

IMMERSION CORPORATION

Stock Ownership Policy

(Effective February 6, 2017)

The Board of Directors (the “Board”) of Immersion Corporation (“Immersion” or the “Company”), upon the recommendation of the Compensation Committee of the Board, has adopted this stock ownership policy (“Stock Ownership Policy”) to require that the Company’s Chief Executive Officer and non-employee directors have direct ownership in the common stock of the Company in order to further align their interests with the interests of the Company’s stockholders.

Ownership Levels

The Board requires that the Chief Executive Officer and non-employee directors of the Company have direct ownership of Immersion common stock in at least the following amounts:

Position	Stock Ownership Level Multiple (Multiple of Salary/Retainer)
Chief Executive Officer	3 times annual base salary
Non-Employee Directors	3 times annual cash retainer (excluding additional retainers for committee members and chairpersons)

Minimum stock ownership levels (the “Minimum Stock Ownership Level”) for the Chief Executive Officer and each non-employee director will be determined annually as follows:

$$\frac{\text{Base Salary/Annual Cash Retainer} \times \text{Stock Ownership Level Multiple}}{\text{Average Daily Closing Price reported by NASDAQ Stock Market for the 12-months ending on (and including) September 30}}$$

The initial Minimum Stock Ownership Level for the Chief Executive Officer and each non-employee director in office as of the date of adoption of this Stock Ownership Policy shall be effective January 1, 2017 based on the average daily closing price of Immersion common stock as reported by the NASDAQ Stock Market for the 12 months ended (and including) September 30, 2016. The initial Minimum Stock Ownership Level for the Chief Executive Officer or each non-employee director appointed or elected after the date of adoption of this Stock Ownership Policy shall be effective as of the date of such person’s appointment or election as Chief Executive Officer or non-employee director based on the average daily closing price of Immersion common stock reported by the NASDAQ Stock Market for the 12-month period ending on (and including) December 31 of the most recently completed fiscal year (the “Average Daily Price”). The Minimum Stock Ownership Level for the Chief Executive Officer and each non-employee director will be re-determined annually effective as of the first day of the next succeeding fiscal year after giving effect to any increase in the annual base salary or annual cash retainer payable to such person that occurred since the beginning of the prior fiscal year and the re-calculation of the Average Daily Price.

After the Minimum Stock Ownership Level is established for the Chief Executive Officer or each non-employee director for a fiscal year, the Minimum Stock Ownership Level will not change as a result of fluctuations in the market price of Immersion common stock during the year; provided, however, that the

Minimum Stock Ownership Level (and the Average Daily Price) for the Chief Executive Officer and each non-employee director shall be appropriately adjusted in the event of a stock split, reverse stock split, stock dividend or other similar change in the Company's outstanding capital stock.

Requirement to Satisfy Minimum Stock Ownership Level

The Chief Executive Officer and each director is required to meet the required Minimum Stock Ownership Level by the later of January 1, 2021 or five years from the date such person is appointed as Chief Executive Officer or director.

Unless the Chief Executive Officer or director has satisfied his or her Minimum Stock Ownership Level, such person is required to retain 50% of the Net Shares received as a result of the exercise, vesting or payment of any Immersion equity awards granted to the Chief Executive Officer or director. This amount is calculated using the closing price of Immersion common stock as reported on the NASDAQ Stock Market on the trading day immediately preceding the date of exercise, vesting or payment of the equity award. See Exhibit A for sample calculations.

For purposes hereof, "Net Shares" means those shares of Immersion common stock that remain after shares are sold or withheld, as the case may be, to (i) pay any applicable exercise price for an equity award or (ii) satisfy withholding tax obligations arising in connection with the exercise price, vesting or payment of an equity award.

Counting Shares Owned

Common stock that counts toward the Minimum Stock Ownership Level includes:

- Shares of Immersion common stock beneficially owned directly by the Chief Executive Officer or non-employee director;
- Shares of Immersion common stock beneficially owned indirectly by the Chief Executive Officer or non-employee director (whether through his or her spouse, children, a trust or otherwise); and
- Shares of Immersion common stock subject to restricted stock unit ("RSU") or stock awards that have vested but the payment of which has been deferred. Shares of Immersion common stock subject to stock options and unvested stock unit awards do not count for purposes of meeting the Minimum Stock Ownership Level.

Notwithstanding the foregoing, shares of Immersion common stock pledged as security or collateral for a loan do not count towards the Minimum Stock Ownership Level.

Hardship

The Board understands that there may be instances where this Stock Ownership Policy would place a hardship on the Chief Executive Officer or non-employee director. In these instances, the Chief Executive Officer or non-employee director must submit a request in writing to the Chairman of the Compensation Committee (or, if such chairman is the affected director, the Chairman of the Nominating and Corporate Governance Committee) that summarizes the circumstances and describes the extent to which an exemption is being requested. The Chairman of the Compensation Committee (or Nominating and Corporate Governance Committee, as applicable) will make the final decision as to an alternative stock ownership plan for the Chief Executive Officer or non-employee director that balances the goals of this Stock Ownership Policy with the affected person's personal circumstances.

Annual Review

The Compensation Committee will annually review the Minimum Stock Ownership Levels of the Chief Executive Officer and each non-employee director and will notify each such person of the Minimum Stock Ownership Level required for the ensuing fiscal year and any requirement to retain Net Shares in accordance with this Stock Ownership Policy. From time to time, the Compensation Committee may recommend changes to this Stock Ownership Policy for approval by the Board.

Sample Net Shares Calculations

Restricted Stock Units/Restricted Stock Awards

50% of the Net Shares from the vesting/payment of a stock unit/award would be calculated as follows:

- Assume the Chief Executive Officer vests in an installment of 10,000 stock units/award
- Assuming a 45% combined tax rate, upon delivery of the 10,000 shares of common stock, the Chief Executive Officer could sell 4,500 to cover taxes (including withholding taxes)
- Of the 5,500 shares remaining, 50% or 2,750 shares would have to be retained and the Chief Executive Officer would be free to sell the remaining 2,750 shares

Stock Options

50% of the Net Shares from the exercise of a stock option would be calculated as follows (assuming a stock option with an exercise price of \$10.00 per share is exercised when the stock price is \$20.00 per share):

- Assume the Chief Executive Officer exercises 20,000 vested stock options with an exercise price of \$10.00 when the fair market value is \$20.00
- A total of 10,000 of the shares subject to the stock option will be required to cover the exercise price of the 20,000 options and related tax liability $((20,000 * (\$20 - \$10)) * 45\% / \$20)$
- Of the 5,500 shares remaining $(20,000 - 10,000 - 4,500)$, 50% or 2,750 shares would have to be retained and the executive would be free to sell the remaining 2,750 shares