

RONA INC.



ANNUAL INFORMATION FORM

FOR THE YEAR ENDED DECEMBER 28, 2008

March 24, 2009

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Except as otherwise indicated, the information contained herein is given as of March 1, 2009, based on the Company's most recently completed financial year ended December 28, 2008, and all dollar amounts set forth herein are expressed in Canadian dollars.

In this Annual Information Form, "RONA", the "Company", "we" and "our" refer, depending on the context, either to RONA inc. or to RONA inc. together with its subsidiaries. References to "RONA stores" or to "the Company's stores" refer to affiliated, franchised and corporate stores, all of which are supplied by RONA's distribution system. References to "dealer-owners" refer to dealers who own affiliated stores or all of, or a portion of, franchised stores. References to "network retail sales" reflect the combined retail sales generated by affiliated, franchised and corporate stores. Unless otherwise indicated, references to the Company's market share and position and other similar references are based upon network retail sales. The Company's consolidated sales do not include retail sales from dealer-owned stores except for the retail sales of stores in which RONA has an equity participation of at least 50% in accordance with Canadian generally accepted accounting principles ("GAAP"). Unless otherwise indicated, same-store sales include retail sales from both corporate and franchised stores which were part of the Company's network.

The information appearing in the extracts from the documents listed below and specifically referred to in this Annual Information Form is incorporated herein by reference: (i) the 2008 Annual Report; and (ii) the 2008 Management Proxy Circular (the "Circular"). The foregoing documents are available on the SEDAR website at www.sedar.com and on the Company's website at www.rona.ca.

ITEM 1 - CORPORATE STRUCTURE

A – Name and Incorporation

RONA results from the amalgamation of Marchands Ro-Na Inc. and Le Groupe Ro-Na Inc. through articles of amalgamation dated January 2, 1984 under Part IA of the *Companies Act* (Quebec) (the "Act"). Following the acquisition of Dismat inc. in 1988, the Company changed its name to Le Groupe Ro-Na Dismat inc. On May 14, 1998, the Company again changed its name and is now known as RONA inc. Over the years, the Company has modified its articles of amalgamation several times to reflect changes in its authorized share capital.

Our head office is located at 220 chemin du Tremblay, Boucherville, Quebec, Canada J4B 8H7 and our website address is www.rona.ca.

Our financial year is a 52 or 53 week period ending on the last Sunday of December.

B – Intercorporate Relationships

As at December 28, 2008, our significant subsidiaries were RONA Ontario Inc., which carries on its operations in the province of Ontario, RONA Revy Inc. and Totem Building Supplies Ltd. ("Totem"), which carry on their operations in Western Canada (Manitoba, Saskatchewan, Alberta and British Columbia), and Réno-Dépôt Inc. ("Réno-Dépôt"), which carries on its operations in the Province of Quebec. These subsidiaries are all directly or indirectly wholly owned by the Company. RONA Revy Inc., RONA Ontario Inc. and Réno-Dépôt Inc. were incorporated pursuant to the federal laws of Canada while Totem was incorporated pursuant to the laws of Alberta.

ITEM 2 - GENERAL DEVELOPMENT OF THE BUSINESS

A – RONA's Origins and Recent Highlights

RONA was created in 1939 by a group of independent merchants. In the last decade, we completed several acquisitions. The most significant are described below.

On March 6, 2000, we acquired Cashway, the third largest retailer of building materials in Ontario with 66 bannered stores and one distribution centre.

Effective June 6, 2001, we acquired the majority of the assets of Revy Home Centres Inc. (“Revy”), which comprised 51 stores (including 14 big-box stores) and three distribution centres in five provinces (Ontario, Manitoba, Saskatchewan, Alberta and British Columbia).

In connection with the Revy acquisition, Société générale de financement du Québec, Capital d'Amérique CDPQ inc., a wholly-owned subsidiary of Caisse de dépôt et placement du Québec, and ITM Entreprises S.A. (“ITM”), a French distribution company, invested in the equity of the Company through a share subscription as well as the purchase of subordinated debentures which have since been reimbursed in full.

On November 5, 2002, we completed a public offering. The Toronto Stock Exchange then approved the listing of our Common Shares under the symbol “RON”. On May 21, 2003, we completed the closing of another issue of Common Shares for an amount of approximately \$130 million.

On September 10, 2003, we completed the acquisition of all of the issued and outstanding shares of Réno-Dépôt, consisting of 20 big-box stores, for total consideration of approximately \$371 million, including closing adjustments.

On December 19, 2003, Standard & Poor's confirmed the listing of our Common Shares on the S&P/TSX composite index.

On March 22, 2005, RONA proceeded with a two-for-one stock split of the Common Shares of the Company.

On April 14, 2005 we completed the acquisition of Totem, a home improvement leader in Alberta. This acquisition was completed for a total cash payment of approximately \$100 million. The network acquired from Totem represents 16 points of sale in Alberta, namely, 14 retail stores and 2 stores for contractors.

On March 13, 2006, we completed the acquisition of Chester Dawe, adding eight points of sale to our network, all in Newfoundland and Labrador, and providing us with a solid base to continue our expansion in the Atlantic Provinces.

On April 3, 2006 we acquired a 51% interest in the operating businesses of Matériaux Coupal Inc., a market leader in the sale of building materials for housing industry professionals in the Greater Montreal area, adding nine points of sale and two factories that manufacture roof trusses, joists and prefabricated walls.

On July 24, 2006 we acquired Curtis Lumber, a leading supplier of building materials and home improvement and hardware products in British Columbia, providing us with six additional points of sale on the West Coast: four in Burnaby, one in Langley and one in Pender Harbour (Sunshine Coast).

On April 2, 2007, we completed the acquisition of the assets of Noble Trade Inc., one of the largest plumbing and heating supply wholesalers in Ontario, serving a commercial and professional customer base.

On December 3, 2007 we completed the acquisition of the operating assets and real estate of lumber, building materials and hardware specialist Dick's Lumber based in British Columbia.

On January 9, 2008 we expanded the commercial and professional market division through the acquisition of Ontario plumbing specialist Best-MAR.

On February 27, 2008, RONA announced its 2008-2011 strategic plan, aimed at becoming the destination of choice for the complete housing needs of all Canadians. The new strategic plan emphasizes network efficiency and prepares for the next development phase of the Company.

B – Trends

For a discussion of industry and other trends, commitments, events or uncertainties reasonably expected to have a material effect on our business, financial condition or results of operations, see “Item 3 – Narrative Description of the Business – Industry Overview” below.

ITEM 3 - NARRATIVE DESCRIPTION OF THE BUSINESS

A – Overview

RONA is a Canadian retailer and distributor of hardware, home improvement and gardening products. Through a multi-format, multi-banner network with locations throughout Canada, we aim to address the growing needs of virtually every consumer segment of the hardware, home improvement and gardening products market, from large metropolitan areas to small rural communities. As at December 31, 2008, we had reached the vast majority of Canadian consumers through our network comprising 694 corporate, franchised and affiliated stores, totalling more than 15 million square feet of retail space.

Our company has a pan-Canadian distribution infrastructure, which enables us to distribute our products to all our types of stores, including big-box, proximity and specialized stores.

B – Industry Overview

Size and Fragmented Nature of the Hardware, Home Improvement and Gardening Products Marketplace

The hardware, home improvement and gardening products industry serves a large market that includes the entire Canadian population. This industry is very competitive and fragmented, with numerous local and regional businesses. We believe that RONA is well positioned to compete effectively in this fragmented marketplace and that this fragmentation provides it with a significant opportunity for consolidation.

