



POWER CORPORATION
OF CANADA

2011 ANNUAL INFORMATION FORM

- March 23, 2012 -

POWER CORPORATION OF CANADA

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GENERAL INFORMATION

The following abbreviations have been used throughout this Annual Information Form:

Name in full	Abbreviation
China Asset Management Co. Ltd.	China AMC
CITIC Pacific Limited	CITIC Pacific
Gesca ltée	Gesca
Great-West Lifeco Inc.	Lifeco
Groupe Bruxelles Lambert	GBL
IGM Financial Inc.	IGM Financial
Imerys S.A.	Imerys
Lafarge S.A.	Lafarge
Pargesa Holding SA	Pargesa
Parjointco N.V.	Parjointco
Pernod Ricard S.A.	Pernod Ricard
Power Corporation of Canada	Power or the Corporation
Power Financial Corporation	Power Financial
Power Financial Europe B.V.	PFE
Square Victoria Digital Properties Inc.	Square Victoria Digital
Suez Environnement Company	Suez Environnement
The Canada Life Assurance Company	Canada Life
The Great-West Life Assurance Company	Great-West Life
Total S.A.	Total
Victoria Square Ventures Inc.	VSV

DOCUMENTS INCORPORATED BY REFERENCE

The following documents are incorporated herein by reference:

- Certain portions of the Annual Information Form of Power Financial, dated March 23, 2012;
- Certain portions of the Annual Information Form of Lifeco, dated February 9, 2012; and
- Certain portions of the Annual Information Form of IGM Financial, dated March 22, 2012.

The above documents are available on SEDAR under the respective company profiles at www.sedar.com.

FORWARD-LOOKING INFORMATION

Certain statements in this Annual Information Form, other than statements of historical fact, are forward-looking statements based on certain assumptions and reflect the Corporation's current expectations, or with respect to disclosure regarding the Corporation's public subsidiaries, reflect such subsidiaries' disclosed current expectations. Forward-looking statements are provided for the purposes of assisting the reader in understanding the Corporation's financial performance, financial position and cash flows as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future and the reader is cautioned that such statements may not be appropriate for other purposes. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of the Corporation and its subsidiaries, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "estimates", "seeks", "intends", "targets", "projects", "forecasts" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could".

By its nature, this information is subject to inherent risks and uncertainties, that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of factors, many of which are beyond the Corporation's and its subsidiaries' control, affect the operations, performance and results of the Corporation and its subsidiaries and their businesses, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results. These factors include, but are not limited to: the impact or unanticipated impact of general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, management of market liquidity and funding risks, changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates), the effect of applying future accounting changes, business competition, operational and reputational risks, technological change, changes in government regulation and legislation, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events, the Corporation's and its subsidiaries' ability to complete strategic transactions, integrate acquisitions and implement other growth strategies, and the Corporation's and its subsidiaries' success in anticipating and managing the foregoing factors.

The reader is cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements. Information contained in forward-looking statements is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, including management's perceptions of historical trends, current conditions and expected future developments, as well as other considerations that are believed to be appropriate in the circumstances, including that the foregoing list of factors, collectively, are not expected to have a material impact on the Corporation and its subsidiaries. While the Corporation considers these assumptions to be reasonable based on information currently available to management, they may prove to be incorrect.

Other than as specifically required by applicable Canadian law, the Corporation undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.

Additional information about the risks and uncertainties of the Corporation's business and material factors or assumptions on which information contained in forward-looking statements is based is provided in its disclosure materials, including this Annual Information Form and its most recent Management's Discussion and Analysis, filed with the securities regulatory authorities in Canada and available at www.sedar.com. The section entitled "Forward-Looking Information" of Power Financial's Annual Information Form dated March 23, 2012 (which section also incorporates by reference therein certain portions of the Annual Information Form of Lifeco dated February 9, 2012 and of the Annual Information Form of IGM Financial dated March 22, 2012) is incorporated herein by reference.

CORPORATE STRUCTURE

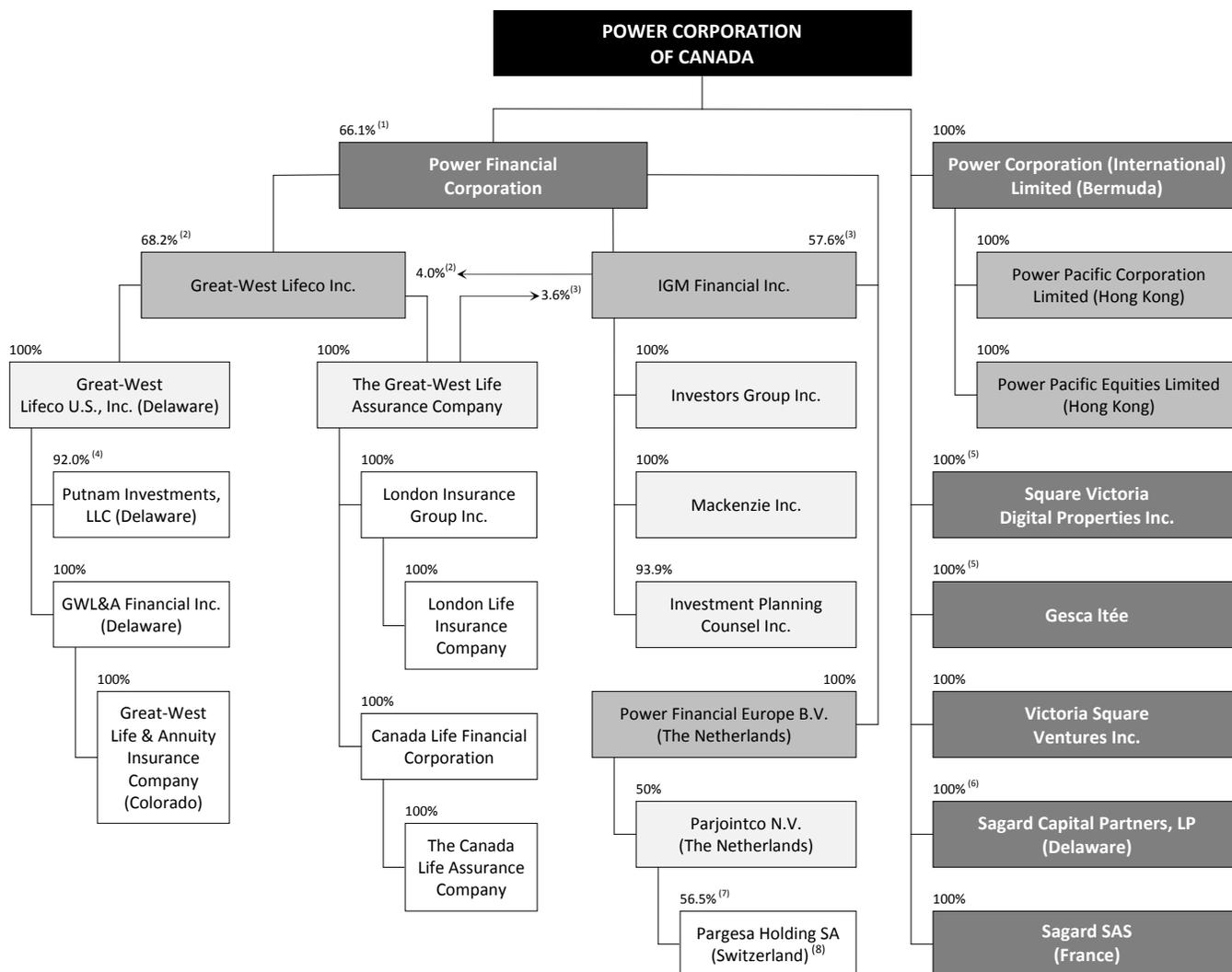
INCORPORATION

Power Corporation of Canada — Power Corporation du Canada was incorporated on April 18, 1925 under *The Companies Act* (Canada) and continued under the *Canada Business Corporations Act* (“CBCA”) on June 13, 1980. Its head and registered office is located at 751 Victoria Square, Montréal, Québec H2Y 2J3.

Since June 13, 1980, the Articles of Power have been amended as follows: effective May 11, 1984, to re-designate as Subordinate Voting Shares the common shares of Power; effective June 3, 1985, to subdivide the 15¢ Participating Preferred Shares and the Subordinate Voting Shares on a two-for-one basis and to re-designate the 15¢ Participating Preferred Shares as 7½¢ Participating Preferred Shares; effective January 31, 1986, to create 2,000,000 Cumulative Redeemable First Preferred Shares, 1986 Series; effective May 1, 1986, to increase the size of the Board of Directors to a maximum of 28 members; effective June 16, 1986, to subdivide the 7½¢ Participating Preferred Shares and the Subordinate Voting Shares on a two-for-one basis and to re-designate the 7½¢ Participating Preferred Shares as 3¾¢ Participating Preferred Shares; effective July 9, 1998, to subdivide the 3¾¢ Participating Preferred Shares and the Subordinate Voting Shares on a two-for-one basis and to re-designate the 3¾¢ Participating Preferred Shares as Participating Preferred Shares; effective June 9, 1999, to create 6,000,000 5.60 per cent Non-Cumulative First Preferred Shares, Series A; effective November 22, 2001, to create 8,000,000 5.35 per cent Non-Cumulative First Preferred Shares, Series B; effective December 2, 2002, to create 6,000,000 5.80 per cent Non-Cumulative First Preferred Shares, Series C; effective July 23, 2004, to subdivide the Participating Preferred Shares and the Subordinate Voting Shares on a two-for-one basis; effective October 12, 2005, to create 10,000,000 5.00 per cent Non-Cumulative First Preferred Shares, Series D; and effective February 22, 2012, to create 8,000,000 5.60 per cent Non-Cumulative First Preferred Shares, Series G.

