acceptance rate or Canadian bank prime rate, plus variable margin based on the ratio of total debt to operating income, or earnings before interests, taxes and amortizations. The term bank loan matures on December 11, 2014 and is repayable in full on that date. The revolving term bank loan matures on December 11, 2012 and is repayable in full on that date.

These credit agreements are available on SEDAR Website under the Corporation's profile at www.sedar.com.

ITEM 11 INTEREST OF EXPERT

Ernst & Young LLP is the public accounting firm that prepared the auditor's report with respect to our consolidated annual financial statements for the year ended December 31, 2010. Ernst & Young has confirmed to us that it is independent within the meaning of the Rules of Professional Conduct of the *Ordre des comptables agréés du Québec*. These rules are equivalent or similar to Rules of Professional Conduct applicable in the other provinces of Canada.

ITEM 12 OUR TRANSFER AGENT

The Corporation's transfer agent for our Class B Shares is Computershare Trust Company of Canada. Transfer services are available at the Montréal and Toronto offices.

ITEM 13 FORWARD-LOOKING STATEMENTS

The statements in this Annual Information Form that are not historical facts may be forward-looking statements and are subject to important known and unknown risks, uncertainties and assumptions which could cause our actual results for future periods to differ materially from those set forth in the forward-looking statements. Forward-looking statements generally can be identified by the use of the conditional, the use of forward-looking terminology such as "propose," "will," "expect," "may," "anticipate," "intend," "estimate," "plan," "foresee," "believe" or the negative of these terms or variations of them or similar terminology. Certain factors that may cause actual results to differ from current expectations include seasonality, operational risks (including pricing actions by our competitors), labour relations risks, capital investment risks, credit risks, risks associated with government regulations and assistance as well as general changes in the economic environment. Investors and others are cautioned that the foregoing list of factors that may affect future results is not exhaustive and that undue reliance should not be placed on any forward-looking statements.

These and other factors could cause actual results to differ materially from the Corporation's expectations expressed in the forward-looking statements included in this Annual Information Form, and further details and descriptions of these and other factors are disclosed in this Annual Information Form, including under Item 4–Our Risk Factors, of this Annual Information Form. Each of these forward-looking statements speaks only as of the date of this Annual Information Form. We will not update these statements unless applicable securities laws require us to do so.

ITEM 14 ADDITIONAL INFORMATION

Additional information relating to the Corporation may be found under its profile on the SEDAR Website at www.sedar.com.

Other information, including information on the remuneration of directors and officers, the principal holders of our securities and on equity compensation plans, where applicable, is contained in our Management Proxy Circular prepared in connection with the Annual Meeting of Shareholders of the Corporation. Other financial information is included in the comparative consolidated financial statements and Management's Discussion and Analysis for the year ended December 31, 2010.

The above-mentioned documents and our news releases may be found on the Corporation's Website at www.tva.canoe.ca.

APPENDIX A

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[1] 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. Review and approve annually the strategic planning of the Corporation including its financial strategy and business priorities.

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

B. With respect to human resources and performance assessment

1. Appoint the President and Chief Executive Officer. Select a Chair among the members of the Board.

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

2. Approve the appointment of the other senior management executives.

3. Ensure 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. Approve, upon recommendation of the Compensation Committee, the compensation of the Chairman, the Chief Executive Officer and the Chief Financial Officer, as well as the general objectives the Chief Executive Officer must achieve.

5. Monitor the management succession planning process.

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

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

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

3. Approve 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. Determine dividend policies and declare dividends when deemed appropriate.

5. Ensure that appropriate systems are in place to identify business risks and opportunities and oversee the implementation of an appropriate process for risk assessment and management of key risks that the Corporation is faced with.

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

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

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

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

1. Ensure that management manages the Corporation competently and in compliance with applicable legislation, including making timely disclosure of relevant information regarding the Corporation and making statutory filings.

2. Review, on a regular basis, corporate governance structures and procedures.

3. Ensure that a Code of Business Conduct is in place and distributed to all employees. Ensure compliance with the Code.

4. Authorize the members of the Board to hire external advisors at the expense of the Corporation when the circumstances so require. The Chairman of the Board must be kept informed of such undertaking.