Based on companies' estimated sales and available industry data, in 2008, the three largest players of the industry, in Canada, accounted for less than half of the total Canadian market, with no one company exceeding market share of 18%. Our market share, in Canada, is estimated at 17.5%. Approximately 5,000 independent operators share the rest of the total Canadian market for hardware, home improvement and gardening products.

Seasonal Nature of the Industry

Our industry sector is seasonal. First quarter and last quarter sales are always weaker than sales in the other two quarters, representing less than 20% of the annual consolidated sales, due to the low level of activity in the renovation/construction sector in winter. In addition, bad weather can impact our sales, particularly those of seasonal products. Moreover, fluctuations in the price of lumber and other building materials can have an impact on our sales.

Industry Segments

As mentioned above, the hardware, home improvement and gardening products segment is highly competitive. Our competitors are large national and international chains and regional groups or independent stores. Nonetheless, management believes that RONA has demonstrated its ability to perform in all market segments of the industry. We have a number of advantages: a portfolio of banners and multiple store formats, evolving concepts, locations coast-to-coast and an efficient distribution network.

C – Our Business

RONA has two distinct operating segments: distribution and consumer sales through corporate and franchised stores (this last segment is also referred to herein as “retail sales operations”). Revenues for our financial years 2008 and 2007 for each of our operating segments and in aggregate are set forth below.

2008	Distribution \$(000's)	Corporate and franchised stores \$(000's)	Total \$(000's)
Segment sales.....	2,357,209	3,741,748	6,098,957
Intersegment sales and royalties	(1,207,835)	-	(1,207,835)
Sales.....	<u>1,149,374</u>	<u>3,741,748</u>	<u>4,891,122</u>

2007	Distribution \$(000's)	Corporate and franchised stores \$(000's)	Total \$(000's)
Segment sales.....	2,327,302	3,688,966	6,016,268
Intersegment sales and royalties	(1,231,162)	-	(1,231,162)
Sales.....	<u>1,096,140</u>	<u>3,688,966</u>	<u>4,785,106</u>

Retail Sales Operations

In our retail sales operations, we classify the stores that are part of our network according to two basic criteria: type of ownership and store format. To reach our customers, we offer a national network of stores under various banners designed to serve the targeted profiles. As at December 28, 2008, February 19, 2008 and February 20, 2007, our retail store network consisted of:

	December 28, 2008	February 19, 2008	February 20, 2007
Number of RONA stores			
Big-box.....	77	77	72
Proximity and Specialized	140	141	149
Commercial and Professional.....	40	40	16
Affiliates	437	421	405
Total store count	<u>694</u>	<u>679</u>	<u>642</u>

Stores that are part of our network fall within one of three types of ownership (corporate, franchised and affiliated). Each of these types of ownership has the following attributes:

Ownership Type	RONA's Typical Equity Participation	RONA's Economic Interest	Number of RONA stores		
			As at December 28, 2008	As at February 19, 2008	As at February 20, 2007
Corporate	More than 50%	Distribution and retail sales	235	236	215
Franchised	From 0% to 50%	Royalties on sales, distribution sales and retail sales	22	22	22
Affiliated	0%	Distribution sales	437	421	405
		Total	694	679	642

Corporate Stores are owned and fully operated by RONA.

Franchised stores are owned either by dealer-owners or by dealer-owners in partnership with RONA. The franchised stores enter into commercial agreements with RONA which include certain obligations similar to those affecting the affiliated stores. These agreements also allow us to manage product selection, supply and assortment, and to exercise control over the site on which such stores are operated through leasing and subleasing agreements.

Affiliated stores of our network are owned by dealer-owners who have entered into a commercial agreement with RONA. Pursuant to this agreement, dealer-owners are committed to respecting certain RONA guidelines regarding marketing, advertising, image and buying loyalty.

Our Network Retail Sales

Annualized network retail sales of our affiliated, franchised and corporate stores represented more than \$6.3 billion as at December 28, 2008.

Big-Box Stores

Our big-box stores offer an extensive variety of products ranging from hardware products, tools and building materials, to gardening, paint, decoration and seasonal items.

Throughout the years, we have developed or acquired the following banners for big-box stores:

- RONA, RONA L'entrepôt, RONA Home & Garden, Réno-Dépôt and RONA Le Régional: The stores operating under these banners generally vary from 60,000 to 165,000 square feet in size and offer over 40,000 products.

Proximity and Specialised Stores

Our network of specialised stores includes small or medium-sized neighbourhood hardware stores that are an integral part of the social fabric of their communities. Their objective is to meet the basic needs of our customers in hardware and seasonal items and to offer an extended selection of painting and interior decorating products. In addition to these hardware stores, our proximity stores include renovation centres. The management and employees of the stores operating under the proximity store banners are recognized as specialists in building

materials and paint. The renovation centres offer a wide range of seasonal products and a complete assortment of other basic merchandise.

We have developed or acquired the following banners for the proximity and specialised stores:

- RONA, RONA Le Rénovateur, RONA Home Centre, RONA Cashway and RONA Lansing: These stores generally vary between 5,000 and 60,000 square feet in size. They offer a wide variety of products and generate a higher proportion of sales in lumber and building materials.
- Totem: These stores established exclusively in Alberta serve mostly “do-it-yourselfers” and craftsmen looking for specialized home renovation products and services. These stores are approximately 30,000 square feet in size.
- Chester Dawe: the market leader in the sales of building materials and hardware products for the housing industry in the St. John’s metropolitan area and a major supplier throughout the province of Newfoundland and Labrador.

Affiliated stores

Operated by independent dealer-owners under the RONA banner, these stores purchase 95% of their supplies from the RONA distribution network, on average. They are generally small and mid-size and well established in their communities.

We have developed or acquired the following banners for our specialized stores:

- RONA Home Centre, RONA Le Rénovateur, RONA Le Quincaillier, RONA Hardware, RONA L’express, RONA L’express Matériaux and RONA Building Centre: These stores generally vary between 5,000 and 60,000 square feet in size. They offer a wide variety of products and generate a higher proportion of sales in lumber and building materials.
- BOTANIX: These stores offer our customers advice regarding plant selection, upkeep and landscaping. Customers can take advantage of the wide range of plants and gardening items we offer. These stores offer knowledgeable staff and a large selection of products.

Commercial and Professional Market division stores

These stores or branches are adapted to the needs of commercial and professional customers. They offer a wide variety of specialized products in specific categories.

We have developed or acquired the following banners for our specialized commercial and professional market:

- Matériaux Coupal: one of the market leaders in the sales of building materials for housing industry professionals in the Greater Montreal Area, in Quebec.
- Curtis Lumber: a leading supplier of building materials, home improvement and hardware products in British Columbia.
- Noble Trade: one of the largest plumbing and heating supply wholesalers in Ontario, serving a commercial and professional customer base.
- Dick’s Lumber: a leading lumber, building materials and hardware specialist in British Columbia.

Product Offering

Our product offering features around 90,000 different products from close to 2,200 suppliers. We purchase at competitive prices approximately 90% of our products from suppliers having a place of business in Canada. The rest of our products are imported from Asia and the U.S. Furthermore, we offer 2,800 different house brand and controlled brand products that cater to the most common needs of consumers. The house brand is sold under the name “RONA” and the most important controlled brand is sold under the name “Hausmann”. In order to meet our customers’ needs and improve our profit margins, we regularly review our product assortment to eliminate unprofitable and slow-moving product lines. No product represents more than 10% of our purchases or sales.