INTERCORPORATE RELATIONSHIPS

The chart on the following page summarizes Power’s corporate structure as at December 31, 2011, including interests in its material and certain other subsidiaries and investee companies. The chart sets forth the jurisdiction of incorporation (unless otherwise indicated, all companies were incorporated in Canada) and the approximate percentages of participating equity securities beneficially owned, or over which control or direction is exercised, directly or indirectly, by Power (unless otherwise indicated such percentages also represent the approximate percentages of votes attached to voting securities beneficially owned, or over which control or direction is exercised, directly or indirectly, by Power) as at that date.



- (1) Owned by 171263 Canada Inc., which is wholly owned directly by Power.
- (2) 56.6 per cent of the participating equity securities of Lifeco are owned by Power Financial, 3.0 per cent are owned by 3411893 Canada Inc., a wholly owned subsidiary of Power Financial, 7.7 per cent are owned by 3439453 Canada Inc., a wholly owned subsidiary of Power Financial, and 0.9 per cent are owned by 4400003 Canada Inc., a wholly owned subsidiary of Power Financial. In addition, IGM Financial, a subsidiary of the Corporation, owns 4.0 per cent of the participating equity securities of Lifeco. Power Financial and its subsidiaries own, in the aggregate, voting securities to which are attached approximately 65.0 per cent of the votes attached to all voting securities of Lifeco.
- (3) 54.6 per cent of the participating equity securities of IGM Financial are owned by Power Financial, 2.2 per cent are owned by 3411893 Canada Inc., a wholly owned subsidiary of Power Financial, and 0.8 per cent are owned by 4400003 Canada Inc., a wholly owned subsidiary of Power Financial. In addition, Great-West Life, a subsidiary of the Corporation, owns 3.6 per cent of the participating equity securities of IGM Financial (excluding 0.1 per cent of equity securities of IGM Financial held by Great-West Life in its segregated funds or for similar purposes). Power Financial and its subsidiaries own, in the aggregate, voting securities to which are attached approximately 61.3 per cent of the votes attached to all voting securities of IGM Financial.
- (4) 100 per cent voting interest
- (5) Owned by Square Victoria Communications Group Inc., which is wholly owned directly by Power.
- (6) Owned through wholly owned subsidiaries of Power
- (7) 76.0 per cent voting interest
- (8) The companies in the Pargesa group are more fully described in the section entitled "Narrative Description of the Business – The Pargesa Group" of Power Financial's Annual Information Form dated March 23, 2012, which are incorporated herein by reference.

The section entitled “Corporate Structure – Intercorporate Relationships” of Power Financial’s Annual Information Form dated March 23, 2012 (which section also incorporates by reference therein certain portions of the Annual Information Form of Lifeco dated February 9, 2012 and of the Annual Information Form of IGM Financial dated March 22, 2012) is incorporated herein by reference.

GENERAL DEVELOPMENT OF THE BUSINESS

BUSINESS OF POWER

Power is a diversified international management and holding company that holds interests, directly or indirectly, in companies that are active in the financial services, communications and other business sectors.

Power's principal asset is its controlling interest in Power Financial. As at December 31, 2011, Power held a 66.1 per cent equity and voting interest in Power Financial. Power Financial holds substantial interests in the financial services sector through its controlling interest in each of Lifeco and IGM Financial. These companies and their subsidiaries offer an extensive range of financial products and services to individuals and corporations in Canada, the United States and Europe. Through its wholly owned subsidiary, PFE, which in turn holds a 50 per cent interest in Parjointco, Power Financial has a significant interest in the Pargesa group. Based in Europe, companies in the Pargesa group are active in the oil and gas, electricity, energy services, water and waste management services, industrial minerals, cement and building materials, and wines and spirits sectors. These investments are held by Pargesa through its affiliated company, GBL, a Belgian holding company.

Power holds investments in Asia as well as in various investment funds. Through its subsidiary, Gesca, Power is engaged in the publication of daily newspapers in Québec and in Ontario, as well as the operation of a related Web site. In addition, Power holds 100 per cent of VSV and Square Victoria Digital, which each hold ownership interests in several companies. See "Narrative Description of the Business".

As at December 31, 2011, Power and its subsidiaries had, in aggregate, approximately 30,700 employees in North America.

Power's share of operating earnings of subsidiaries was \$1,150 million in 2011, compared with \$1,097 million in 2010.

DEVELOPMENT OF THE BUSINESS OVER THE LAST THREE YEARS

The section entitled "General Development of the Business – Development of the Business Over the Last Three Years" of Power Financial's Annual Information Form dated March 23, 2012 (which section also incorporates by reference therein certain portions of the Annual Information Form of Lifeco dated February 9, 2012 and of the Annual Information Form of IGM Financial dated March 22, 2012) is incorporated herein by reference.

NORTH AMERICA

On March 12, 2009, Power sold its interest in ViroChem Pharma Inc. to Vertex Pharmaceuticals (Canada) Incorporated ("Vertex") for approximately \$65.4 million payable in cash and shares of Vertex, resulting in a gain of \$59.6 million.

On April 20, 2009, Power completed its issuance of an aggregate of \$400 million principal amount debentures, consisting of \$250 million principal amount of 7.57 per cent debentures maturing April 22, 2019 and \$150 million principal amount of 8.57 per cent debentures maturing April 22, 2039. The net proceeds were used to supplement Power's financial resources and for general corporate purposes.

In the second quarter of 2009, Gesca undertook a restructuring process aimed, in particular, at deleveraging the company. As part of this process, Gesca's assets not related to the newspaper business were sold, at fair value, to Square Victoria Digital, a subsidiary of Power.

In the third quarter of 2009, Fidelity Investments Canada ULC ("Fidelity") transferred to Great-West Life \$1.4 billion of assets under administration pursuant to an agreement reached with Fidelity on October 22, 2008 to transition Fidelity's Canadian group retirement and savings plan record-keeping business to Great-West Life.

On October 9, 2009, Power Financial issued 6,000,000 Non-Cumulative First Preferred Shares, Series O, priced at \$25.00 per share to annually yield 5.80 per cent for gross proceeds of \$150 million. Proceeds from the issue were used to supplement Power Financial's financial resources and for general corporate purposes.

On June 29, 2010, Power Financial issued 11,200,000 Non-Cumulative 5-Year Rate Reset First Preferred Shares, Series P, priced at \$25.00 per share to annually yield 4.40 per cent for gross proceeds of \$280 million. Proceeds from the issue were used to supplement Power Financial's financial resources and for general corporate purposes.

On September 2, 2011, Mackenzie Financial Corporation, a subsidiary of IGM Financial, announced that it had entered into an agreement with B2B Trust, a subsidiary of Laurentian Bank, under which B2B Trust would acquire 100 per cent of M.R.S. Trust Company and M.R.S. Inc., which were wholly owned subsidiaries of Mackenzie Financial Corporation. The transaction closed on November 16, 2011 for cash consideration of approximately \$199 million and repayment by B2B Trust of \$20 million of subordinated indebtedness of M.R.S. Trust Company to Mackenzie Financial Corporation.

On February 23, 2012, Power Financial issued 10,000,000 Non-Cumulative First Preferred Shares, Series R, priced at \$25.00 per share to annually yield 5.50 per cent for gross proceeds of \$250 million. Proceeds from the issue will be used to supplement Power Financial's financial resources and for general corporate purposes.

On February 28, 2012, Power issued 8,000,000 Non-Cumulative First Preferred Shares, Series G, priced at \$25.00 per share to annually yield 5.60 per cent for gross proceeds of \$200 million. Proceeds from the issue will be used to supplement Power's financial resources and for general corporate purposes.

EUROPE

In 2009, GBL and Pargesa subscribed for their proportionate share of the €251 million rights issue launched by Imerys for €79 million and €69 million, respectively. From September 2009 to January 2010, Pargesa sold shares of Imerys, representing a 0.5 per cent aggregate equity interest, for cumulative proceeds of €52.6 million, with the objective of partially refinancing the subscription. The Pargesa shareholding in Imerys was thus reduced to 25.6 per cent of the capital (56.3 per cent together with GBL) at the end of 2010, compared with 26.1 per cent at the end of 2009 and 27.4 per cent at the end of 2008, without affecting the strategic nature of the investment. In April 2011, Pargesa sold its 25.6 per cent equity interest in Imerys to GBL, for a total amount of €1,087 million. Following the transaction and additional market purchases of Imerys shares, GBL held a 57.0 per cent equity interest in Imerys as at December 31, 2011.

In 2009, GBL took up its €318 million proportionate share of the €1.5 billion rights issue launched by Lafarge and, as at December 31, 2011, GBL held a 21.0 per cent equity interest in Lafarge.

In 2009, GBL bought back €27 million of its own shares and in the first quarter of 2010, GBL bought back €13.5 million of its own shares to bring its total equity interest to 3.8 per cent of its own shares, as at December 31, 2011.

In June 2010, GBL issued a €350 million bond bearing interest at 4.0 per cent, due in 2017. In addition, in 2010 and 2011, GBL repurchased a total of €251 million (€159 million in 2010 and €92 million in 2011) of exchangeable bonds issued in 2005 and due in 2012. The 2005 issue totalled €435 million and, after GBL's repurchases, an amount of €184 million is still outstanding on the market.

In November 2010, Pargesa issued, on the Swiss market, a SF150 million bond due in 2016, bearing interest at 2.5 per cent. Also, in 2010 and 2011, Pargesa bought back, respectively, SF206 million and SF346 million of issued convertible bonds due in 2013 and 2014.

