

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

December 29, 2022

Date of Report (Date of earliest event reported)

IMMERSION CORPORATION
(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-38334
(Commission
file number)

94-3180138
(I.R.S. Employer
Identification No.)

2999 N.E. 191st Street, Suite 610 , Aventura, FL 33180

(Address of principal executive offices and zip code)

(408) 467-1900
(Registrant's telephone number, including area code)

N/A

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	IMMR	The NASDAQ Global Market
Series B Junior Participating Preferred Stock Purchase Rights	IMMR	The NASDAQ Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangement of Certain Officers.

On December 29, 2022, the Board of Directors (the “Board”) of Immersion Corporation, a Delaware corporation (the “Company” or “Immersion”), appointed Eric Singer as the Company’s President, Chief Executive Officer and Chairman of the Board, effective January 3, 2023 (the “Effective Date”), transitioning from his current role as Executive Chairman. Francis Jose, who had been serving as the Company’s Chief Executive Officer as well as its General Counsel, will continue to serve as the Company’s General Counsel.

In connection with the appointment of Mr. Singer as the Company’s President and Chief Executive Officer, Immersion entered into an offer letter with Mr. Singer dated December 30, 2022 (the “Offer Letter”). Pursuant to the terms of the Offer Letter, Mr. Singer will receive a starting annualized base salary of \$795,000, retroactive to October 1, 2022. Additionally, Mr. Singer will receive a signing bonus of \$100,000 to be paid on the first regular payroll date following the Effective Date, which he will be required to pay back on a pro rata basis if he voluntarily resigns or is terminated for Cause (as such term is defined in Mr. Singer’s Restated Change of Control Agreement) on or before the first anniversary of the Effective Date. Mr. Singer will continue to be eligible to receive an annual cash bonus pursuant to the Company’s executive bonus plan, which for 2023 will be targeted at 100% of his base salary, with the actual amount of the bonus based on the achievement of performance metrics established by the compensation committee of the Board. Mr. Singer will continue to be eligible to receive his existing 2022 bonus under the executive bonus plan based on his service as Executive Chairman.

In addition, the Offer Letter provides that (i) Mr. Singer will be granted restricted stock units to acquire 400,000 shares of the Company’s common stock under Company’s equity plan and (ii) while he serves on the Board, he will remain eligible to receive a restricted stock award at each annual stockholder meeting with the same grant date value and subject to the same vesting and other terms as other directors.

Mr. Singer also entered into an Amended and Restated Change of Control and Severance Agreement (the “Restated Change of Control Agreement”), which amends and restates the terms of the Change of Control and Severance Agreement previously entered into by Mr. Singer. Pursuant to the Restated Change of Control Agreement, Mr. Singer will be entitled, in the event that his employment is Involuntarily Terminated either before or following a Change of Control, to receive (i) a lump sum cash severance payment equal to 300% of his then effective base salary and target bonus (previously 200%); (ii) payments for COBRA premiums for up to 18 months, if an appropriate election is made, following his termination date (no change); and (iii) acceleration in full of any outstanding equity awards (no change). Additionally, the Restated Change of Control Agreement continues to provide that upon a Change of Control, Mr. Singer would be entitled to acceleration in full of any outstanding equity awards. Payment of the foregoing benefits continues to be conditioned upon execution of a general release of claims. All defined terms in this paragraph are as defined in the Restated Change of Control Agreement.

The foregoing description of the Offer Letter and Restated Change of Control Agreement is qualified in its entirety by reference to the full text of the Offer Letter and Restated Change of Control Agreement, which are filed herewith as Exhibit 10.1 and Exhibit 10.2, respectively, and incorporated herein by reference.

Mr. Singer, age 48, has served as a member of our Board of Directors since March 2020 and has served as our Executive Chairman since August 2020. Since July 2019, Mr. Singer has served as a director of A10 Networks (ATEN), an application controller and firewall cloud security company, and has served as its lead independent director since September 2021. Mr. Singer was the founder and Managing Member of VIEX Capital Advisors, a securities investment firm. In addition to a long track record as a successful investor in technology companies, Mr. Singer has substantial experience serving on public boards and in assisting them in creating and expanding shareholder value. Mr. Singer previously served on the boards of directors of Quantum Corporation, a video data storage and management company, Numerex Corp., a provider of managed machine-to-machine enterprise solutions enabling the Internet of Things, RhythmOne plc and YuMe, Inc., each a provider of brand video advertising software and audience data, Support.com, Inc., a provider of tech support and support center services, Meru Networks, Inc., a Wi-Fi network solutions company, PLX Technology, Inc., a PCI Express and ethernet semiconductor company, and Sigma Designs, Inc., an integrated circuit provider for the home entertainment market, among other companies. Mr. Singer holds a B.A. from Brandeis University.