Distribution Activities

Our Distribution System

We rely on a national distribution system which supports all stores of our network. This distribution system is used to minimize order sizes and increase the frequency of delivery, thereby reducing retail inventory levels and providing access to a broad product assortment.

Our stores are supplied by two sources: direct delivery from suppliers and delivery via our distribution centres. The use of each of these sources varies depending on the nature and size of the orders, the stores’ geographic location and the agreements with the suppliers.

Our integrated distribution network consists of nine distribution centres in Eastern, Central and Western Canada, as follows:

Distribution Centre	Indoor area Square footage	Outdoor lumberyard Square Footage	Activity
Boucherville, Quebec.....	926,000	-	Distribution centre for hardware products
Terrebonne, Quebec.....	380,000	-	Distribution centre (flow-through) for hardware products
Saint-Hyacinthe, Quebec.....	100,000	125,000	Hub for forest products and building materials
Halton Hills, Ontario.....	45,000	477,000	Hub for forest products and building materials
Calgary, Alberta.....	320,000	-	Distribution centre for hardware products
Calgary, Alberta (TOTEM).....	104,000	375,000	Hub for forest products and building materials
Hopewell, Alberta.....	171,000	-	Distribution centre for hardware products
Edmonton, Alberta.....	-	185,000	Hub for forest products and building materials
Surrey, British Columbia.....	85,000	378,000	Hub for forest products and building materials, distribution centre for hardware products

The three main distribution centres which are dedicated to hardware products (Boucherville, Calgary and Terrebonne) have quality control systems that provide step-by-step monitoring of each order, matching orders and stores as necessary. This procedure has helped improve the efficiencies of the distribution operations by lowering the probabilities of errors, thereby minimizing losses.

In 2006, the Company opened a new trans-shipment and palletization centre in Terrebonne, Quebec. In total, RONA has more than 2,131,000 square feet of indoor storage and 1,540,000 square feet of outdoor lumberyard.

Our Management Information Systems

We have in place information systems which process orders, monitor inventories and handle the distribution and transportation of goods across the supply chain. We continually reinvest to improve our information systems to better serve our needs and to ensure efficient cost management.

Our information technology department provides system development and support to the major functional areas of the Company, including the stores and the distribution centres. For several years, our stores have utilized point-of-sale scanners and terminals linked to our computers. These systems provide online access to store inventories, prices and stock-keeping units. In addition, these systems provide detailed information about our customers' purchases, and allow us to analyse the effect of merchandising programs.

The in-store systems provide functionality to maximize sales and margins and to monitor inventory levels and costs. Orders are transmitted to us over a communication network which also forwards new product and price data to our affiliated, franchised and corporate stores.

D – Marketing

Our marketing activities encompass the planning and coordination of the product offering to consumers. In order to promote the sale of our products and to build customer awareness and store traffic, we publish and distribute weekly promotional flyers, conduct promotions and engage in print media, television and electronic advertising.

Since 2003, our advertising-marketing program has taken on a truly national dimension. Thanks to a variety of activities and the expansion of our store network, we succeeded in increasing brand awareness across Canada. Thus, in 2008, total unaided awareness was up to 88% in Quebec, 63% in Ontario, and 78% in the Western provinces. These results demonstrate the effectiveness of our actions and show that we quickly win over consumers in markets where we were not present five years ago.

On May 4, 2005, together with the Vancouver Organizing Committee for the 2010 Olympic and Paralympic Winter Games™, we announced an eight-year partnership agreement securing the sponsorship rights for the 2010 Olympic and Paralympic Winter Games, as well as the Canadian Olympic Team sponsorship rights for the Olympic Games in Turin in 2006, Beijing in 2008, Vancouver in 2010 and London in 2012. As a National Partner of the Vancouver 2010 Olympic and Paralympic Winter Games, RONA is growing its presence in the region that will be hosting the Games, thanks in part to the acquisitions of the Curtis Lumber, Mountain Building Centres and Dick's Lumber stores. RONA is proudly lending a hand to help build the installations required by this world class event.

Our marketing program also leverages the most appreciated and largest customer reward program in Canada, the AIR MILES™ reward program, which attracts and rewards customers for their repeat purchases. In 2008, sales to AIR MILES™ customers increased by nearly 10% over 2007. The program was introduced in our Réno-Dépôt banner during 2007. This program is a key element of our marketing tools, since user profiles enable RONA to target and reward these customers with specific offers and specials.

E – Trademarks

Our principal trademarks are RONA, RÉNO-DÉPÔT, RONA Cashway, RONA Hardware, RONA Home Centre, RONA L'entrepôt, RONA L'express, RONA L'express Matériaux, RONA Le Quincaillier, RONA Le

Régional, RONA Le Rénovateur, RONA Lansing, RONA Building Centre, RONA Home & Garden, Boutique Ambiance, RONA Corporation, BOTANIX, Totem Building Supplies, Chester Dawe, Matériaux Coupal, Curtis Lumber, Noble Trade and Dick's Lumber. RONA maintains trademarks of companies acquired for a transition period which varies from one acquisition to the other.

F – Human Resources

As at December 28, 2008, our entire network included over 21,600 employees, considering RONA stores only, and over 29,300 employees including affiliated stores across Canada.

G – Environmental Protection

Our environmental practices are intended to integrate environmental considerations into all our activities throughout Canada. These practices guide the Company and its employees in terms of compliance with all applicable environmental laws, regulations and standards, as well as in implementing pollution prevention programs.

Environmental protection requirements do not have a material effect (financial, operational or otherwise) on our business or capital expenditures, earnings and competitive position.

In 2008, RONA's commitment to sustainable development resulted in several major initiatives. This commitment extends to our entire network – from administrative centres to our distribution centres and including our network of corporate, franchised and affiliate stores. Aware of the impact its activities have on the environment, RONA implements initiatives that will lessen its environmental footprint. The following information summarizes RONA's initiatives with regards to environmental protection, more detailed information is provided in the sustainable development section of RONA's 2008 Annual Report on page 21.

In 2008, RONA participated for the first time in the Carbon Disclosure Project (CDP) by answering their request for information about our activities on climate change. The CDP is an independent non-profit organization that acts as an intermediary between investors and businesses concerning the problems arising from climate change. It plays a primary role in encouraging companies to measure, manage and reduce their greenhouse gas emissions and their impact on climate change. In regards to energy efficiency, RONA has initiated a lower energy consumption program in our stores by turning off 75% of all demonstrator lamps on display in our lighting departments, leaving only one item in four turned on at any given time. In addition, we have decided to use compact fluorescent light bulbs instead of conventional incandescent bulbs for the lamps and chandeliers that remain turned on. This results in significantly lower energy consumption.

RONA has been recovering cardboard in our distribution centres and big-box stores ever since the early 1990s, and in 2008 we introduced plastics recovery. Installation of the equipment required for recovering plastics has been ongoing throughout the year. In 2008, 3,865 tons of boxboard and 126 tons of plastic were recovered. In total, 3,991 tons of waste materials were not shipped to landfill sites

Over 10 years ago, our company was a pioneer in the recovery and recycling of used paint in Quebec. Since July 1, 2008, RONA has been recovering used paint in our stores in Ontario as well – the first retailer in the province to introduce a program of this sort. In 2008, we recovered nearly 2 million kilograms of paint through our stores in Quebec and Ontario. About 70% of this waste was recycled into new paint products and put back on the market under the “Boomerang” brand.