In 2010, GBL invested €122 million to purchase shares of Pernod Ricard to bring GBL's shareholding in Pernod Ricard from 9.1 per cent as at December 31, 2009 to 9.9 per cent as at December 31, 2010. As at December 31, 2011, GBL's shareholding in Pernod Ricard was 9.8 per cent. On March 15, 2012, GBL announced that it sold

approximately 2.3 per cent of the shares of Pernod Ricard through a private placement, for net proceeds of €499 million, bringing GBL's position in Pernod Ricard to 7.5 per cent.

In 2010, GBL invested €27 million in Arkema to bring its shareholding to 5.0 per cent. During 2011, additional shares were purchased, bringing GBL's position in Arkema to 10.0 per cent as at December 31, 2011. Arkema, a global chemical producer based in France, was created from the reorganization of Total's Chemicals branch. Its three business segments, Vinyl Products, Industrial Chemicals and Performance Products, combine coherent and integrated industrial activities, with internationally recognized brands and products. On March 14, 2012, GBL announced the sale of its interest in Arkema for proceeds of €432 million and a gain of €220 million.

On January 26, 2011, the Board of International Power plc announced that anti-trust clearance for a combination with the international energy activities of GDF Suez SA outside Europe into an entity to be known as New International Power, had been received from the European Commission. Closing occurred on February 3, 2011.

On May 16, 2011, Pargesa announced that BNP Paribas had sold all of its registered shares in Pargesa to Parjointco, but had maintained its position in bearer shares. The purchase price of SF135 million bears an annual interest of 2.55 per cent and is payable by Parjointco to BNP Paribas at the latest on May 9, 2014. Following this transaction, Parjointco's equity stake in Pargesa increased from 54.1 per cent to 56.5 per cent, and its interest in voting rights increased from 62.9 per cent to 76.0 per cent as at December 31, 2011. On August 1, 2011, Imerys announced the completion of the acquisition of the Luzenac Group, the world leader in talc, for an enterprise value of US\$340 million.

In 2011, GBL announced that it had extended its €1.8 billion bank credit facilities, including €950 million that was used as of December 31, 2011 primarily to purchase 25.6 per cent of Imerys from Pargesa as described above, of which €500 million is due in 2014, €200 million is due in 2016 and €250 million is due in 2017. The remaining unused credit facilities expire in 2016 and 2017.

As described above, the Pargesa portfolio currently consists primarily of investments in Lafarge, Imerys, Total, GDF Suez, Suez Environnement and Pernod Ricard, which are held through Pargesa's affiliated holding company, GBL. The interests of Power Financial in these companies as at December 31, 2011, through the Pargesa group, are more fully described in the section entitled "Narrative Description of the Business – The Pargesa Group" of the Annual Information Form of Power Financial dated March 23, 2012.

ASIA

On December 28, 2011, Power finalized the purchase of a 10 per cent stake in China AMC from CITIC Securities Co. Ltd. for an amount of approximately \$282 million. China AMC was established in 1998 and was one of the first asset management companies approved by the China Securities Regulatory Commission. It is recognized as the leading company in the Chinese asset management sector.

NARRATIVE DESCRIPTION OF THE BUSINESS

Power is a diversified international management and holding company that holds interests, directly or indirectly, in companies that are active in financial services, communications and other business sectors.

POWER FINANCIAL CORPORATION

Power Financial is a diversified international management and holding company that holds interests, directly or indirectly, in companies that are active in the financial services sector in Canada, the United States and Europe and, through its indirect investment in Pargesa, has substantial holdings in companies based in Europe, active in the following industries: oil and gas, electricity, energy services, water and waste management services, industrial minerals, cement and building materials, and wines and spirits.

The section entitled “Narrative Description of the Business” of Power Financial’s Annual Information Form dated March 23, 2012 (which section also incorporates by reference therein certain portions of the Annual Information Form of Lifeco dated February 9, 2012 and of the Annual Information Form of IGM Financial dated March 22, 2012) is incorporated herein by reference.

GESCA LTÉE

Gesca, through its subsidiaries, is engaged in the publication of seven daily newspapers and the operation of the related Web site, LaPresse.ca.

SQUARE VICTORIA DIGITAL PROPERTIES INC.

Square Victoria Digital, directly or through its subsidiaries, invests in new media ventures and start-up digital projects. Square Victoria Digital also holds a 50 per cent interest in Workopolis, an Internet-based career and recruitment business and an interest in the Olive Canada Network, an online advertising network. Through subsidiaries, Square Victoria Digital also produces television programming.

VICTORIA SQUARE VENTURES INC.

VSV holds direct ownership positions in several companies, including in the biotechnology and clean energy fields. As at December 31, 2011, VSV held a 13.8 per cent interest in Bellus Health Inc., a publicly traded company. Further information concerning Bellus is contained in its disclosure documents at www.sedar.com. In 2010, VSV also made an investment in privately held Potentia Solar Inc., a rooftop solar power producer in Ontario.

ASIA

In Asia, the Corporation holds a 4.3 per cent equity interest in CITIC Pacific as at the date hereof, a public corporation whose shares are listed on the Hong Kong Stock Exchange. CITIC Pacific’s businesses include special steel manufacturing, iron ore mining and property development. Most of CITIC Pacific’s assets are invested in mainland China, Hong Kong and Australia. CITIC Pacific is subject to the public disclosure requirements of the Hong Kong Stock Exchange.

In addition, Power is involved in selected investment projects in China and in October 2004, was granted a licence to operate as a Qualified Foreign Institutional Investor (QFII) in the Chinese “A” shares market, for an amount of US\$50 million. As at December 31, 2011, the fair market value of the investments in this program had increased to an amount of \$222 million, excluding cash of \$12 million. Power has invested US\$50 million in Chinese companies listed on the Hong Kong Stock Exchange (“H” shares) and the Shenzhen or Shanghai Stock Exchange (“B” shares). As at December 31, 2011, the fair value of the “B” and “H” shares program was \$35 million, excluding cash of \$6 million. Together, the Chinese “A”, “B” and “H” share activity is defined by Power as Sagard China.

On December 28, 2011, Power finalized the purchase of a 10 per cent stake in China AMC. See the section entitled “General Development of the Business – Development of the Business Over the Last Three Years – Asia” above.

INVESTMENT IN FUNDS AND SECURITIES

Over the years, Power has invested directly or through wholly owned subsidiaries in a number of selected investment funds, hedge funds and securities.

In 2002, Power made a commitment of €100 million to Sagard Private Equity Partners (“Sagard 1”), a €535 million fund, in which GBL also made an investment commitment of €50 million. Sagard 1 has completed twelve investments, of which ten had been sold as at December 31, 2011. As of December 31, 2011, Power had received cumulative cash distributions from Sagard 1 in the amount of €273 million, including €81 million in 2011.

Sagard 2 was launched in 2006 with the same investment strategy as Sagard 1. This fund closed with total commitments of €1.0 billion. Power made a €200 million commitment to Sagard 2, while Pargesa and GBL made commitments of €50 million and €150 million, respectively. In November 2009, Power’s commitment for Sagard 2 was reduced to €160 million and the size of the fund was reduced to €810 million. Pargesa and GBL’s commitments were also reduced to €40 million and €120 million, respectively. The investment period for Sagard 2 ends in December 2012 and as at the date hereof, Power had contributed €117 million to the fund, which currently holds six investments. The Sagard 1 and 2 funds are managed by Sagard SAS, a wholly owned subsidiary of the Corporation based in Paris, France.

In addition, a wholly owned subsidiary of Power, Sagard Capital Partners Management Corp., has been investing in mid-cap public companies in the United States, pursuant to a plan to allocate a portion of Power’s cash resources to selected investment opportunities in that country. As at December 31, 2011, the book value of these investments was \$236 million.

RISK FACTORS

There are certain risks inherent in an investment in the securities of the Corporation and in the activities of the Corporation, including the following and others disclosed elsewhere in this Annual Information Form, which investors should carefully consider before investing in securities of the Corporation. This description of risks does not include all possible risks, and there may be other risks of which the Corporation is not currently aware.

Power is a holding company whose principal asset is its controlling interest in Power Financial. Power Financial holds substantial interests in the financial services sector through its controlling interest in each of Lifeco and IGM Financial. As a result, investors in Power are subject to the risks attributable to its subsidiaries, including those that Power has as the principal shareholder of Power Financial, which in turn has the risks attributable to its subsidiaries, including those as the principal shareholder of each of Lifeco and IGM Financial. The risks of being an investor in Lifeco are described and referenced in the section entitled “Risk Factors” of Lifeco’s Annual Information Form dated February 9, 2012 and the risks of being an investor in IGM Financial are referenced in the last paragraph of the section entitled “Development of the Business” of IGM Financial’s Annual Information Form dated March 22, 2012, which section and further references, in the case of Lifeco, and paragraph, in the case of IGM Financial, are incorporated herein by reference.

As a holding company, Power’s ability to pay interest and other operating expenses and dividends, to meet its obligations and to complete current or desirable future enhancement opportunities or acquisitions generally depends upon receipt of sufficient dividends from its principal subsidiaries and other investments and its ability to raise additional capital. The likelihood that shareholders of Power will receive dividends will be dependent upon the operating performance, profitability, financial position and creditworthiness of the principal subsidiaries of Power and on their ability to pay dividends to Power. The payment of interest and dividends by certain of these principal subsidiaries to Power is also subject to restrictions set forth in insurance, securities and corporate laws and regulations which require that solvency and capital standards be maintained by such companies. If required, the ability of Power to arrange additional financing in the future will depend in part upon prevailing market conditions as well as the business performance of Power and its subsidiaries. In recent years, global financial conditions and market events have experienced increased volatility and resulted in the tightening of credit that has reduced available liquidity and overall economic activity. There can be no assurance that debt or equity financing will be available, or, together with internally generated funds, will be sufficient to meet or satisfy Power’s objectives or requirements or, if the foregoing are available to Power, that they will be on terms acceptable to Power. The inability of Power to access sufficient capital on acceptable terms could have a material adverse effect on Power’s business, prospects, dividend paying capability and financial condition, and further enhancement opportunities or acquisitions.