There are no arrangements or understandings between Mr. Singer and any other persons pursuant to which he was selected to serve as President and Chief Executive Officer of Immersion. There are no family relationships between Mr. Singer and any previous or current officers or directors of Immersion, and there are no related party transactions reportable under Item 404(a) of Regulation S-K.

Additionally, as of January 3, 2023, Elias Nader was appointed as the Lead Independent Director.

On December 29, 2022, the Compensation Committee (the “Committee”) of the Board of the Company certified that all financial target thresholds for bonus payouts under the Company’s cash incentive program for 2022 had been achieved, and approved bonus payout amounts to each of Eric Singer and Bill Martin at 150% of their base salary earned in 2022. These amounts equaled 150% of the potential bonus amount for each of Mr. Singer and Mr. Martin, with the additional 50% due to the extraordinary contributions of each individual during 2022.

Item 8.01 Other Events.

On December 29, 2022, the Board declared a special dividend in the amount of \$0.10 per share, which will be payable, subject to any prior revocation, on January 30, 2023 to stockholders of record on January 15, 2023. This special dividend is in addition to the regular quarterly dividend in the amount of \$0.03 per share announced by the Company on its Current Report on Form 8-K filed with the Securities and Exchange Commission on November 14, 2022.

Also, on December 29, 2022, the Board approved a stock repurchase program of up to \$50 million of its common stock for a period of up to twelve months. Any stock repurchases may be made through open market and privately negotiated transactions, at such times and in such amounts as management deems appropriate, including pursuant to one or more Rule 10b5-1 trading plans adopted in accordance with Rule 10b5-1 of the Securities Exchange Act of 1934. Additionally, the Board authorized the use of any derivative or similar instrument to effect stock repurchase transactions, including without limitation, accelerated share repurchase contracts, equity forward transactions, equity option transactions, equity swap transactions, cap transactions, collar transactions, naked put options, floor transactions or other similar transactions or any combination of the foregoing transactions. The stock repurchase program was implemented as a method to return value to the Company’s stockholders. The timing, pricing and sizes of any repurchases will depend on a number of factors, including the market price of the Company’s common stock and general market and economic conditions. The stock repurchase program does not obligate the Company to repurchase any dollar amount or number of shares, and the program may be suspended or discontinued at any time.

In connection with the events described above, the Company issued a press release on January 3, 2023 entitled “Immersion Corporation Announces Management Changes” which is attached as Exhibit 99.1 and incorporated herein.

Forward Looking Statements

This Item 8.01 contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act. These forward-looking statements are subject to involve risks and uncertainties. These forward-looking statements may be identified by terms such as “will,” “may,” “plans,” or the negative of these terms, and similar expressions intended to identify forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding the anticipated special dividend amount and timing for payment thereof, and the anticipated amount, duration, methods, timing and other aspects of the stock repurchase program. These statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to differ materially from those expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, any unforeseen need for capital which may require us to divert funds we may have otherwise used for the special dividend or the stock repurchase program, which may in turn negatively impact our ability to administer the special or quarterly dividends or make repurchases under the stock repurchase program. In addition, the timing and amount of future dividends, if any, and future stock repurchases, if any, will be made as management deems appropriate and will depend on a variety of factors including stock price, market conditions, corporate and regulatory requirements (including applicable securities laws and regulations and the rules of The Nasdaq Stock Market), any additional constraints related to material inside information the Company may possess, and capital availability. More information regarding these and other risks, uncertainties and factors is contained in the Company’s Annual Report on Form 10-K for the year ended December 31, 2021, as filed with the SEC, and in other reports filed by the Company with the SEC from time to time. You are cautioned not to unduly rely on these forward-looking statements, which speak only as of the date of this Form 8-K. All information in this Form 8-K is as of the date stated and unless required by law, the Company undertakes no obligation to publicly revise any forward-looking statement to reflect circumstances or events after the date of this Form 8-K or to report the occurrence of unanticipated events other than as required by law or regulation.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Exhibit Title</u>
10.1	Offer Letter dated December 30, 2022 with Eric Singer
10.2	Amended and Restated Change of Control and Severance Agreement dated January 3, 2023 with Eric Singer
99.1	Press Release dated January 3, 2023 entitled "Immersion Corporation Announces Management Changes"