In April 2008, RONA introduced the RONA ECO line of products in our stores. This was a first in Canada, as no retailer in our industry up to that time had associated its name and reputation with products whose environmental performance covered every stage of their life cycle. In order to carry the RONA ECO seal, a product must meet the most rigorous criteria. What this means is that the product, throughout its entire life cycle,

must leave a lighter ecological footprint than an equivalent conventional product. For each stage of their life cycle, RONA ECO products have been assessed by experts working under the International Chair in Life Cycle Assessment, using four environmental performance criteria that are the subject of international scientific consensus: climate change, ecosystem health, human health and natural resources. In 2008, a series of eight ecologically responsible cleaning products was launched under the RONA ECO brand, and in 2009 RONA intends to add over 40 new products, including gardening products, tools and building materials. In addition, RONA offers its customers nearly 500 eco-responsible products under various brands that have been evaluated according to the life cycle analysis approach. In order to qualify as eco-responsible, the environmental impact of these products must be lower than similar products during one or more phases of their life cycle.

In November 2008, RONA adopted a new wood products procurement policy for all our stores across Canada. RONA's new policy is intended to help preserve wilderness areas, promote responsible consumption and achieve our objective of providing certified forest products for our customers. RONA undertook a rigorous approach in developing this policy, and numerous consultations were held with the forest industry, environmental groups and scientific experts. RONA's policy is inclusive with respect to the forest industry's three recognized certifications: the Forest Products Marking Program (CSA), the Sustainable Forestry Initiative (SFI) and the Forest Stewardship Council (FSC). RONA has decided to give priority to the FSC certification, which best matches our own requirements about relations with Aboriginal communities and the preservation of biodiversity.

As of July 1, 2009, RONA stores will cease the sale of synthetic pesticides for cosmetic use. This policy reflects our concern about the impact that the products we make available to consumers have on the health of human beings and the environment. RONA will accordingly withdraw 46 products from our stores and will continue to introduce ecological solutions as alternatives to synthetic pesticides. We are also training our employees and raising consumer awareness about how to adopt more responsible practices.

ITEM 4 - DIVIDEND POLICY

No dividends were declared or paid on our Common Shares in respect of the past three years. We are retaining earnings for use in our business. We do not expect to pay dividends on the Common Shares in the near future.

We have declared and paid the following dividends on our Preferred Shares in respect of the past three years:

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Class A Preferred Shares	–	–	–
Class C Preferred Shares	–	–	\$14,000
Class D Preferred Shares	\$200,000	\$240,000	\$280,000

ITEM 5 - DESCRIPTION OF THE SHARE CAPITAL

Our authorized share capital consists of: (i) an unlimited number of Common Shares, (ii) an unlimited number of Class A preferred shares, issuable in series (the "Class A Preferred Shares") of which one series, designated as an unlimited number of Class A preferred shares, series 5 (the "Class A Preferred Shares, Series 5") is currently authorized, (iii) an unlimited number of Class B preferred shares (the "Class B Preferred Shares"), (iv) an unlimited number of Class C preferred shares, issuable in series (the "Class C Preferred Shares") of which one series, designated as an unlimited number of Class C preferred shares, series 1 (the "Class C Preferred Shares, Series 1") is currently authorized, and (v) an unlimited number of Class D Preferred Shares (collectively with the Class A Preferred Shares, the Class B Preferred Shares, and the Class C Preferred Shares, the "Preferred Shares"),

all of which are without par value (except for the Class B Preferred Shares which have a par value of \$1.00). As at March 1, 2009, 116,157,903 Common Shares were issued and outstanding.

On March 22, 2005, our Board of Directors approved a two-for-one stock split of our Common Shares.

The following is a summary of the principal terms of our authorized share capital. This summary is qualified by reference to, and is subject to, the detailed provisions of the Company's articles (the "Articles").

A – Common Shares

Voting Rights

Each holder of Common Shares is entitled to receive notice of, to attend and to vote at meetings of shareholders of the Company on the basis of one vote per share, save with respect to such meetings where only the holders of another given class or series are entitled to vote.

Liquidation Rights

In the event of the Company's liquidation or dissolution or any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs, the Common Shares entitle their respective holders to receive, in proportion to the number of Common Shares they hold in relation to the total number of outstanding Common Shares, the balance of the property of the Company, the whole subject to the rights, privileges, conditions and restrictions attached to the Preferred Shares.

Dividends

Subject to the rights, privileges, conditions and restrictions attached to the Preferred Shares, the Common Shares entitle their respective holders to receive, in proportion to the number of Common Shares they hold in relation to the total number of outstanding Common Shares, any dividend declared by the Company.

B – Preferred Shares

Issuable in Series

The Class A Preferred Shares and Class C Preferred Shares are issuable in series, each series consisting of such number of shares and having such provisions as may be determined by the Board of Directors prior to the issue thereof.

Voting Rights

Holders of Preferred Shares are not entitled to receive notice of, or to attend, any meeting of shareholders of the Company and are not entitled to vote at any such meeting, except to the extent otherwise provided in the Articles in respect of any Preferred Shares. In connection with any matter requiring the approval of any class (or series) of Preferred Shares as a class (or as a series) pursuant to the Act, each holder of the class (or series) of Preferred Shares in question has one vote for each share of the class (or series) in question held. Notwithstanding the foregoing, holders of Class A Preferred Shares and Class B Preferred Shares are entitled to one vote for each dollar of issue price of such shares at any meeting of holders of such shares held for the approval of amendments to the Articles as described below.

Rank

The Class A Preferred Shares of each series rank equally with the Class A Preferred Shares of all other series and rank ahead of the Class B Preferred Shares, which rank ahead of the Class C Preferred Shares, which rank ahead of the Class D Preferred Shares, which in turn rank ahead of the Common Shares with respect to the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of the Company. In addition, holders of Class A Preferred Shares rank prior to holders of shares of any other class of the Company ranking after the Class A Preferred Shares with respect to the payment of any return to merchant members (as such term is defined in the Articles). In the event of the liquidation, dissolution or winding-up of the Company, each holder of Preferred Shares will be entitled to receive, according to the holders' priority of rank, an amount equal to the price at which such shares were issued and (i) in the case of Class B Preferred Shares, any declared and unpaid dividends, (ii) in the case of any series of Class A Preferred Shares and Class C Preferred Shares, any accrued and unpaid dividends (if such series entitles the holders thereof to cumulative dividends) or any declared and unpaid dividends (if such series entitles the holders thereof to non-cumulative dividends), as well as the premium, if any, applicable to such series, and (iii) in the case of Class D Preferred Shares, any accrued and unpaid dividends.

Dividends

The holders of Class A Preferred Shares and Class C Preferred Shares are entitled to receive either cumulative or non-cumulative preferential dividends in such amounts and at such intervals as may be determined by the Board of Directors in respect of each series prior to the issue thereof.

The holders of Class B Preferred Shares are entitled to receive during each fiscal year of the Company, as and when declared by the Board of Directors, fixed and non-cumulative preferential dividends at the rate of 6% per share per annum.

The holders of Class D Preferred Shares are entitled to receive during each fiscal year of the Company fixed and cumulative preferred dividends at the rate of four percent (4%) per annum of the subscription price per share, before any income tax deduction, as the case may be, such dividends to be payable as determined by the directors.