The market price for Power’s securities may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond Power’s control. Economic conditions may adversely affect Power, including fluctuations in foreign exchange, inflation and interest rates, as well as monetary policies, business investment and the health of capital markets in Canada, the United States, Europe and Asia. In recent years, financial markets have experienced significant price and volume fluctuations that have affected the market prices of equity securities held by the Corporation and its subsidiaries, and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be significant or prolonged, which may result in impairment losses. In periods of increased levels of volatility and related market turmoil, Power’s subsidiaries’ operations could be adversely impacted and the trading price of Power’s securities may be adversely affected.

DESCRIPTION OF THE SHARE CAPITAL

GENERAL

The authorized capital of Power consists of an unlimited number of First Preferred Shares (the “First Preferred Shares”), an unlimited number of Participating Preferred Shares (the “Participating Preferred Shares”), and an unlimited number of Subordinate Voting Shares (the “Subordinate Voting Shares”). As at February 29, 2012, there were issued and outstanding 582,578 First Preferred Shares designated as Cumulative Redeemable First Preferred Shares, 1986 Series (the “1986 Series First Preferred Shares”), 6,000,000 First Preferred Shares designated as 5.60 per cent Non-Cumulative First Preferred Shares, Series A (the “Series A First Preferred Shares”), 8,000,000 First Preferred Shares designated as 5.35 per cent Non-Cumulative First Preferred Shares, Series B (the “Series B First Preferred Shares”), 6,000,000 First Preferred Shares designated as 5.80 per cent Non-Cumulative First Preferred Shares, Series C (the “Series C First Preferred Shares”), 10,000,000 First Preferred Shares designated as 5.00 per cent Non-Cumulative First Preferred Shares, Series D (the “Series D First Preferred Shares”), 8,000,000 First Preferred Shares designated as 5.60 per cent Non-Cumulative First Preferred Shares, Series G (the “Series G First Preferred Shares”), 48,854,772 Participating Preferred Shares and 411,042,894 Subordinate Voting Shares.

Dividends on the Subordinate Voting Shares, Participating Preferred Shares and First Preferred Shares are payable only as and when declared by the Board of Directors.

SUBORDINATE VOTING SHARES

Each Subordinate Voting Share entitles the holder to one vote at all meetings of shareholders (other than meetings exclusively of another class or series of shares), and subject to the rights of holders of Participating Preferred Shares and the First Preferred Shares, to receive any dividend on such share and to participate equally with all other holders of Subordinate Voting Shares in the remaining property of the Corporation on dissolution or winding-up. Power may not, without approval of two-thirds of the holders of Subordinate Voting Shares, issue any Participating Preferred Shares unless Power contemporaneously with such issue offers to holders of Subordinate Voting Shares the right to acquire from Power pro rata to their holdings an aggregate number of Subordinate Voting Shares that is equal to eight and one-third times the number of Participating Preferred Shares proposed to be issued for a consideration per share that is equal to the stated capital amount per share for which the Participating Preferred Shares are to be issued. There are no conversion rights, special liquidation rights, pre-emptive rights or subscription rights attached to the Subordinate Voting Shares.

The Subordinate Voting Shares represent 45.7 per cent of the aggregate voting rights attached to Power’s outstanding voting securities.

The Articles of Power do not contain any rights or provisions applicable to holders of Subordinate Voting Shares where a takeover bid is made for the Participating Preferred Shares.

PARTICIPATING PREFERRED SHARES

Each Participating Preferred Share entitles the holder to ten votes at all meetings of shareholders (other than meetings exclusively of another class or series of shares), and subject to the rights of holders of the First Preferred Shares, to receive a non-cumulative dividend of \$0.009375 per share per annum before any dividends are paid for the Subordinate Voting Shares, and the further right to participate, share and share alike, with the holders of Subordinate Voting Shares in any dividends that may be paid with respect to the Subordinate Voting Shares after payment of a dividend of \$0.009375 per share per annum on the Subordinate Voting Shares. Upon any dissolution or liquidation, in whole or in part, of Power or upon any other distribution of capital for the purpose of winding-up Power’s affairs, the holders of Participating Preferred Shares, subject to the prior rights of the holders of the First Preferred Shares and by preference over the holders of the Subordinate Voting Shares or any other shares ranking junior to the Participating Preferred Shares, are entitled to receive an amount equal

to \$0.421875 plus any declared and unpaid dividends. Power may not, without approval of two-thirds of the holders of Participating Preferred Shares, issue any Subordinate Voting Shares unless Power contemporaneously with such issue offers to the holders of Participating Preferred Shares the right to acquire from Power pro rata to their holdings an aggregate number of Participating Preferred Shares that is equal to 12 per cent of the number of Subordinate Voting Shares proposed to be issued for a consideration per share that is equal to the average stated capital amount per share for which the Subordinate Voting Shares are to be issued.

FIRST PREFERRED SHARES

The First Preferred Shares may be issued in one or more series with such rights, privileges, restrictions and conditions as the Board of Directors designates. With respect to the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of Power, whether voluntary or involuntary, or any other distribution of the assets of Power among its shareholders for the purpose of winding-up its affairs, the First Preferred Shares of each series rank on a parity with the First Preferred Shares of every other series and in priority to the Participating Preferred Shares, the Subordinate Voting Shares and any other shares ranking junior to the First Preferred Shares. Holders of First Preferred Shares of any series shall not be entitled to notice of or to attend or to vote at any meeting of its shareholders except as may be required by law or as specifically provided in the provisions attaching to the First Preferred Shares of such series.

For the Series A, Series B, Series C, Series D and Series G First Preferred Shares (for the purposes of this paragraph, the “Non-Cumulative First Preferred Shares”), in the event of the liquidation, dissolution or winding-up of Power or other distribution of the assets of Power among its shareholders for the purpose of winding-up its affairs, whether voluntary or involuntary, subject to the prior satisfaction of the claims of all creditors of Power and of holders of shares of Power ranking prior to the Non-Cumulative First Preferred Shares, the holders of the Non-Cumulative First Preferred Shares shall be entitled to be paid and to receive an amount equal to \$25.00 per Non-Cumulative First Preferred Share plus declared and unpaid dividends before any amount shall be paid or any assets of Power shall be distributed to the holders of Participating Preferred Shares, Subordinate Voting Shares or of shares of any other class of Power ranking junior to the Non-Cumulative First Preferred Shares.

1986 SERIES FIRST PREFERRED SHARES

The 1986 Series First Preferred Shares rank equally with all other First Preferred Shares and have a cumulative floating dividend, payable quarterly, equal to one quarter of 70 per cent of Prime (as defined below). Power has had the right to redeem the 1986 Series First Preferred Shares since April 15, 1991 at \$50.00 per share plus declared and unpaid dividends. Power must make all reasonable efforts to purchase for cancellation on the open market 20,000 1986 Series First Preferred Shares per quarter at a price not exceeding \$50.00 per share. “Prime” means, for any quarterly dividend period, the arithmetic average of the Prime Rates quoted by two reference banks in effect during each day during the three-month period which ends on the last day of the calendar month immediately preceding the applicable dividend payment date in respect of which the determination is being made, and “Prime Rate” is the reference rate as quoted by those two banks for determining interest rates on Canadian dollar commercial loans made to prime commercial borrowers in Canada.

SERIES A FIRST PREFERRED SHARES

The Series A First Preferred Shares rank equally with all other First Preferred Shares and have a fixed non-cumulative dividend of 5.60 per cent per annum, payable quarterly. Power has had the right to redeem the Series A First Preferred Shares since June 11, 2004 in whole or in part for \$26.00 cash per share if redeemed during the 12 months commencing June 11, 2004, \$25.75 per share if redeemed during the 12 months commencing June 12, 2005, \$25.50 if redeemed during the 12 months commencing June 12, 2006, \$25.25 if redeemed during the 12 months commencing June 12, 2007, and \$25.00 per share if redeemed on or after June 12, 2008, in each case plus declared and unpaid dividends.

SERIES B FIRST PREFERRED SHARES

The Series B First Preferred Shares rank equally with all other First Preferred Shares and have a fixed non-cumulative dividend of 5.35 per cent per annum, payable quarterly. Power has had the right to redeem the Series B First Preferred Shares since November 28, 2006 in whole or in part for \$26.00 cash per share if redeemed during the 12 months commencing November 28, 2006, \$25.75 per share if redeemed during the 12 months commencing November 28, 2007, \$25.50 if redeemed during the 12 months commencing November 28, 2008, \$25.25 if redeemed during the 12 months commencing November 28, 2009, and \$25.00 per share if redeemed on or after November 28, 2010, in each case plus declared and unpaid dividends.

SERIES C FIRST PREFERRED SHARES

The Series C First Preferred Shares rank equally with all other First Preferred Shares and have a fixed non-cumulative dividend of 5.80 per cent per annum, payable quarterly. Power has had the right to redeem the Series C First Preferred Shares since December 6, 2007 in whole or in part for \$26.00 cash per share if redeemed during the 12 months commencing December 6, 2007, \$25.75 per share if redeemed during the 12 months commencing December 6, 2008, \$25.50 if redeemed during the 12 months commencing December 6, 2009, \$25.25 if redeemed during the 12 months commencing December 6, 2010, and \$25.00 per share if redeemed on or after December 6, 2011, in each case plus declared and unpaid dividends.