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

IMMERSION CORPORATION

Date: January 3, 2023

By: /s/ FRANCIS JOSE
Name: Francis Jose
Title: General Counsel

December 30, 2022

Eric Singer

Dear Eric:

This letter agreement (the "Agreement") sets forth the terms and conditions of your employment as Chairman and Chief Executive Officer of Immersion Corporation (the "Company").

1. Position. Effective on January 3, 2023 (the "Effective Date"), you will be appointed as the Company's President and Chief Executive Officer ("CEO") reporting to the Company's Board of Directors (the "Board"). This position is a full-time position with its principal place of work at the Company's headquarters in Aventura, Florida. While you serve as CEO, you will continue to serve on the Board and will also remain Chairman of the Board.

2. Cash Compensation.

a. Base Salary. Your new annual base salary (the "Base Salary") will be \$795,000, retroactive to October 1, 2022. On the first regular payroll date following the Effective Date, the Company will pay to you a catch-up payment reflecting the increase in your Base Salary. Thereafter the Base Salary will be payable in accordance with the Company's normal payroll practices and will be subject to review and increase (but not decrease without your consent) by the Company's Compensation Committee at least annually.

b. Sign-On Bonus. On the first regular payroll date following the Effective Date, the Company will pay to you a signing bonus in cash of \$100,000 (the "Sign-On Bonus"). If you voluntarily resign your employment as CEO or are terminated for Cause (as defined in the Change of Control and Severance Agreement (defined below)) on or before the first anniversary of the Effective Date, you will be required to pay back a pro-rata portion of the Sign-On Bonus to the Company within 30 days after such termination.

c. Target Bonus. You will remain eligible to receive an annual bonus for calendar year 2022 under the Company's executive bonus program based on your service as Executive Chairman. Your annual bonus target for 2023 will be 100% of your Base Salary. Actual payments will be determined based upon Company results and/or individual performance against the applicable performance goals established by the Board. You must be continuously employed through the bonus payment date to be eligible to receive an annual bonus for a particular calendar year, except as otherwise provided in the Change of Control and Severance Agreement. Your bonus participation will also be subject to the terms and conditions of the applicable Company bonus program.

3. Equity Awards.

a. New Hire CEO RSUs. Promptly following the Effective Date, the Company will grant to you restricted stock units to acquire 400,000 shares of the Company's common stock under the Equity Plan (the "CEO RSU Award"). The CEO RSU Award will vest over three years, commencing on the Effective Date, with one third of the total shares subject to

the CEO RSU Award vesting on the first anniversary of the Effective Date and one twelfth of the total shares subject to the CEO RSU Award vesting over the following eight quarters; provided that, subject to Section 4 below, vesting will depend on your continued employment as CEO on the applicable vesting dates, and will be subject to the terms and conditions of the written agreement governing the grant, the Equity Plan, the Change of Control and Severance Agreement and this Agreement

b. Existing and Future Equity Grants. Your outstanding equity awards will continue to vest and/or become exercisable, or be settled in shares, as applicable, in accordance with their original schedules, provided you continue to provide services to the Company. In addition, while you serve on the Board, you will remain eligible to receive a restricted stock award at each annual stockholder meeting with the same grant date value and subject to the same vesting and other terms as the Company's non-employee directors. You will also be eligible to receive future equity grants as determined by and pursuant to the terms established by the Compensation Committee.

4. Change of Control and Severance Agreement. You and the Company previously entered into a Change of Control and Severance Agreement effective as of May 26, 2022 (the "Change of Control and Severance Agreement"). By entering into this Agreement, you and the Company hereby amend clauses (a) and (b) of Section 5 of the Change of Control and Severance Agreement to replace "200%" with "300%" for purposes of calculating severance benefits on an Involuntary Termination (as defined in the Change of Control and Severance Agreement). Except as amended by this Agreement, the Change of Control and Severance Agreement shall remain in effect and enforceable in accordance with its terms.