Redemption by the Company

Subject to the Act and to any other provision of the Articles, the Company has the right, at its option, to redeem, at any time or from time to time, part of the Class B Preferred Shares then outstanding. The redemption price consists of an amount equal to the price at which such shares were issued plus all declared and unpaid dividends with respect to such shares on the redemption date. In the event of a partial redemption, the Class B Preferred Shares to be redeemed will be chosen, to the extent possible, pro rata to the holders of all Class B Preferred Shares then outstanding.

Subject to the Act and to any other provision of the Articles, the Company is required, over a period of ten years commencing on December 2, 2003, to redeem all, and not less than all, Class D Preferred Shares then outstanding in ten equal portions, upon payment of the redemption price for each outstanding Class D Preferred Share, which redemption price consists for each share to be redeemed of an amount equal to the price at which such share was issued plus all accrued and unpaid dividends with respect to such share on the date of its redemption.

Purchase

Subject to the Act and any other provision of the Articles, the Company has the right, at its option, at any time or from time to time, to purchase for cancellation all or part of the Class B Preferred Shares or Class D

Preferred Shares, as the case may be, without the consent of holders of other shares of the class being purchased, by mutual agreement, at the lowest price at which, in the opinion of the directors of the Company, these shares may be obtained, without, however, exceeding their redemption price.

Amendments

The class provisions of any of the Preferred Shares may be amended at any time with such approval as may be required by the Act. In addition, the Articles provide that the Company shall not create other classes of shares whose rights, privileges, restrictions and conditions entitle their holders to equal or preferential treatment in relation to any class or series of Preferred Shares already issued, or repeal, amend or broaden the attributes attached to any class or series of Preferred Shares, including by amending the attributes of lower rank Preferred Shares in terms of dividends or repayment of capital, without the approval of the holders of the class (or series) of Preferred Shares in question. Such approval must be obtained by a resolution duly adopted by not less than three-quarters (or two-thirds in the case of Class A Preferred Shares) of the votes cast at a meeting of holders of such class of Preferred Shares. The Articles also provide, in respect of meetings of holders of a class (or series) of Preferred Shares, that a quorum is constituted by the holders of such number of Preferred Shares of that class or series carrying at least 25% of the voting rights attached to all of the outstanding Preferred Shares of that class; however, at any adjourned meeting, in the event of failure to meet the quorum requirement, the quorum will be constituted by persons present at such adjourned meeting, irrespective of the percentage of outstanding Preferred Shares of that class or series held by such persons.

C – Class A Preferred Shares, Series 5 and Class C Preferred Shares, Series 1

Dividends

The holders of the Class A Preferred Shares, Series 5 and Class C Preferred Shares, Series 1 are entitled to receive fixed, non-cumulative, preferential cash dividends, when declared by the Board of Directors, at a rate equal to 70% of the published interest rate of a designated Canadian chartered bank for its preferred commercial clients calculated on the last business day of each of the twelve months preceding the calculation date.

Purchase

Subject to the Act, the Company has the right, at its option, at any time or from time to time, to purchase for cancellation all or part of the Class A Preferred Shares, Series 5 or the Class C Preferred Shares, Series 1, as the case may be, without the consent of holders of other shares of the series being purchased, by mutual agreement, at the lowest price at which, in the opinion of the directors of the Company, the shares may be obtained, without, however, exceeding their redemption price.

Redemption by the Company

Subject to the Act, the Company has the right, at its option, to redeem, at any time, all or, from time to time, part of the Class A Preferred Shares, Series 5 or Class C Preferred Shares, Series 1, as the case may be, then outstanding. The redemption price will consist of an amount equal to the price at which such shares were issued plus all declared and unpaid dividends with respect to such shares on the redemption date. In the event of partial redemption, the Class A Preferred Shares, Series 5 or the Class C Preferred Shares, Series 1 to be redeemed will be chosen, to the extent possible, pro rata to the holders of all Class A Preferred Shares, Series 5 or Class C Preferred Shares, Series 1, as the case may be, then outstanding.

ITEM 6 - MARKET FOR SECURITIES

Our Common Shares are traded on the Toronto Stock Exchange under the symbol “RON”. The following table indicates, for the relevant periods, the high and low trading prices and the trading volume of our Common Shares on the Toronto Stock Exchange:

2008	Common Shares ⁽¹⁾		
	High (\$)	Low (\$)	Volume Shares
January.....	17.25	13.91	18,407,107
February.....	17.20	13.80	8,683,906
March.....	14.37	13.00	13,975,826
April.....	14.63	13.06	8,070,674
May.....	14.69	12.00	18,585,753
June.....	12.95	12.15	11,901,640
July.....	12.50	10.26	13,573,489
August.....	13.75	10.94	8,816,292
September.....	14.78	12.30	9,509,459
October.....	13.40	10.49	14,805,328
November.....	12.41	10.03	12,095,887
December (until December 28).....	11.89	10.10	10,309,536

(1) Source: *The Toronto Stock Exchange Historical Data Access*.

Credit Ratings

As at March 1, 2009, the credit ratings for RONA’s senior unsecured medium term notes due in 2016, were as follows:

DBRS Limited (“DBRS”)	BBB (Stable outlook)
Standard & Poor’s (“S&P”)	BBB- (Negative outlook)

The Company provides the credit agencies with confidential information to support the rating process. The credit ratings allocated to the debt by the credit agencies are not recommendations to purchase, hold or sell securities and do not address market risk, price risk or suitability for a particular investor. Credit ratings are intended to indicate the risk that the Company may not satisfy its obligations on a timely basis and such ratings can be changed or withdrawn at any time by the agencies.

S&P’s and DBRS’ ratings for long term borrowing range from AAA to D. The BBB category exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to affect the Company’s ability to meet its financial commitments compared to companies with higher credit ratings. A long-term DBRS rating from AA to C may be modified by the addition of “(high)” or “(low)” to indicate the relative standing within the major rating categories. A long-term S&P rating from AA to CCC may be modified by the addition of a plus “(+)” or minus “(-)” sign to indicate the relative standing within the major rating categories. The outlook assesses the potential direction that a rating may be headed over the immediate to longer term.

ITEM 7 - PLEDGED SHARES

A portion of the Common Shares held by the dealer-owners of our network is pledged to us as security for the payment in full of indebtedness and for the performance of their obligations toward the Company and its subsidiaries. The release from time to time of the pledged shares essentially depends on requirements regarding security to be given, determined in accordance with the terms of the commercial licences.

ITEM 8 - DIRECTORS AND EXECUTIVE OFFICERS

A – Name, Address and Occupation

Directors

The following table sets forth the name, province or state and country of residence and principal occupation of each of our directors, as well as each director's age as at the date of our next annual meeting of shareholders to be held on Wednesday, April 22, 2009. It also sets forth the period during which each of them has served as director. Our by-laws provide that the tenure of directors is of one year and ends on the date of the annual meeting following their election or when their successors are elected.