5. Review the size and composition of the Board and its committees based on qualification, skills and personal abilities sought in Board members. Review annually the composition of Board committees and appoint committee chairpersons. Review annually the mandates of Board committees.

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

7. Determine the independence of directors annually pursuant to the rules on the independence of directors.

8. Review and approve the Corporation’s management proxy circular as well as the annual information form and all documents or agreements requiring its approval.

9. Receive annually an attestation from the Board’s committees confirming that all required elements included in their mandate and working plan have been covered.

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

METHOD OF OPERATION

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

2. The Chair of the Board, in collaboration with the Chief Executive Officer and the Secretary, determines the agenda for each meeting of the Board. The agenda and the relevant documents are provided to directors of the Company on a timely basis.

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

APPENDIX B

MANDATE OF THE AUDIT COMMITTEE

The Audit Committee (the "**Committee**") assists the Board of Directors (the "**Board**") in overseeing the financial controls and reporting of TVA Group Inc. (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.

COMPOSITION AND QUORUM

The Committee is composed of three (3) members, all of whom are determined independent[1] by the Board, in accordance with the statutory and regulatory requirements applicable to the Corporation. Each member of the Committee must be financially literate[2]. The members of the Committee are appointed by the Board.

The quorum at any meeting of the Committee is a majority of its members.

RESPONSIBILITIES

The Committee has the following responsibilities:

A. With respect to financial reporting

1. Review with management and the external auditor the annual financial statements, the accompanying notes, the external auditor's report thereon and the management's discussion and analysis. Obtain explanations from management on all significant variances with comparative periods, before recommending their approval to the Board and their release. Review and approve of the draft news release.

2. Review with management and the external auditor the interim financial statements, the external auditor's review thereof, management's discussion and analysis and the related press release, and obtain explanations from management on all significant variances with comparative periods before recommending their approval to the Board and their dissemination.

3. Ensure that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the financial statements, management's discussion and analysis and annual and quarterly earnings news releases.

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[1] A member of the Audit Committee is independent if he/she has no direct or indirect material relationship with the issuer, i.e. he/she has no relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of his/her independent judgment or he does not accept, directly or indirectly any consulting, advisory or other compensatory fees from the Corporation or one of its subsidiaries, other than his/her remuneration for acting as director.

[2] i.e. the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

4. Review the financial information contained in the prospectuses, annual information form and other reports or documents containing similar financial information before recommending their approval to the Board and their dissemination or filing with the appropriate Canadian regulatory authorities.

5. Review with management and the external auditor the quality and not only the acceptability of the Corporation's accounting policies and any changes proposed thereto, including (i) all major accounting policies and practices used, (ii) any alternative treatments of financial information that have been discussed with management, the impact of their use and the treatment recommended by the external auditor, and (iii) any other important communications with management with respect thereto, and review the disclosure and impact of contingencies and the reasonableness of the provisions, reserves and estimates that may have a material impact on financial reporting.

6. Review with the external auditor any audit problems or difficulties and management's response thereto and resolve any disagreement between management and the external auditor regarding financial reporting.

7. Review periodically the Corporation's communications policy to ensure that it conforms with applicable legal and regulatory requirements.

B. <u>With respect to disclosure controls and procedures, internal controls and risk management</u>

1. Monitor the quality and integrity of the Corporation's financial and accounting systems and information management systems, as well as the existence and proper operation of disclosure procedures and controls and internal controls, through discussions with management and the internal and external auditors.

2. Review periodically management's report assessing the effectiveness of disclosure controls and procedures.

3. Review on a regular basis and monitor the risk assessment and management policies of the Corporation.

4. Establish and review procedures for the receipt, retention and processing of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters, including the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

5. Establish and, where necessary, review procedures for "whistleblower protection" to ensure that no employee of the Corporation and its subsidiaries or business units are discharged or otherwise penalized for reporting in good faith to his or her supervisor or to any competent authorities, potential violations of any laws or regulations applicable to the Corporation.

6. Help the Board fulfil its responsibility to ensure that the Corporation complies with applicable statutory and regulatory requirements.

