



**CHARTER of the
CORPORATE GOVERNANCE AND NOMINATING COMMITTEE
(the "Charter")**

**of the BOARD OF DIRECTORS of
YELLOW MEDIA INC.
(the "Corporation")**

AUTHORITY

The Corporate Governance and Nominating Committee (the "Committee") assists the Corporation in (i) developing the Corporation's approach to corporate governance issues that are consistent with high standards of corporate governance, (ii) identifying and recommending new Board nominees and director nominees for each committee of the Board, (iii) assessing the effectiveness of the Board and its committees as a whole and the contribution of individual members, and (iv) orienting new Directors.

The Committee shall have unrestricted access to the Corporation's personnel and documents and will be provided with the resources necessary to carry out its responsibilities. The Committee may engage outside advisors at the expense of the Corporation in order to assist the Committee in the performance of its duties and set and pay the compensation for such advisors.

Nothing contained in this charter 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.

Members of the Committee are entitled to rely, absent knowledge to the contrary, on (i) the integrity of the persons and organizations from whom they receive information, and (ii) the accuracy and completeness of the information provided.

STRUCTURE

1. The Committee shall be composed of at least three directors of the Corporation, all of whom are independent (as defined under applicable securities laws. Membership on the Committee shall be automatically terminated as such time as a member ceases to be independent.
2. The Chairperson and the members of the Committee shall be appointed and removed by resolution of the Board, having considered the recommendation of this Committee, to hold office from the time of their appointment until the next annual general meeting of shareholders or until their successors are so appointed. The Chairperson must be appointed among the members of the Committee. The Secretary of the Corporation shall be the Secretary of the Committee. Members of the Committee may be reappointed to serve consecutive terms.
3. Vacancies at any time occurring in a committee shall be filled by resolution of the Board, having considered the recommendation of this Committee, in accordance with the terms of this Charter.

4. The Chairperson of the Committee has the following responsibilities:
 - 4.1 presiding at meetings of the Committee;
 - 4.2 ensuring the efficiency of the Committee and that members work as a team, in an effective and productive manner;
 - 4.3 ensuring that the Committee has the administrative support necessary to perform its work and carry out its duties; and
 - 4.4 acting as liaison between the Committee and the Board.
5. The members of the Committee are expected to possess the following competencies and qualifications to ensure that the Committee works productively:
 - 4.5 knowledge of the activities of the Corporation and its subsidiaries to identify candidates who will contribute effectively to the Board;
 - 4.6 vision and solid judgment in order to identify and recruit candidates who will show the highest ethical and fiduciary standards and be able to provide wise and thoughtful advice on a wide range of issues;
 - 4.7 integrity and accountability in identifying candidates;
 - 4.8 ability to identify and recruit candidates who will understand the challenges and obligations of a publicly held issuer; and
 - 4.9 be available to fulfill their role properly and devote sufficient time.
6. If the Chairperson and/or the Secretary of the Committee, as the case may be, is unable to act as such at a meeting, the Committee shall select one of the members to act as Chairperson and/or Secretary, as the case may be, for that meeting only.
7. The Committee shall meet at least once each quarter and may meet more often if required. Meetings of the Committee may be convened at the request of any member of the Committee. Such meetings can be held by telephone or by any other means which enables all participants to communicate with each other simultaneously.
8. At each regularly scheduled meeting the Committee shall meet privately and in separate, in camera sessions with any other internal personnel or outside advisors, as needed or appropriate.
9. Officers may attend meetings of the Committee upon invitation to assist in the discussion and examination of the matters under consideration by the Committee.
10. A quorum at meetings of the Committee shall consist of a majority of its members. All decisions and recommendations made by the Committee shall be made by a majority vote of the members present at the meeting. Each member, including the Chairperson, shall only be entitled to one vote. The Chairperson shall not have a casting vote.

11. The Committee shall have the authority to delegate any of its responsibilities to individual members or subcommittees of members as the Committee may deem appropriate in its sole discretion.
12. The provisions of the Articles and By-laws of the Corporation that regulate meetings and proceedings shall govern Committee meetings.
13. The Chairperson shall approve the agenda for the meetings and ensure that supporting materials are properly prepared and circulated to members with sufficient time for study by Committee members prior to the meeting.
14. The minutes of the Committee meetings shall accurately record the significant discussions of and decisions made by the Committee, including all recommendations to be made by the Committee to the Board and shall be distributed to Committee members as well as to all the Directors of the Corporation, with copies to the President and Chief Executive Officer of the Corporation and to the external auditors.