<u>Name, Province/State and Country of Residence</u> ⁽¹⁾	<u>Principal occupation</u>	<u>Director since</u>
Louise Caya ⁽⁵⁾ Quebec, Canada age 43	Vice President and Secretary Thomas Caya (1982) inc. (affiliated hardware store operating under the RONA L'express Matériaux banner) and Vice President and Controller Industrie Fabco Inc. (prefabricated kiosks and shelters)	May 2002
Doris Joan Daughney ⁽³⁾⁽⁴⁾ British Columbia, Canada age 58	Corporate Director Principal and member of the board of directors of Echelon Home Products Inc., and Echelon Home Products Ltd. (home appliances)	May 2007
Pierre Ducros ⁽²⁾⁽⁴⁾⁽⁶⁾ Quebec, Canada age 70	Corporate Director ⁽⁸⁾	May 2005
Robert Dutton Quebec, Canada age 54	President and Chief Executive Officer RONA ⁽⁹⁾	March 1990
Jean Gaulin California, United States of America age 66	Corporate Director and Chairman of the board of directors of RONA ⁽¹⁰⁾	May 2004
Jean-Guy Hébert ⁽⁵⁾ Quebec, Canada age 62	President of Maximat Inc. (holding company), Maximat Granby Inc. (holding company), Horizon Devcow Inc. (real estate), and 9060-4976 Quebec inc. operating a store under the RONA L'entrepôt banner (Granby) ⁽¹¹⁾	May 2002
J. Spencer Lanthier ⁽²⁾ Ontario, Canada age 68	Corporate Director	May 2006
Alain Michel ⁽²⁾⁽⁴⁾ Quebec, Canada age 60	Chairman of the board of directors of Cari-All Group Inc. (manufacturer of shopping carts) and Corporate Director ⁽¹²⁾	May 2005

<u>Name, Province/State and Country of Residence⁽¹⁾</u>	<u>Principal occupation</u>	<u>Director since</u>
James Pantelidis⁽³⁾⁽⁵⁾ Ontario, Canada age 63	Chairman of the board of directors of Consumers' Waterheater Income Fund (energy heating) and of Parkland Income Fund (energy downstream), and Corporate Director ⁽¹³⁾	May 2004
Louis A. Tanguay⁽³⁾⁽⁴⁾⁽⁷⁾ Quebec, Canada age 72	Corporate Director ⁽¹⁴⁾	May 1999
Jocelyn Tremblay⁽³⁾⁽⁴⁾ Quebec, Canada age 67	Vice President, Corporate Affairs, Vins Philippe Dandurand inc. (wine agent)	May 1998
Jean-Roch Vachon⁽²⁾⁽⁵⁾ Arizona, United States of America age 65	Corporate Director	May 2006

(1) Mr. Robert Sartor resigned from the Board on March 5, 2009.

(2) Member of the Audit Committee.

(3) Member of the Human Resources and Compensation Committee.

(4) Member of the Nominating and Governance Committee.

(5) Member of the Development Committee.

(6) Mr. Ducros will retire at the close of the 2009 annual meeting of shareholders to be held on April 22, 2009 and will not seek re-election as director.

(7) Mr. Tanguay will retire at the close of the 2009 annual meeting of shareholders to be held on April 22, 2009 and will not seek re-election as director.

(8) On June 14, 2006, the Ontario Securities Commission issued a management and insider cease trade order on Cognos Incorporated, a company of which Mr. Ducros was a director. The management and insider cease trade order was issued as a result of the late filing in Canada of the company's annual financial statements, management discussion and analysis related to those financial statements and annual information form due to an ongoing review by the Staff of the Division of Corporate Finance of the U.S. Securities and Exchange Commission ("SEC") that could have had an impact on the manner in which the company allocates revenue. The SEC Staff review was completed on July 20, 2006, with the conclusion that the Staff did not object to the company's revenue recognition policy under SOP 97-2 "Software Revenue Recognition", after which the company remedied to its late filings. The management and insider cease trade order was lifted in August 2006. Mr. Ducros resigned from the board of directors of Cognos Incorporated in January 2008 as the company was bought by IBM.

(9) Mr. Dutton has been President and Chief Executive Officer since 1992. Prior to that, Mr. Dutton held many positions within the Company, including Executive Vice President and Chief Operating Officer from 1990 to 1992.

(10) Mr. Gaulin was appointed Chairman of the Board of RONA in May 2007.

(11) Mr. Hébert was also a director of the Company from 1986 to 2001.

(12) Mr. Michel was a director of Cable Satisfaction International Inc. which, in July 2003, applied for protection under the *Companies' Creditors Arrangement Act*. The plan of arrangement and reorganization proposed by Cable Satisfaction International Inc. was unanimously approved at the meeting of the company's creditors held on March 16, 2004 and approved by the Quebec Superior Court on March 19, 2004.

(13) Mr. Pantelidis made a private equity investment in Tattoo Footwear Inc. and joined the board of that company in 2003. In the 12-month period following the sale of his shares and departure from the Board, the company went into receivership.

(14) Mr. Tanguay is also a member of the Board of directors of SR Telecom Inc. On April 2, 2007, the *Autorité des marchés financiers* issued a management cease-trade order on SR Telecom Inc., covering all directors and officers of the company, as well as certain significant shareholders, as a result of a delay in the release of its fourth quarter and year-end results for the period ended December 31, 2006, and related filing of its annual financial statements, management discussion and analysis related to those financial statements and annual information form. The management cease-trade order was lifted on July 19, 2007. On November 19, 2007, SR Telecom Inc. applied for protection under the *Companies' Creditors Arrangement Act*, and announced on December 18, 2007, that it had obtained protection from creditors through February 29, 2008 via a stay of proceedings ordered by the Quebec Superior Court.

During the last five years, all of the Company's directors have held the principal occupations noted above except for (i) Alain Michel, who was a Management Consultant at the Caisse de dépôt et placement du Québec from 2001 to 2005, and (ii) James Pantelidis, who was Chairman and Chief Executive Officer of Fishercast Global Corporation from 2004 to 2006.

Executive Officers

The following table sets forth the name, province and country of residence, and position held with the Company of each of the Company's executive officers, as well as their age as at April 23, 2009.

<u>Name, Province and Country of Residence</u>	<u>Position within the Company</u>
Claude Bernier Quebec, Canada age 55	Executive Vice President, Marketing and Customer Innovations
France Charlebois Quebec, Canada age 50	Corporate Secretary and Chief Legal Officer
Pierre Dandoy Quebec, Canada age 50	Executive Vice President, Retail Operations
Daniel Ducharme Quebec, Canada age 49	Senior Vice President, Information Technologies
Normand Dumont Quebec, Canada age 54	Executive Vice President, Merchandising
Robert Dutton Quebec, Canada age 54	President and Chief Executive Officer
Claude Guévin Quebec, Canada age 49	Executive Vice President and Chief Financial Officer
Paul Jovian Quebec, Canada age 51	Senior Vice President, Supply Chain Management
Christian Proulx Quebec, Canada age 50	Senior Vice President, People and Culture
Michèle Roy Quebec, Canada age 51	Vice President, Communications and Public Affairs
Marie-Claude Soucy Quebec, Canada age 39	Vice President, Internal Audit and Continuous Improvement
Michael Storfer Ontario, Canada age 40	Vice President, Commercial and Professional Market

The following is a brief biography of each of the Company's executive officers:

Claude Bernier joined RONA as Director of Marketing in 1988 and was appointed National Vice President of Marketing in 1990. He was appointed Executive Vice President, Traditional Stores in 2001. Since November 2008, he acts as Executive Vice President, Marketing and Customer Innovations.

France Charlebois joined the Company as Director, Legal Affairs and Secretary in 1992 and was appointed Corporate Secretary and Chief Legal Officer in 2001.

Pierre Dandoy joined RONA as Executive Vice President, Big-Box Stores in 2002. Since November 2008, he acts as Executive Vice President, Retail Operations.

Daniel Ducharme joined RONA as Vice President, Information Systems in 2007. In September 2008, he was appointed Senior Vice President, Information Technologies.