C. <u>With respect to internal auditing</u>

1. Review the internal audit program, its scope and capacity to ensure the effectiveness of the systems of internal control and financial information reporting accuracy.

2. Monitor the execution of the internal audit program and, in collaboration with the internal auditors, follow through with the recommendations made by the auditors to ensure that the

management of the Corporation takes, in each case, the appropriate steps to correct any deficiencies.

3. Ensure that the internal auditors are always ultimately accountable to the Audit Committee and the Board.

D. With respect to the external auditor

1. Oversee the work of the external auditor and review the annual written statement of the external auditor regarding all his relationships with the Corporation and discuss any relationships or services that may impact on his/her objectivity or independence.

2. Recommend to the Board of Directors (i) the public accounting firm that will be submitted to the vote of shareholders for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services, and (ii) the compensation of the external auditor for audit services.

3. Authorize all audit services, determine which non-audit services the external auditor is entitled to provide and pre-approve all non-audit services that may be provided to the Corporation or its subsidiaries by the external auditor, the whole in accordance with the approval policy for services provided by the external auditor (*Politique d'approbation des services fournis par le vérificateur externe*) and with the rules and regulations in force.

4. Review the basis and amount of the external auditor's fees for both audit services and authorized non-audit services.

5. Review the audit plan with the external auditor and management and approve the scope and time-frame of such audit plan.

6. Review, where necessary, the policy on hiring of partners and employees and former partners and employees of the Corporation's current or previous external auditor.

7. Ensure respect of the legal and regulatory requirements regarding (i) the rotation of appropriate partners of the external auditor and, (ii) the participation of the external auditor in the Canadian Public Accountability Board's program.

8. Ensure that the external auditor is always accountable to the Committee and the Board.

E. With respect to the parent corporation

1. While recognizing the control framework of the Corporation's parent corporation, provide for substantial sharing of information with the parent corporation and its audit committee, to the extent permitted by law, while putting in place safeguards to ensure that the sharing of information is not used by the parent corporation to the disadvantage of the Corporation's minority shareholders.

2. Review and monitor all material non-arm's-length transactions.

METHOD OF OPERATION

1. The Chair of the Committee is appointed each year by the Board.

2. The Secretary or Assistant Secretary acts as the Committee's Secretary.

3. The Committee holds a regular meeting at each quarter and may meet more often if required.

4. The Chair of the Committee establishes the agenda for each meeting of the Committee in consultation with the Chief Financial Officer and the Secretary on a timely basis prior to any meeting of the Committee.

5. The Chair of the Committee reports on a regular basis to the Board about the Committee's proceedings, findings and recommendations.

6. The Committee has, at all times, a direct line of communication with the external auditor and with the internal auditors.

7. Regularly, the Committee meets without management, the external auditor or the internal auditors being present.

8. The Committee meets separately with management, the internal and external auditors at least once a year and more often if required.

9. The Committee may, when circumstances dictate, retain the services of external advisors and fix their remuneration, provided the Committee advises the Chair of the Board.

10. The Committee annually reviews its mandate and reports to the Board on its relevance.

11. The Committee annually provides the Board with an attestation confirming that all required elements included in its mandate have been covered.

Nothing contained in this mandate is intended to expand applicable standards of conduct under statutory or regulatory requirements for the directors of the Corporation or the members of the Committee. Even though the Committee has a specific mandate and its members may have financial experience, they do not have the obligation to act as auditors or to perform auditing, or to determine that the Corporation's financial statements are complete and accurate.

Members of the Committee are entitled to rely, in the absence of information to the contrary, on (i) the integrity of the persons and organizations from whom they receive information, (ii) the accuracy and completeness of the information provided, and (iii) representations made by management as to the non-audit services provided to the Corporation by the external auditor. The Committee's oversight responsibility has not been established to provide an independent basis to determine that (i) management has maintained appropriate accounting and financing reporting principles or appropriate internal controls and procedures, or (ii) the Corporation's financial statements have been prepared and, if applicable, audited in accordance with generally accepted accounting principles or generally accepted auditing standards.