SERIES D FIRST PREFERRED SHARES

The Series D First Preferred Shares rank equally with all other First Preferred Shares and have a fixed non-cumulative dividend of 5.00 per cent per annum, payable quarterly. Power has had the right to redeem the Series D First Preferred Shares since October 31, 2010 in whole or in part for \$26.00 cash per share if redeemed during the 12 months commencing October 31, 2010, \$25.75 per share if redeemed during the 12 months commencing October 31, 2011, \$25.50 if redeemed during the 12 months commencing October 31, 2012, \$25.25 if redeemed during the 12 months commencing October 31, 2013, and \$25.00 per share if redeemed on or after October 31, 2014, in each case plus declared and unpaid dividends.

SERIES G FIRST PREFERRED SHARES

The Series G First Preferred Shares rank equally with all other First Preferred Shares and have a fixed non-cumulative dividend of 5.60 per cent per annum, payable quarterly. Power has the right to redeem the Series G First Preferred Shares on or after April 15, 2017, in whole or in part, for \$26.00 cash per share if redeemed during the 12 months commencing April 15, 2017, \$25.75 per share if redeemed during the 12 months commencing April 15, 2018, \$25.50 if redeemed during the 12 months commencing April 15, 2019, \$25.25 if redeemed during the 12 months commencing April 15, 2020, and \$25.00 per share if redeemed on or after April 15, 2021, in each case plus declared and unpaid dividends.

RATINGS

The table below provides the ratings assigned to the Corporation's outstanding securities as at March 23, 2012.

	DBRS Limited ("DBRS")	Standard & Poor's Ratings Services ("S&P")
Preferred shares:		
Cumulative	Pfd-2 (high)	Canadian scale P-2 (High) Global scale BBB+
Non-cumulative	Pfd-2 (high)	Canadian scale P-2 (High) Global scale BBB+
7.57% debentures due April 22, 2019	A (high)	A
8.57% debentures due April 22, 2039	A (high)	A

The ratings of the Corporation's outstanding securities have been assigned a stable trend by DBRS and a stable outlook by S&P.

Credit ratings are intended to provide investors with an independent assessment of the credit quality of an issue or issuer of securities and do not speak to the suitability of particular securities for any particular investor. A security rating is therefore not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the rating agency. The definitions of the categories of each rating set forth below have been obtained from the respective rating agencies' Web sites.

(a) DBRS Limited

In general terms, DBRS ratings are opinions that reflect the creditworthiness of an issuer, a security or an obligation. They are opinions based on forward-looking measurements and quantitative and qualitative analysis of information that assess an issuer's ability and willingness to make timely payments on outstanding obligations (whether principal, interest, dividend, or distributions) with respect to the terms of an obligation. DBRS applies additional considerations when assessing the credit quality of holding companies.

The DBRS preferred share and long-term debt rating scales are used in the Canadian securities market and are meant to give an indication of the risk that a borrower will not fulfill its full obligations in a timely manner, with respect to both dividend or interest, as the case may be, and principal commitments. Most rating categories are denoted by the subcategories "high" and "low". The absence of either a "high" or "low" designation indicates the rating is in the "middle" of the category. Rating trends provide guidance in respect of DBRS' opinion regarding the outlook for the rating in question, with rating trends falling into one of three categories - "Positive", "Stable" or "Negative". The rating trend indicates the direction in which DBRS considers the rating is headed should present tendencies continue, or in some cases, unless challenges are addressed. In general, the DBRS view is based primarily on an evaluation of the issuing entity itself, but may also include consideration of the outlook for the industry or industries in which the issuing entity operates.

The Corporation's preferred shares rating of Pfd-2 (high) is the fourth highest of sixteen ratings used by DBRS for preferred shares in Canada. Preferred shares with a Pfd-2 (high) rating are of satisfactory credit quality, and protection of dividends and principal is still substantial, but earnings, the balance sheet and coverage ratios are not as strong as Pfd-1 rated companies. A Pfd-2 rating generally corresponds with companies whose senior bonds are rated in the "A" category.

The Corporation's debentures rating of A (high) is the fifth highest of twenty-six ratings used by DBRS for long-term debt. Long-term debt rated "A" is of good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than that of "AA" rated entities. Entities in this category may be vulnerable to future events, but qualifying negative factors are considered manageable.

(b) Standard & Poor's Ratings Services

S&P issue credit ratings are forward-looking opinions about credit risk and express the agency's opinion about the ability and willingness of an issuer to meet its financial obligations in full and on time with respect to an individual security issue. Since there are future events and developments that cannot be foreseen, the assignment of credit ratings is not an exact science and, for this reason, S&P ratings opinions are not intended as guarantees of credit quality or as exact measures of the probability that a particular issuer or particular security issue will default. Instead, ratings express relative opinions about the creditworthiness of an issuer or credit quality of an individual issue, from strongest to weakest, within a universe of credit risk.

Most ratings may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major letter rating categories. An S&P rating outlook assesses the potential direction of a long-term credit rating over the intermediate term (typically six months to two years). In determining a rating outlook, consideration is given to any changes in the economic and/or fundamental business conditions. An outlook is not necessarily a precursor of a rating change or future credit watch action.

The S&P Canadian preferred share rating scale serves issuers, investors and intermediaries in the Canadian financial markets by expressing preferred share ratings (determined in accordance with Global rating criteria) in terms of rating symbols that have been actively used in the Canadian market over a number of years. A preferred share rating on the Canadian scale is a forward-looking opinion about the creditworthiness of an obligor with respect to a specific preferred share obligation issued in the Canadian market, relative to preferred shares issued by other issuers in the Canadian market. There is a direct correspondence between the specific ratings assigned on the Canadian preferred share scale and the various rating levels on the Global debt rating scale of S&P. The Canadian scale rating is fully determined by the applicable Global scale rating, and there are no additional analytical criteria associated with the determination of ratings on the Canadian scale. It is the practice of S&P to present an issuer's preferred share ratings on both the Global rating scale and on the Canadian national scale when listing the ratings for a particular issuer.

The Corporation's preferred shares' rating of P-2 (High) on S&P's Canadian national preferred share rating scale corresponds to BBB+ on S&P's Global preferred share rating scale. A P-2 (High) rating is the fourth highest of eighteen ratings used by S&P in its Canadian national preferred share rating scale. Correspondingly, a BBB+ rating is the sixth highest of twenty ratings used by S&P in its Global preferred share rating scale. A preferred share rating of BBB+ exhibits adequate protection parameters, however, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments on the obligation.

An S&P long-term issue credit rating is a forward-looking opinion about the creditworthiness of an obligor with respect to a specific financial obligation, a specific class of financial obligations, or a specific financial program. It takes into consideration the creditworthiness of guarantors, insurers, or other forms of credit enhancement on the obligation and takes into account the currency in which the obligation is denominated. The opinion reflects S&P's view of the obligor's capacity and willingness to meet its financial commitments as they come due, and may assess terms, such as collateral security and subordination, which could affect ultimate payment in the event of default.

The Corporation's debentures' rating of "A" is the sixth highest of twenty-six ratings used by S&P in its long-term issue credit rating scale. A long-term debenture rated "A" is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories, however, the obligor's capacity to meet its financial commitment on the obligation is still strong.

DIVIDENDS

The cash dividends declared per share for each class of the Corporation's shares outstanding as at December 31, 2011 were as follows:

	2011	2010 (in dollars)	2009
Subordinate Voting Shares (POW)	1.1600	1.1600	1.1600
First Preferred Shares, Series A (POW.PR.A)	1.4000	1.4000	1.4000
First Preferred Shares, Series B (POW.PR.B)	1.3375	1.3375	1.3375
First Preferred Shares, Series C (POW.PR.C)	1.4500	1.4500	1.4500
First Preferred Shares, Series D (POW.PR.D)	1.2500	1.2500	1.2500
Participating Preferred Shares (POW.PR.E)	1.1600	1.1600	1.1600
First Preferred Shares, 1986 Series (POW.PR.F)	1.0500	0.882875	0.8960

The current practice of the Corporation is to pay dividends to the holders of Participating Preferred Shares and Subordinate Voting Shares on a quarterly basis. All future dividend amounts and dates are subject to approval by the Board of Directors.

MARKET FOR SECURITIES

The following table provides information regarding the price range and volume traded for each of these classes of securities of Power on the Toronto Stock Exchange (the "TSX") on a monthly basis for each month of the year ended December 31, 2011.