Normand Dumont joined RONA in 1989 and was appointed Vice President, Purchasing in 2000, then Vice President, Merchandising in 2001. Mr. Dumont was promoted to the position of Senior Vice President, Merchandising in 2003 and to the position of Executive Vice President, Merchandising in 2004.

Robert Dutton joined RONA in 1977 and was appointed Executive Vice President and Chief Operating Officer in 1990. He was appointed President and Chief Executive Officer in 1992.

Claude Guévin joined RONA as a financial analyst responsible for special projects in 1986 and became corporate controller in 1991. He was appointed Vice President, Finance and Administration in 1999 and was appointed Executive Vice President and Chief Financial Officer in 2001.

Paul Jovian joined RONA as Senior Vice President, Supply Chain Management in 2009.

Christian Proulx joined RONA as Senior Vice President, People and Culture in 2007.

Michèle Roy joined RONA as Vice President, Communications and Public Affairs in 2007.

Marie-Claude Soucy joined RONA as Controller, Retail Operations in 1999. She was appointed Director, Internal Audit in 2004 and Senior Director, Internal Audit in 2006. In November 2008, she was appointed Vice President, Internal Audit and Continuous Improvement.

Michael Storfer joined RONA as President of Noble Trade in 2007. At the end of 2007, he was appointed Vice President, Commercial and Professional Market.

B – Security Holdings

As at December 28, 2008, the number and percentage of RONA's Common Shares beneficially owned, directly or indirectly, or over which control or direction was exercised by the directors and all the executive officers of RONA as a group were 1,006,435 and 0,9 %, respectively.

C – Interest in Material Transactions

We are not aware of any existing or potential interest in material transactions between RONA, or any of its subsidiaries, and any of their directors or officers.

ITEM 9 - RISK FACTORS

In considering an investment in our Common Shares, a prospective purchaser should carefully consider the risk factors described on page 46 of our 2008 Annual Report under the heading “Risks and Uncertainties.”

ITEM 10 - AUDIT COMMITTEE

A – Mandate of the Audit Committee

The mandate of our Audit Committee is attached hereto as Schedule A.

B – Members of the Audit Committee

Our Audit Committee currently consists of four independent directors. The members of the Audit Committee are J. Spencer Lanthier (Chair), Pierre Ducros, Alain Michel, and Jean-Roch Vachon.

C – Description of the Financial Literacy of Members

All members of the Audit Committee are financially literate and can understand the accounting principles used by the Company in its financial statements and assess the general application of those principles. They also have relevant experience in preparing, auditing, analysing and evaluating financial statements that present a breadth and level of complexity of issues generally comparable with that of the Company’s financial statements, or in actively supervising persons engaged in such activities. The members also understand the procedures and internal controls regarding the disclosure of financial information.

Members of the Audit Committee have acquired relevant experience through their university studies, as members of other boards of directors and as executive officers of various companies. Moreover, a number of them are or have been members of the audit committees of other public companies. More specifically, (i) J. Spencer Lanthier was a partner of KPMG Canada and has acted as Chairman and Chief Executive Officer of KPMG Canada and was a member of the KPMG International executive committee and board of directors from 1993 to 1999; (ii) Pierre Ducros was President and Chief Executive Officer of DMR Inc. for a period of 23 years and serves on the audit committee of TELUS Corporation; (iii) Alain Michel has a Master’s degree in Commerce and was Senior Vice-President and Chief Financial Officer of Group Videotron Ltd; and (iv) Jean-Roch Vachon has served on the board of directors and audit committee of several private and public companies since 1982, and was Chairman of Cantrex Group Inc. from 1996 to 1999.

D – Auditors’ Fees

The Audit Committee must approve any engagement of the Company’s external auditors and to this end, the Committee has adopted a policy on the pre-approval of audit services and non-audit services. Such pre-approval is not required in the case of *de minimis* services, as provided in the applicable regulations.

We paid \$1,478,000 as audit fees⁽¹⁾ to Raymond Chabot Grant Thornton (“Raymond Chabot”), Chartered Accountants, during the financial year ended December 28, 2008. During the same year, we also paid Raymond Chabot \$15,000 as audit-related fees⁽²⁾, \$5,000 for tax fees⁽³⁾ and \$122,000 as other fees⁽⁴⁾.

In comparison, during the financial year ended December 30, 2007, we paid Raymond Chabot \$1,445,000 as audit fees⁽¹⁾, \$185,000 as audit-related fees⁽²⁾, \$6,000 as tax fees⁽³⁾ and \$168,000 as other fees⁽⁴⁾.

(1) **Audit fees:**

These fees include fees and disbursements for auditing the Company's annual financial statements and for reviewing the quarterly financial statements.

(2) **Audit-related fees:**

These fees include fees and disbursements for services reasonably related to the audit or review of the Company's financial statements that are not reported under "Audit fees".

(3) **Tax fees:**

These fees include fees and disbursements for services related to tax compliance, tax advice, and tax planning.

(4) **Other fees:**

These fees include fees and disbursements for services other than those described under "Audit fees", "Audit-related fees" and "Tax fees", and relate mainly to due diligence engagements.

ITEM 11 - TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for our Common Shares is Computershare Trust Company of Canada at its principal offices in Montreal and Toronto.

ITEM 12 - INTERESTS OF EXPERTS

Raymond Chabot is the public accounting firm who prepared the auditor's report with respect to our annual financial statements for the years ended December 28, 2008 and December 30, 2007. Raymond Chabot has confirmed to us that it is independent within the meaning of the Rules of Professional Conduct of the *Ordre des comptables agréés du Québec*. These rules are equivalent or similar to Rules of Professional Conduct applicable to chartered accountants in the other provinces of Canada.

ITEM 13 - CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This Annual Information Form includes "forward-looking statements" that involve risks and uncertainties. All statements other than statements of historical facts included in this Annual Information Form, including statements regarding the prospects of the industry and prospects, plans, financial position and business strategy of the Company, may constitute forward-looking statements within the meaning of the Canadian securities legislation and regulations. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "estimate," "anticipate," "plan," "foresee," "believe" or "continue" or the negatives of these terms or variations of them or similar terminology. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. Forward-looking statements do not take into account the effect that transactions or non-recurring or other special items announced or occurring after the statements are made have on the Company's business. For example, they do not include the effect of dispositions, acquisitions, other business transactions, asset write-downs or other charges announced or occurring after forward-looking statements are made.

Investors and others are cautioned that undue reliance should not be placed on any forward-looking statements. For more information on the risks, uncertainties and assumptions that could cause the Company's actual results to differ from current expectations, please also refer to the Company's public filings available at www.sedar.com and at www.rona.ca. In particular, further details and descriptions of these and other factors are disclosed in this Annual Information Form under Item 9, "Risk Factors", and in the "Risks and Uncertainties" section of our Management's Discussion and Analysis for the year ended December 28, 2008, on page 46 of our 2008 Annual Report.

The forward-looking statements in this Annual Information Form reflect the Company's expectations as of March 24, 2009, and are subject to change after this date. The Company expressly disclaims any obligation or intention to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by the applicable securities laws.

ITEM 14 - ADDITIONAL INFORMATION

Additional information, including remuneration of our directors and executive officers, is contained in our Circular (dated March 11, 2009) for the annual shareholders' meeting to be held on April 22, 2009.

