

NASDAQ CORPORATE GOVERNANCE

Our common shares are quoted for trading on the NASDAQ Global Market under the symbol IMRS. As a Canadian corporation listed on the NASDAQ Global Market, we are not required to comply with most of the NASDAQ corporate governance standards, so long as we comply with Canadian corporate governance practices. In order to claim such an exemption, however, we must disclose the significant differences between our corporate governance practices and those required to be followed by U.S. domestic issuers under NASDAQ's corporate governance standards.

The following is a summary of the significant ways in which our corporate governance practices differ from those required to be followed by U.S. domestic issuers under NASDAQ's corporate governance standards. Except as described in this summary, we are in compliance with the NASDAQ corporate governance standards in all significant respects.

Quorum Requirements

Rule 5620(c) of the NASDAQ Marketplace Rules requires that the minimum quorum requirement for a meeting of shareholders is 33.33% of the outstanding common shares. In addition, Rule 5620(c) requires that an issuer listed on NASDAQ state its quorum requirement in its bylaws. We follow applicable Canadian laws with respect to quorum requirements. Our quorum requirement is set forth in our by-laws, which requires two shareholders present in person or by proxy.

Shareholder Approval

Section 5635 of the NASDAQ Marketplace Rules requires shareholder approval to be obtained in connection with the undertaking of certain actions. The circumstances under which shareholder approval is required under the NASDAQ Marketplace Rules are not identical to the circumstances under which shareholder approval is required under Canadian and TSX requirements. For example, but without limitation, Section 5635 requires shareholder approval of most equity compensation plans and material revisions to such plans. This requirement covers plans that provide for the delivery of both newly issued and treasury securities. The TSX rules provide that only the creation of or certain material amendments to equity compensation plans that provide for new issuances of securities are subject to shareholder approval. We follow the TSX rules with respect to the requirements for shareholder approval of potential transactions, including, without limitation, shareholder approval of equity compensation plans and material revisions to such plans.