	Subordinate Voting Shares (POW)	Participating Preferred Shares (POW.PR.E)	First Preferred Shares, Series A (POW.PR.A)	First Preferred Shares, Series B (POW.PR.B)	First Preferred Shares, Series C (POW.PR.C)	First Preferred Shares, Series D (POW.PR.D)	First Preferred Shares, 1986 Series (POW.PR.F)
January 2011							
Intraday High (\$)	27.91	--	24.59	24.06	25.07	23.50	49.00
Intraday Low (\$)	26.99	--	24.10	23.62	24.50	22.63	48.50
Volume	11,903,690	--	119,836	170,089	124,289	230,474	25,479
February 2011							
Intraday High (\$)	29.50	--	24.73	24.35	25.18	23.43	49.25
Intraday Low (\$)	27.04	--	24.25	23.62	24.90	22.65	48.00
Volume	13,232,430	--	97,506	85,794	93,859	181,414	9,801
March 2011							
Intraday High (\$)	29.45	--	24.88	24.20	25.25	23.62	49.25
Intraday Low (\$)	26.75	--	24.35	23.70	24.82	22.53	48.50
Volume	17,761,232	--	193,565	155,334	107,358	210,573	5,855
April 2011							
Intraday High (\$)	28.93	--	24.70	24.17	25.39	23.25	49.00
Intraday Low (\$)	27.75	--	24.25	23.45	24.05	22.41	48.99
Volume	7,550,415	--	75,913	146,145	115,914	144,104	33,500
May 2011							
Intraday High (\$)	28.90	--	24.95	24.79	25.39	24.25	49.25
Intraday Low (\$)	27.50	--	24.40	23.49	24.89	22.59	48.51
Volume	8,973,591	--	97,390	234,635	156,894	125,025	3,266
June 2011							
Intraday High (\$)	27.99	--	25.10	24.87	25.42	24.15	49.85
Intraday Low (\$)	25.64	--	24.55	24.01	24.94	23.45	48.75
Volume	21,316,192	--	113,837	154,107	81,745	134,993	1,325
July 2011							
Intraday High (\$)	27.06	--	25.01	24.79	25.45	24.24	48.75
Intraday Low (\$)	24.81	--	24.66	24.15	24.83	23.52	47.85
Volume	9,152,513	--	78,020	164,430	66,679	193,328	25,300
August 2011							
Intraday High (\$)	25.53	28.50	25.35	24.80	25.68	24.34	47.85
Intraday Low (\$)	22.49	28.50	24.80	24.02	24.82	23.23	44.51
Volume	19,615,097	350	85,455	119,481	92,040	141,795	3,532
September 2011							
Intraday High (\$)	23.87	--	25.54	25.15	25.58	24.71	45.24
Intraday Low (\$)	20.90	--	24.79	24.37	25.00	23.51	39.05
Volume	18,767,789	--	75,495	106,524	71,272	150,886	3,063
October 2011							
Intraday High (\$)	25.65	--	25.18	25.01	25.34	24.71	40.99
Intraday Low (\$)	21.25	--	24.80	24.08	24.80	23.81	39.01
Volume	22,393,837	--	49,037	94,672	313,414	107,947	5,600

	Subordinate Voting Shares (POW)	Participating Preferred Shares (POW.PR.E)	First Preferred Shares, Series A (POW.PR.A)	First Preferred Shares, Series B (POW.PR.B)	First Preferred Shares, Series C (POW.PR.C)	First Preferred Shares, Series D (POW.PR.D)	First Preferred Shares, 1986 Series (POW.PR.F)
November 2011							
Intraday High (\$)	24.89	--	25.45	25.25	25.54	24.99	41.50
Intraday Low (\$)	21.10	--	24.92	24.64	25.05	24.31	40.01
Volume	13,230,304	--	44,246	52,626	57,083	120,553	17,590
December 2011							
Intraday High (\$)	23.90	--	26.47	25.24	25.60	24.98	43.25
Intraday Low (\$)	22.05	--	25.04	24.79	25.05	24.45	41.50
Volume	22,906,843	--	42,856	92,649	47,753	102,631	2,831

DIRECTORS AND OFFICERS

D I R E C T O R S

The following table sets forth the full name, province or state and country of residence and principal occupations for each current Director of the Corporation.

Name and Province/State and Country of Residence	Director since	Principal Occupation
Pierre Beaudoin Québec, Canada	May 2005	President and Chief Executive Officer of Bombardier Inc., a diversified transportation manufacturing company, since June 2008; previously, Executive Vice-President of Bombardier Inc. from 2004 to 2008; and President and Chief Operating Officer of Bombardier Aerospace, a division of Bombardier Inc., from 2001 to 2008
Marcel Coutu Alberta, Canada	May 2011	President and Chief Executive Officer of Canadian Oil Sands Limited and Chairman of Syncrude Canada Ltd., one of Canada's largest oil sands projects
Laurent Dassault Paris, France	May 1997	Vice-Chairman and Chief Executive Officer of Groupe Industriel Marcel Dassault SA, an investment and financing company, since December 2011; previously, Vice-President of Groupe Industriel Marcel Dassault SA
André Desmarais Québec, Canada	May 1988	A Deputy Chairman, President and Co-Chief Executive Officer of the Corporation and Co-Chairman of Power Financial
The Honourable Paul Desmarais Québec, Canada	May 1968	Chairman of the Executive Committee of the Corporation
Paul Desmarais, Jr. Québec, Canada	May 1988	Chairman and Co-Chief Executive Officer of the Corporation and Co-Chairman of Power Financial
Guy Fortin Québec, Canada	May 2010	Director and Vice-Chairman of Sanpalo Investments Corporation, a private investment company
Anthony R. Graham Ontario, Canada	May 2001	President and a Director of Wittington Investments, Limited, an investment management company
Robert Gratton Québec, Canada	July 1989	A Deputy Chairman of the Board of the Corporation since May 2008; previously, Chairman of Power Financial from May 2005 to May 2008
Isabelle Marcoux Québec, Canada	May 2010	Chair of the Board, since February 2012, and Vice-President, Corporate Development of Transcontinental Inc., a printing, publishing and marketing company, since 2004; previously Vice-Chair of the Board from 2007 to 2012
The Right Honourable Donald F. Mazankowski Alberta, Canada	May 1996	Company Director
Raymond L. McFeetors Manitoba, Canada	May 2008	A Vice-Chairman of Power Financial and Chairman of the Board of Lifeco since May 2008; previously, President and Chief Executive Officer of Lifeco from May 2005 to May 2008
Jerry E.A. Nickerson Nova Scotia, Canada	May 1999	Chairman of the Board of H.B. Nickerson & Sons Limited, a management and holding company
James R. Nininger Ontario, Canada	May 2001	Company Director
R. Jeffrey Orr Québec, Canada	May 2005	President and Chief Executive Officer of Power Financial
Robert Parizeau Québec, Canada	May 1985	Chairman of Aon Parizeau Inc., insurance brokers and risk consultants
Michel Plessis-Bélair Québec, Canada	May 1988	A Vice-Chairman of the Corporation since January 2008; previously, Vice-Chairman and Chief Financial Officer of the Corporation and Executive Vice-President and Chief Financial Officer of Power Financial until January 2008

Name and Province/State and Country of Residence	Director since	Principal Occupation
John A. Rae ⁽¹⁾ Québec, Canada	May 1988	Executive Vice-President, Office of the Chairman of the Executive Committee of the Corporation
Henri-Paul Rousseau Québec, Canada	May 2009	A Vice-Chairman of the Corporation and of Power Financial since January 2009; previously, President and Chief Executive Officer of the Caisse de dépôt et placement du Québec from May 2005 to May 2008
T. Timothy Ryan, Jr. New York, United States	May 2011	President and Chief Executive Officer of the Securities Industry and Financial Markets Association, a leading trade association representing global financial market participants
Emőke J.E. Szathmáry Manitoba, Canada	May 1999	President Emeritus, University of Manitoba since July 2008; previously, President and Vice-Chancellor of the University of Manitoba from 1996 to 2008

All Directors listed above were elected as directors at the Annual Shareholders' Meeting held on May 13, 2011 to hold office until the close of the next annual meeting of shareholders.

OFFICERS OTHER THAN THOSE REFERRED TO ABOVE

Name and Province/State and Country of Residence	Principal Occupation
Philip K. Ryan Québec, Canada	Executive Vice-President and Chief Financial Officer since January 2008; previously, Chairman of Credit Suisse's Financial Institutions Group (UK) from 2005 to 2008
Edward Johnson Québec, Canada	Senior Vice-President, General Counsel and Secretary
Arnaud Vial Québec, Canada	Senior Vice-President
Daniel Friedberg Connecticut, United States	Vice-President
Peter Kruyt ⁽²⁾ Québec, Canada	Vice-President
Pierre Larochelle ⁽²⁾ Québec, Canada	Vice-President since March 2009; previously, President and Chief Executive Officer of Adaltis Inc., a healthcare diagnostic company, from October 2003 to February 2009

(1) On May 31, 2006, while Mr. Rae was a director of Kasten Chase Applied Research Limited ("KCA"), the TSX suspended trading of KCA's common shares for failure to meet the continued listing requirements. KCA was de-listed by the TSX on June 30, 2006. Cease trade orders were issued by the Securities Administrators in Ontario, Québec, British Columbia and Manitoba in September and October 2006 and in Alberta in February 2007. On June 2, 2006, shortly after Mr. Rae resigned as a director, KCA made a voluntary assignment in bankruptcy. The bankruptcy was subsequently annulled by a court order dated December 22, 2006. On February 19, 2007, the shareholders of KCA approved a series of resolutions that may result in a dividend being paid to shareholders and the common shares of KCA being re-listed for trading on the TSX. In 2008, the Alberta Securities Commission issued an order revoking the cease trade order issued against KCA. Similarly, the British Columbia Securities Commission, the Manitoba Securities Commission, the Ontario Securities Commission and the Autorité des marchés financiers issued orders revoking the cease trade order issued by each of the respective securities commissions.

(2) On July 3, 2009, while Messrs. Kruyt and Larochelle were directors of Adaltis Inc. ("Adaltis"), a company in which VSV held at that time approximately a 31.3 per cent interest, the Québec Superior Court ordered the stay of all proceedings against Adaltis pursuant to the *Companies' Creditors Arrangement Act* (Canada) ("CCAA"). On July 14, 2009, Messrs. Kruyt and Larochelle resigned as directors of Adaltis. On August 3, 2009, Adaltis filed a voluntary assignment in bankruptcy under the *Bankruptcy and Insolvency Act* (Canada) in order to effect an orderly liquidation of its assets, property and operations. The stay of proceedings under the CCAA initial court order expired the same day. On August 6, 2009, the TSX delisted the common shares of Adaltis for failure to meet its continued listing requirements. Between September 2, 2009 and December 4, 2009, cease trade orders were issued in respect of Adaltis by the Securities Administrators in British Columbia, Alberta, Manitoba, Ontario and Québec.