RESPONSIBILITIES

The Committee shall perform the duties set out in this Charter and shall perform such other duties as may be necessary or appropriate under applicable law or as may be delegated to the Committee by the Board from time to time.

Board and Committee Composition and Performance

1. Monitor the size, composition and membership of the Board and its Committees on an annual basis to ensure effective decision-making.
2. Develop and review criteria as well as establish a process for selecting directors by considering what competencies and skills the Board as a whole should have and by regularly assessing the competencies, skills, personal qualities, business background and diversified experience of the Board as a whole and of each of the existing Directors.
3. Identify candidates qualified to become Board members and assess what competencies and skills each candidate possesses and recommend nominees who have the requisite elements of integrity, diversity, knowledge, skill, experience and judgment to meet the selection criteria for election at the next annual or special meeting of shareholders. In making its recommendations, the Committee shall consider:
 - the competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess;
 - the competencies and skills that the Board considers each existing Director to possess;
 - the competencies and skills each new nominee will bring to the Board;
 - the needs of individual committees, particularly with respect to upcoming retirements of Chairs and committee members;
 - the independence of director candidates;
 - Board succession planning, in light of the opportunities and risks facing the Corporation; and
 - whether or not each new nominee can devote sufficient time and resources to his or her duties as a Board member.

4. Retain any independent recruiting firm to identify director candidates, including fixing such firm's fees and other retention terms.
5. Recommend to the Board the composition of Committees.
6. Review and monitor the organization and conduct of Board and committee meetings including the content and scope of the Board agendas and materials presented to Directors.
7. Review annually the mandates of the Board and its committees and the mandate of the Chairperson of the Board.
8. Develop, implement and monitor appropriate processes for the periodical performance, effectiveness and independence assessment of the Board, Board committees, Board and committee chairs and individual directors.
9. Provide for the completion and dissemination of the results of the Board Effectiveness Survey, the Committee Surveys, and the Individual Director Self-Evaluation forms related to the evaluation of the performance and effectiveness of the Board, Board Committees, and individual directors.
10. Review and make recommendations to the Board on the adequacy and form of the compensation for non-executive directors, the Chairperson of the Board and committee chairs.
11. Periodically review the policy on mandatory share ownership for directors and recommend any changes to the Board for consideration.
12. Retain any independent firm to advise on director's compensation, including fixing such firm's fees and other retention terms.
13. Recommend for approval by the Board, policies outlining the criteria for tenure of directors in order to ensure the continued renewal of the Board including, but not limited to, retirement age.

Corporate Governance

1. Review the structures and procedures of the Board and its relationship with management to ensure it can function independently.
2. Develop and review corporate governance principles applicable to the Corporation, including the identification of decisions requiring approval of the Board and, where appropriate, measures for receiving shareholder feedback, in light of applicable laws, rules and regulations and recommend to the Board any changes that should be made thereto, with a view of monitoring high standards of corporate governance, and monitor the disclosure of such principles.
3. Develop, review and monitor procedures for meeting the Board's information needs, including formal and informal access to officers of the Corporation and external advisors.

4. Review and manage the Corporation's general policy on insider trading and insider reporting, taking all reasonable measures to ensure that such policy, along with the list of blackout periods, are provided to every director and officer of the Corporation and overseeing the appropriate disclosure of same.
5. Annually review, monitor and oversee the disclosure of a Code of Ethics and Business Conduct; monitor compliance and any waiver from compliance with the Code of Ethics and Business Conduct and ensure appropriate disclosure of such waiver.
6. Prepare the annual statement of corporate governance practices for inclusion in the Corporation's Annual Report, Annual Information Form or Management Proxy Circular, in accordance with applicable rules and regulations.
7. Oversee the process for review and, where necessary, revision of the Corporation's Corporate Governance Guidelines.
8. Develop and review orientation and continuing education programs for directors.
9. Take all reasonable steps to provide that the Corporation's governance documents, specifically including the Corporate Governance Guidelines, the Code of Ethics and Business Conduct, the Proxy Circular, and all mandates, be published on the Corporation's website and are made available to any shareholder upon request.
10. Review on an annual basis the Corporation's corporate social responsibility agenda.

Reporting

1. Report, through the Chairperson, to the Board following each meeting on the significant discussions of and decisions made by the Committee; in this respect, the minutes of the Committee shall be made available and distributed to the other members of the Board.
2. Review and assess the Committee's mandate annually and recommend changes to the Board as appropriate. The Committee shall ensure that processes are in place to annually evaluate the performance and effectiveness of the Committee in accordance with the process developed by the Committee as approved by the Board.

Approved by the Board of Directors of the Corporation on November 2, 2010.