5. Benefits and Vacation. You will be eligible to participate in the employee benefit plans and programs generally available to the Company's executives, including unlimited paid time off, subject to the terms and conditions of such plans and programs. The Company reserves the right to change the benefit plans and programs it offers to its senior executives at any time.

6. Expenses. The Company will reimburse you for reasonable and necessary business, travel and entertainment expenses incurred by you in connection with the performance of your duties on behalf of the Company in accordance with the Company's expense reimbursement policies and procedures.

7. At Will Employment. Your employment with the Company will be "at will," meaning that either you or the Company (acting through the Board, excluding you) may terminate your employment at any time and for any reason, with or without cause.

8. Confidential Information and Other Company Policies. You will be required to enter into the Company's standard form of Employee Inventions and Confidentiality Agreement prior to the Effective Date. You will also be expected to comply with the Company's insider trading policy, code of conduct, and any other policies adopted by the Company regulating the behavior of its employees, as such policies may be amended from time to time.

9. Indemnification. You and the Company have previously entered into the Company's standard form of indemnification agreement for officers and directors of the

Company. In addition, you will be named as an insured on the director and officer liability insurance policy currently maintained by the Company, or as may be maintained by the Company from time to time.

10. Withholding. All forms of compensation paid to you as an employee are subject to applicable withholding and payroll taxes and other deductions required by law.

11. Entire Agreement; Governing Law and Venue. This Agreement supersedes and replaces any prior agreements, representations or understandings (whether written, oral, implied or otherwise) between you and the Company, and constitutes the complete agreement between you and the Company, regarding your employment as CEO. This Agreement may not be amended or modified, except by an express written agreement signed by both you and the Chair of the Compensation Committee of the Board. The terms of this Agreement and the resolution of any disputes as to the meaning, effect, performance or validity of this Agreement or arising out of, related to, or in any way connected with, this Agreement, your employment with the Company or any other relationship between you and the Company will be governed by Florida law, excluding laws relating to conflicts or choice of law. In any action between the parties arising out of or relating to any such disputes, each of the parties irrevocably and unconditionally consents and submits to the exclusive jurisdiction and venue of the state and federal courts located in Miami-Dade County, Florida.

[Remainder of page intentionally left blank]

If you wish to accept this position, please sign below and return this letter to me. This offer is open for you to accept until January 3, 2023, at which time it will be deemed to be withdrawn.

Yours sincerely,

IMMERSION CORPORATION

DocuSigned by:
Elias Nader
2E799BF1656240D

Elias Nader
Chair, Compensation Committee
On behalf of the Board of Directors

Acceptance of Offer: I have read and understood and I accept all the terms of the offer of employment as set forth in the foregoing Agreement.

ERIC SINGER

Signed
DocuSigned by:
[Signature]
6A49B270BCE940C.....
Date 12/30/2022

IMMERSION CORPORATION

AMENDED AND RESTATED CHANGE OF CONTROL AND SEVERANCE AGREEMENT

This Amended and Restated Change of Control and Severance Agreement (this “Agreement”) is made and entered into effective as of January 3, 2023 (the “Effective Date”), by and between **Eric Singer** (“Executive”) and Immersion Corporation, a Delaware corporation (the “Company”). Certain capitalized terms used in this Agreement are defined in Section 1 below.

RECITALS

A. It is expected that the Company from time to time will consider the possibility of a Change of Control. The Board of Directors of the Company (the “Board”) recognizes that such consideration can be a distraction to Executive and can cause Executive to consider alternative employment opportunities.

B. The Board believes that it is in the best interests of the Company and its shareholders to provide Executive with an incentive to continue Executive’s employment and to maximize the value of the Company upon a Change of Control for the benefit of its shareholders.

C. In order to provide Executive with enhanced financial security and sufficient encouragement to remain with the Company notwithstanding the possibility of a Change of Control, the Board believes that it is imperative to provide Executive with certain severance and other benefits upon Executive’s termination of employment in connection with a Change of Control.

D. The Board also believes it is in the best interests of the Company and its shareholders to provide Executive with severance upon an involuntary termination other than in connection with a Change of Control.

E. On May 26, 2022, Executive and Company entered into a Change of Control and Severance Agreement (the “Original Agreement”) and desire to supersede and replace the Original Agreement with this Agreement.