Name and Province/State and Country of Residence	Principal Occupation
Denis Le Vasseur Québec, Canada	Vice-President and Controller
Stéphane Lemay Québec, Canada	Vice-President, Assistant General Counsel and Associate Secretary
Henry Yuhong Liu Québec, Canada	Vice-President since May 2011; previously Director of Asian Affairs of the Corporation
Richard Pan Québec, Canada	Vice-President since 2008; previously, an Executive Director at Goldman Sachs International (UK) in the Global Natural Resources Group, from 2006 to 2008
Luc Reny Québec, Canada	Vice-President
Isabelle Morin Québec, Canada	Treasurer

VOTING SECURITIES

The aggregate number and percentage of securities of each class of voting securities of Power and its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by all Directors and officers of Power as a group⁽¹⁾, as at December 31, 2011 was:

Name	Number of shares	Percentage
Power		
Subordinate Voting Shares	66,133,431	16.09
Participating Preferred Shares	48,603,392	99.49
Power Financial		
Common Shares	10,548,499	1.49
Lifeco		
Common Shares	3,673,443	0.39
IGM Financial		
Common Shares	212,400	0.08

(1) The Honourable Paul Desmarais and associates own or control 61.1 per cent of the votes attached to the voting securities of Power. Power in turn controls 66.1 per cent of the voting shares of Power Financial, which in turn controls directly or indirectly 65.0 per cent and 61.3 per cent of the voting shares of Lifeco and IGM Financial, respectively. In accordance with applicable Canadian securities laws, securities of subsidiaries of Power that are beneficially owned, or controlled or directed, directly or indirectly, by Directors or executive officers through ownership, or control or direction, directly or indirectly, over securities of Power, have not been included in the table. Therefore, the table does not include securities of subsidiaries of Power (i.e. Power Financial, Lifeco and IGM Financial) that are beneficially owned, or controlled or directed, directly or indirectly, by the Honourable Paul Desmarais through ownership, control or direction over securities of Power.

COMMITTEES

The CBCA and securities legislation require the Corporation to have an Audit Committee. The Corporation also appoints an Executive Committee, a Compensation Committee, a Related Party and Conduct Review Committee and a Governance and Nominating Committee.

The current membership of the Audit Committee is set forth below at “Audit Committee – Composition of Audit Committee”. The current members of the Executive Committee are André Desmarais, The Honourable Paul Desmarais, Paul Desmarais, Jr., Anthony R. Graham, The Right Honourable Donald F. Mazankowski and Jerry E.A. Nickerson. The current members of the Compensation Committee are Anthony R. Graham, The Right Honourable Donald F. Mazankowski, Jerry E.A. Nickerson and Dr. James R. Nininger. The current members of the Related Party and Conduct Review Committee are Anthony R. Graham, The Right Honourable Donald F. Mazankowski and Dr. Emőke J.E. Szathmáry. The current members of the Governance and Nominating Committee are André Desmarais, The Honourable Paul Desmarais, Paul Desmarais, Jr., Anthony R. Graham and The Right Honourable Donald F. Mazankowski.

A U D I T C O M M I T T E E

AUDIT COMMITTEE'S CHARTER

The charter of the Audit Committee is attached as Appendix A to this Annual Information Form.

COMPOSITION OF AUDIT COMMITTEE

The members of the Audit Committee are The Right Honourable Donald F. Mazankowski, Dr. James R. Nininger, Mr. Robert Parizeau and Dr. Emőke J.E. Szathmáry. Each member of the Audit Committee is independent (as defined under National Instrument 52-110 – *Audit Committees*) and none receives, directly or indirectly, any compensation from Power other than for service as a member of the Board of Directors and its committees. All members of the Audit Committee are financially literate (as defined under National Instrument 52-110 – *Audit Committees*).

RELEVANT EDUCATION AND EXPERIENCE OF AUDIT COMMITTEE MEMBERS

In addition to each member's general business experience, the education and experience of each Audit Committee member that is relevant to the performance of his or her responsibilities as an Audit Committee member is as follows:

Dr. Nininger is a retired President and Chief Executive Officer of the Conference Board of Canada, a leading research institute that provides its services to Canadian business, government and public sector organizations. He has been a member of the Corporation's Audit Committee since 2001 and its Chairman since May 2002. He was a Director of Canadian Pacific Railway Limited until 2007. He is a member of the Board of Governors of the Ottawa Hospital, a member of the Board of Management of the Canada Revenue Agency and past Chair of the Board of Governors of the Community Foundation of Ottawa.

Mr. Mazankowski was a Member of The Parliament of Canada for 25 years and held several senior Cabinet positions, including Deputy Prime Minister, Minister of Finance, President of the Treasury Board, Minister of Transport, Minister of Agriculture and President of the Queen's Privy Council. He is currently a Senior Adviser to Gowling Lafleur Henderson LLP. He has been a member of the Corporation's Audit Committee since 1996. He also serves on the Board of Directors of Power Financial and on the Board of Directors of Atco Ltd. He was a Director of Lifeco and a member of Lifeco's Executive Committee until May 2010. He was also a Director of IGM Financial and was Chairman and member of the Audit Committee of IGM Financial from April 1997 until May 2010. He also served on the Board of Directors of Weyerhaeuser Company and was a member of its Audit Committee from 1997 until January 2009. Mr. Mazankowski was a Director of Canadian Oil Sands Limited until April 2010 and served on its Audit Committee. He is a former Director and member of the Audit Committees of

Gulf Canada and Gulf Indonesia Resources Limited (and was Chairman of the Audit Committee of Gulf Indonesia Resources Limited), as well as having previously served on the Board and Audit Committee of IMC Global Inc. He was also a director of Yellow Pages Group Co. and a trustee of Yellow Pages Income Fund until January 2010. From 1993 to 2009, he served as Director of Shaw Communications Inc. and was lead Director from 1997 to January 2009.

Mr. Parizeau is Chairman of Aon Parizeau Inc., insurance brokers and risk consultants. Until 1997, he was President and Chief Executive Officer of Sodarcan Inc., a public holding company operating in insurance, reinsurance and actuarial consulting. He holds a commerce degree from HEC Montréal. He has been a member of the Corporation's Audit Committee since 1988. Mr. Parizeau is also Chairman of the Audit Committee of National Bank Life Insurance Company and SCOR Canada Reinsurance Company. He was a director of National Bank of Canada for 23 years, until 2003, and a member of the Audit Committee of National Bank Financial Inc. He was also Chairman of the Audit Committees of Canam Group Inc. and Van Houtte Inc. for several years, and a member of the Audit Committee of Gaz Metro Inc. He was Chairman of the Board of Gaz Metro Inc. from 1997 to February 2007. He is also a Director of the Institute for Governance of Private and Public Organizations and of the Institute of Corporate Directors. He was awarded the ICD Fellowship Award in 2006.

Dr. Szathmáry is President Emeritus of the University of Manitoba since July 2008, and a Professor in the Departments of Anthropology and of Biochemistry and Medical Genetics. From 1996 to 2008, she was President and Vice-Chancellor of the University of Manitoba, a member of its Board of Governors and a member of the Board's Audit Committee and a member of the Finance, Administration and Human Resources Committee. In the course of her administrative duties at the University, she was accountable for monitoring and communicating financial information with respect to the University's annual budget, including its trust and endowment funds. She was also a member of the committee that is responsible for the University's endowments, which oversees the professional investment managers of these funds. Dr. Szathmáry was previously Provost and Vice-President (Academic) at McMaster University in Hamilton and, prior thereto, Dean of the Faculty of Social Science at the University of Western Ontario (now Western University) in London. She has been a member of the Corporation's Audit Committee since 2002, and a Director of Power Financial and a member of its Audit Committee since 1999. She is a Director of several other Power group companies including Lifeco, Great-West Life, London Life Insurance Company, Canada Life Financial Corporation, Canada Life and Crown Life Insurance Company. She also serves on the Board of Directors of the International Institute for Sustainable Development and of several national and provincial educational, research and philanthropic not-for-profit organizations. She has received the Lieutenant Governor's Medal for Excellence in Public Administration in Manitoba as well as five Honorary Doctorates. Dr. Szathmáry is a Fellow of the Royal Society of Canada and is a member of the Order of Canada and of the Order of Manitoba.

PRE-APPROVAL POLICIES AND PROCEDURES

The Audit Committee has adopted a Policy Regarding Pre-approval of Services Provided by the External Auditor (the "Policy"). The Policy sets out audit services that are pre-approved by the Committee, outlines prohibited non-audit services and sets out a pre-approved list of permitted non-audit services. The pre-approved list of permitted non-audit services is to be reviewed and pre-approved periodically and certain other non-audit services must be approved on a case-by-case basis by the Audit Committee. The Policy further requires that the external independent auditor (referred to as "the auditor" hereafter) implement its own policies and procedures to provide that prohibited services are not provided and that permitted services are pre-approved before an engagement is accepted.

AUDITOR'S FEES

Deloitte & Touche LLP and their predecessors have served as Power's auditing firm for the last 85 years. Fees payable by Power⁽¹⁾ for the years ended December 31, 2011 and December 31, 2010 to Deloitte & Touche LLP and its affiliates were \$909,000 and \$933,000, respectively, as follows:

	Years ended December 31	
	2011	2010
Audit Fees ⁽²⁾	\$578,000	\$686,000
Audit-Related Fees ⁽²⁾	\$285,000	\$226,000
Tax Fees ⁽²⁾	\$46,000	\$21,000
Other Fees ⁽²⁾	Nil	Nil
TOTAL	\$909,000	\$933,000

(1) Fees payable by Power Financial are described in the section entitled "Audit Committee" of Power Financial's Annual Information Form dated March 23, 2012, fees payable by Lifeco are described in the section entitled "Audit Committee Information" of Lifeco's Annual Information Form dated February 9, 2012 and fees payable by IGM Financial are described in the section entitled "Audit Committee" of IGM Financial's Annual Information Form dated March 22, 2012.