In addition, the following documents may be obtained, upon request, from the Corporate Secretary and Chief Legal Officer of the Company:

- Copy of this Annual Information Form, together with copy of any document or the relevant pages of any document incorporated by reference in this Annual Information Form.
- Copy of our comparative financial statements for our most recently completed financial year for which financial statements have been filed together with the accompanying report of the auditor and copy of our most recent interim financial statements that have been filed, if any, for any period after the end of our most recently completed financial year. Such documents include additional financial information about the Company.
- Copy of the Circular, in respect of our most recent annual meeting of shareholders that involved the election of directors. The Circular includes additional information such as directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans.

We reserve the right to request a fee for the transmission of the information set forth above, unless the request is made by a security holder of the Company or during the course of a distribution of the Company's securities by means of a prospectus. In such cases, the transmission of information will be made free of charge.

Other financial information is included in our annual financial statements for the years ended December 28, 2008 and December 30, 2007 and in our corresponding Management's Discussion and Analysis.

The documents mentioned above are available from our Corporate Secretary and Chief Legal Officer at the following address:

220 chemin du Tremblay
Boucherville, Quebec, Canada
J4B 8H7
Telephone: (514) 599-5100

or on the Company's website address: www.rona.ca or on SEDAR: www.sedar.com.

* * * * *

SCHEDULE A

AUDIT COMMITTEE CHARTER

The Audit Committee (the “**Committee**”) is responsible for assisting the Board of Directors of the Company (the “**Board**”) in its oversight of the following items: i) the production of reliable financial information, ii) the identification of the principal financial risks associated with the Company’s activities and the implementation of appropriate systems to manage these risks, iii) the internal control and management information systems of the Company, iv) the Company’s financial compliance with the various authorities and legislation, v) the competencies, independence and work of the external and internal auditors, and vi) the performance of the other responsibilities set out in the Committee’s mandate as well as those delegated to the Committee by the Board.

The Audit Committee may communicate directly with the internal and external auditors at any time.

Mandate

The responsibilities of the Committee include:

With respect to the review of financial information

- Reviewing the following documents with management and the external auditors:
 - annual and interim financial statements;
 - external auditors’ reports: the audit report in the case of the annual financial statements and the interim review report in the case of the interim financial statements of the first three quarters;
 - annual and interim management’s discussion and analysis;
 - annual and interim earnings press releases and those containing financial information;
 - financial information contained in prospectuses and the annual information form.
- Recommending the approval of the above-mentioned documents by the Board before their public disclosure.
- Reviewing the procedures in place for the review of financial information extracted or derived from the financial statements other than the public disclosure provided for above and periodically assessing the adequacy of those procedures.
- Reviewing with management and the external auditors:
 - the Company’s financial reporting prepared in accordance with generally accepted accounting principles;
 - proposals for changes and choice of new accounting principles and policies of the Company;
 - the reasonableness of provisions, reserves and estimates that may have a material effect on financial reporting;
 - material decisions made in connection with the presentation of the financial statements;
 - communication with the Autorité des marchés financiers.

- Reviewing the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company.
- Monitoring the application and update, as necessary, of the Company's disclosure policy.

With respect to oversight of the external auditors

- Ensuring that the external auditors report directly to the Committee.
- Recommending to the Board the appointment or discharge of the external auditors as well as their compensation.
- Having sole authority to pre-approve all non-audit services that management intends to entrust to the external auditors.
- Reviewing with the external auditors the external audit plan as well as the qualifications, independence and objectivity of the external auditors, including written statements of all relationships the external auditors have with the Company which could have an effect on independence and objectivity and recommending measures the Board of Directors should take to ensure the independence of the external auditors.
- Being directly responsible for overseeing the work of the external auditors engaged for the purpose of preparing or issuing an auditors' report or performing other audit, review or attest services, including the resolution of disagreements between management and the external auditors regarding financial reporting.
- Discussing with the external auditors the quality and not just the acceptability of the accounting principles, including:
 - critical accounting policies and practices used;
 - any alternative treatments of financial information that have been discussed with management, the ramifications of their use and the treatment preferred by the external auditors;
 - other material written communications between the management and the external auditors.
- Discussing with the external auditors, once a year, their internal quality control procedures as well as the summary results of the Canadian Public Accountability Board (CPAB) inspection.
- Reviewing management's actions following the recommendations of the external auditors.
- Reviewing and approving the hiring policies regarding partners, employees and former partners and employees of the present and former external auditors.
- Ensuring the rotation of lead, concurring and other audit partners, to the extent required by the rules for independence applicable to external auditors.

With respect to the oversight of internal controls

- Reviewing the procedures in place to evaluate the effectiveness of the internal controls systems set up by management.

- Reviewing with the President and Chief Executive Officer as well as the Executive Vice-President and Chief Financial Officer the process for the certifications to be provided in the Company's public disclosure documents.
- Establishing procedures for the receipt, retention and treatment of complaints received regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission of concerns by employees of the Company regarding questionable accounting or auditing matters.
- Reviewing the Company's insurance coverage and ensuring its adequacy.

With respect to financial risk management

- Reviewing with management:
 - the identification and the financial risk evaluation methods;
 - the processes used to manage and control risks.
- Reviewing with management the funding policies, the investment policies, the compliance reports and the financial statements of the pension plans.

With respect to the oversight of the internal auditors

- Annually reviewing and approving the charter of the internal auditors.
- Ensuring that the internal auditors are accountable to the Committee.
- Reviewing and approving the annual internal audit plan.
- Receiving and examining material internal audit reports, observations and recommendations.
- Reviewing management's actions following recommendations of the internal auditors.
- Reviewing the independence of the internal auditors.
- Reviewing, with the Vice President, Internal Audit and Continuous Improvement, difficulties encountered during his/her audits with respect to the scope of the mandate and access to information. Reviewing all changes with respect to the scope of his/her audit projects.

With respect to the monitoring of financial compliance with legal and regulatory requirements

- Reviewing and discussing with management, external and internal auditors and the General Counsel the effectiveness of policies and procedures to ensure financial compliance with laws and regulations and financial commitments.
- Reviewing the list of the Company's material litigation as well as the measures taken by management.
- Reviewing tax planning that has a material financial impact on the Company.

Composition

- The Committee shall consist of three to five Board members, all of whom shall be independent directors and be financially literate, as determined by the Board in accordance with the applicable rules of the Canadian Securities Administrators.
- The members of the Committee shall be appointed by the Board each year. The Board may fill a vacancy in the Committee or replace one of its members at any time.

Committee Meetings and Quorum

- The Committee shall meet as the need arises, but at least four times a year.
- Meetings shall be called by the Corporate Secretary of the Company, to whom a request is sent in writing, at the request of the Chair of the Committee, any of its members, the Chairman of the Board or the President and Chief Executive Officer.
- A majority of the current members of the Committee shall constitute a quorum at meetings of the Committee.
- From time to time, the Committee meets with management and the external and internal auditors, separately and in private.
- The Committee shall report to the Board periodically on its meetings and its recommendations;
- The Committee meets on a regular basis without the management members.

Independent Advisors

- As the need arises, the Committee may engage any outside advisors to assist it in carrying out its duties, set the fees and other conditions of their engagement and obtain the necessary funds from the Company to pay such fees.

Review of the Charter

- The Committee shall review this Charter at least once a year and submit proposals for its amendment to the Board as required.

Assessment of the Committee's Performance

- Each year, the members of the Committee shall assess and review the Committee's performance.
- The Committee shall report to the Board on this Charter once a year.

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