(2) During the financial year ended December 31, 2011, Deloitte & Touche LLP provided audit, audit-related, tax and other services to subsidiary entities of the Corporation, other than Power Financial, Lifeco and IGM Financial, for additional fees in the amount of \$560,000 (2010 - \$551,000), \$108,000 (2010 - \$127,000), \$147,000 (2010 - \$390,000) and \$8,000 (2010 - \$8,000), respectively.

The nature of each category of fees is described below.

AUDIT FEES

Audit fees were paid for professional services rendered by the auditors for the audit of the annual financial statements of Power and its wholly owned subsidiaries and services provided in connection with statutory and regulatory filings or engagements. In addition, audit fees included the cost of translation of various continuous disclosure documents of the Corporation.

AUDIT-RELATED FEES

Audit-related fees were paid for assurance and related services that are reasonably related to the performance of the audit or review of the annual financial statements and are not reported under the audit fees item above. These services consisted of:

- Special attest services not required by statute or regulation;
- International Financial Reporting Standards transition assistance; and
- Other accounting consultations.

TAX FEES

Tax fees were paid for tax compliance services and assistance with various other tax related questions.

OTHER FEES

Other fees were paid in connection with consultations in respect of the Corporation's electronic data back-up system and internal controls.

PROCEDURES FOR COMPLAINTS

In accordance with National Instrument 52-110 – *Audit Committees*, the Corporation has established procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters. Persons wishing to utilize such procedures may contact the Senior Vice-President, General Counsel and Secretary of the Corporation at 751 Victoria Square, Montréal, Québec H2Y 2J3.

TRANSFER AGENT AND REGISTRAR

Power's securities are transferable at the principal offices of its transfer agent and registrar, Computershare Investor Services Inc., in Toronto, Vancouver and Montréal.

EXPERTS

Power's auditor is Deloitte & Touche LLP. Deloitte & Touche LLP has advised that it is independent with respect to the Corporation within the meaning of the Code of Professional Conduct of the *Ordre des comptables agréés du Québec*.

SOCIAL RESPONSIBILITY

On March 21, 2007, the Board of Directors of the Corporation initially adopted a Corporate Social Responsibility statement with respect to the making and overseeing of its investments. The Board adopted a revised Statement on March 14, 2012.

ADDITIONAL INFORMATION

Additional information relating to Power may be found on SEDAR at www.sedar.com. Information including Directors' and officers' remuneration and indebtedness, principal holders of Power's securities, stock options and interests of insiders in material transactions is, where applicable, contained in its latest Management Proxy Circular. Additional financial information is provided in the financial statements for the year ended December 31, 2011 and the accompanying Management's Discussion and Analysis dated March 14, 2012, which have been filed on SEDAR.

Power Financial, Lifeco and IGM Financial, the major direct and indirect subsidiaries of Power, are reporting issuers under Canadian securities legislation. Power Financial, Lifeco and IGM Financial are subject to the same continuous disclosure obligations as Power. These obligations include the requirement to file annual and interim financial statements, material change reports and copies of material contracts. Investors who wish to do so may view such documents under the respective company profiles at www.sedar.com.

APPENDIX A

POWER CORPORATION OF CANADA AUDIT COMMITTEE CHARTER

1.0 PURPOSE AND COMPOSITION

The purpose of the Audit Committee (the “*Committee*”) of Power Corporation of Canada (the “*Corporation*”) is to assist the Board of Directors in reviewing:

- (1) the Corporation’s financial disclosure;
- (2) the qualifications and independence of the Corporation’s external auditor; and
- (3) the performance of the external auditor.

The Committee of the Corporation shall be composed of not less than three directors of the Corporation, all of whom shall be *independent* and *financially literate* within the meaning of the Canadian Securities Administrators National Instrument 52-110.

2.0 PROCEDURAL MATTERS

In connection with the discharge of its duties and responsibilities, the Committee shall observe the following procedures:

- (1) **Meetings.** The Committee shall meet at least four times every year, and more often if necessary, to discharge its duties and responsibilities hereunder.
- (2) **Advisors.** The Committee shall have the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay, at the Corporation’s expense, the compensation of such advisors.
- (3) **Quorum.** A quorum at any meeting of the Committee shall be two Committee members.
- (4) **Secretary.** The Chairman, or any person appointed by the Chairman, shall act as secretary of meetings of the Committee.
- (5) **Calling of Meetings.** A meeting of the Committee may be called by the Chairman of the Committee, by the Chairman and Co-Chief Executive Officer, by the external auditor of the Corporation, or by any member of the Committee. When a meeting of the Committee is called by anyone other than the Chairman and Co-Chief Executive Officer, the Chairman of the Committee shall so inform the Chairman and Co-Chief Executive Officer forthwith.

3.0 DUTIES AND RESPONSIBILITIES

3.1 **Financial Disclosure.** The Committee shall:

- (1) unless otherwise determined by the Board, approve the Corporation's:
 - (a) interim management's discussions and analyses (pursuant to delegation of authority by the Board).
- (2) review the Corporation's:
 - (a) interim and annual financial statements;
 - (b) annual management's discussions and analyses;
 - (c) interim and annual earnings press releases; and
 - (d) other documents containing audited or unaudited financial information, at its discretion;and report thereon to the Board of Directors (the "**Board**") before such documents are approved by the Board and disclosed to the public;
- (3) be satisfied 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 disclosure provided by the financial statements, management's discussions and analyses and earnings press releases, and shall periodically assess the adequacy of those procedures.

3.2 **External Audit.** The Committee shall:

- (1) recommend to the Board the external auditor to be appointed for purposes of preparing or issuing an auditor's report or performing other audit, review or attest services;
- (2) review the terms of the external auditor's engagement, the appropriateness and reasonableness of proposed audit fees, and any issues relating to the payment of audit fees, and make a recommendation to the Board with respect to the compensation of the external auditor;
- (3) review the independence of the external auditor, including an annual report prepared by the external auditor regarding its independence;
- (4) meet with the external auditor and with management to review the audit plan, audit findings, and any restrictions on the scope of the external auditor's work;
- (5) review with the external auditor and management any changes in Generally Accepted Accounting Principles that may be material to the Corporation's financial reporting;
- (6) have the authority to communicate directly with the external auditor;
- (7) require the external auditor to report directly to the Committee;
- (8) directly oversee the work of the external auditor that is related to the preparation or issue of an auditor's report or other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (9) meet with the external auditor to discuss the annual financial statements (including the report of the external auditor thereon) and the interim financial statements (including the review engagement report of the external auditor thereon);

- (10) review any management letter containing the recommendations of the external auditor, and the response and follow up by management in relation to any such recommendations;
- (11) review any evaluation of the Corporation's internal control over financial reporting conducted by the external auditor, together with management's response;
- (12) pre-approve (or delegate such pre-approval to one or more of its independent members) in accordance with a pre-approval policy, all engagements for non-audit services to be provided to the Corporation or its subsidiary entities by the external auditor, together with all non-audit services fees, and consider the impact of such engagements and fees on the independence of the external auditor;
- (13) review and approve the Corporation's hiring policy regarding partners, employees and former partners and employees of the present and former external auditor;
- (14) in the event of a change of auditor, review and approve the Corporation's disclosure relating thereto.

3.3 Financial Complaints Handling Procedures. The Committee shall establish procedures for:

- (1) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
- (2) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

3.4 In-Camera Sessions. The Committee shall periodically meet in-camera alone, and meet separately with each of the external auditor and management, as the Committee deems appropriate.

3.5 Subsidiaries.

- (1) With respect to any Material Operating Subsidiary in the corporate ownership chain between the Corporation and any Direct Subsidiary, the Committee shall review the financial statements of that Material Operating Subsidiary.
- (2) With respect to any Direct Subsidiary:
 - (a) the Committee shall rely on the review and approval of the financial statements of the Direct Subsidiary by the audit committee and the board of directors of the Direct Subsidiary, and on reports or opinions of the external auditor on those financial statements;
 - (b) the Committee shall receive a copy of the charter of the Direct Subsidiary's audit committee, together with a memorandum summarizing its meeting processes and structure ("*Process Memorandum*"); and
 - (c) at each meeting of the Committee, the secretary of the Committee shall table a report from the secretary of the Direct Subsidiary's audit committee confirming that the processes mandated by its charter and Process Memorandum have been followed.
- (3) For these purposes:
 - (a) "**Material Operating Subsidiary**" means an operating subsidiary whose net income represents 10% or more of the net income of the Corporation; and
 - (b) "**Direct Subsidiary**" means the first Material Operating Subsidiary entity below the Corporation in a corporate ownership chain that has an audit committee which is comprised of a majority of independent directors.

4.0 AUDITOR'S ATTENDANCE AT MEETINGS

The external auditor shall be entitled to receive notice of every meeting of the Committee and, at the expense of the Corporation, to attend and be heard at any meeting of the Committee. If so requested by a member of the Committee, the external auditor shall attend every meeting of the Committee held during the term of office of the external auditor.

5.0 ACCESS TO INFORMATION

The Committee shall have access to any information, documents and records that are necessary in the performance of its duties and the discharge of its responsibilities under this Charter.

6.0 REVIEW OF CHARTER

The Committee shall periodically review this Charter and recommend any changes to the Board as it may deem appropriate.

7.0 REPORTING

The Chairman of the Committee shall report to the Board, at such times and in such manner, as the Board may from time to time require and shall promptly inform the Chairman and Co-Chief Executive Officer of any significant issues raised during the performance of the functions as set out herein, by the external auditor or any Committee member, and shall provide the Chairman and Co-Chief Executive Officer copies of any written reports or letters provided by the external auditor to the Committee.