AGREEMENT

In consideration of the mutual covenants herein contained and the continued employment of Executive by the Company, the parties agree as follows:

1. **Definition of Terms.** The following terms referred to in this Agreement shall have the following meanings:

(a) **Cause.** “Cause” shall mean Executive’s (i) commission of a felony, an act involving moral turpitude, or an act constituting common law fraud, and which has an adverse effect on the business or affairs of the Company or its affiliates or stockholders; (ii) intentional or willful misconduct or refusal to follow the lawful instructions of the Board that is not cured within thirty (30) days following written notice from the Board; (iii) commission of any violation of a company policy that has a material adverse effect on the business or reputation of the Company or (iv) intentional breach of Company confidential information obligations which has an adverse effect on the Company or its affiliates. For these purposes, no act or failure to act

shall be considered “intentional or willful” unless it is done, or omitted to be done, in bad faith without a reasonable belief that the action or omission is in the best interests of the Company.

(b) Change of Control. “Change of Control” shall mean the occurrence of any of the following events:

(i) a change in the composition of the Board occurs, as a result of which fewer than one-half of the incumbent directors are directors who either:

(A) had been directors of the Company on the “look-back date” (as defined below) (the “original directors”); or

(B) were elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the aggregate of the original directors who were still in office at the time of the election or nomination and the directors whose election or nomination was previously so approved (the “continuing directors”);

provided, however, that for this purpose, the “original directors” and “continuing directors” shall not include any individual whose initial assumption of office occurred as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents, by or on behalf of a person other than the Board; or

(ii) any “person” (as defined below) who by the acquisition or aggregation of securities, is or becomes the “beneficial owner” (as defined in Rule 13d-3 under the Securities Exchange Act of 1934 (the “Exchange Act”)), directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company’s then outstanding securities ordinarily (and apart from rights accruing under special circumstances) having the right to vote at elections of directors (the “Base Capital Stock”); except that any change in the relative beneficial ownership of the Company’s securities by any person resulting solely from a reduction in the aggregate number of outstanding shares of Base Capital Stock, and any decrease thereafter in such person’s ownership of securities, shall be disregarded until such person increases in any manner, directly or indirectly, such person’s beneficial ownership of any securities of the Company; or

(iii) the consummation of a merger or consolidation of the Company or a Subsidiary of the Company with or into another entity or any other corporate reorganization, if persons who were not stockholders of the Company immediately prior to such merger, consolidation or other reorganization own immediately after such merger, consolidation or other reorganization 50% or more of the voting power of the outstanding securities of each of:

(A) the Company (or its successor) and

(B) any direct or indirect parent corporation of the Company (or its successor); or

(iv) The sale, transfer or other disposition of all or substantially all of the Company’s assets, which for the avoidance of doubt, shall include the distribution (by way of dividend, distribution or similar action), in a single distribution or in a series of distributions occurring within a 12-month period, by the Company of cash to its shareholders of an amount equal to an aggregate of at least fifty percent (50%) of the Company’s cash and cash equivalents held as of the date immediately prior to the date of such distribution, or in the case of multiple distributions within a 12-month period, as measured by the total amount of distributions within such 12-month period against the total cash and cash equivalents of the Company as of the date immediately prior to the date of such initial distribution within such 12-month period.

For purposes of subsection 1(b)(i) above, the term “look-back date” shall mean the date 24 months prior to the date of the event that may constitute a Change of Control.

For purposes of subsection 1(b)(ii) above, the term “person” shall have the same meaning as when used in Sections 13(d) and 14(d) of the Exchange Act but shall exclude (1) a trustee or other fiduciary holding securities under an employee benefit plan maintained by the Company or a parent or subsidiary and (2) a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the stock.

Any other provision of this Section 1(b) notwithstanding, a transaction shall not constitute a Change of Control if its sole purpose is to change the state of the Company’s incorporation or to create a holding company that will be owned in substantially the same proportions by the persons who held the Company’s securities immediately before such transaction, and a Change of Control shall not be deemed to occur if the Company files a registration statement with the United States Securities and Exchange Commission for the initial or secondary public offering of securities or debt of the Company to the public.

(c) Equity Award. “Equity Award” shall mean Executive’s awards of options, stock appreciation rights, restricted shares or stock units with respect to the Company or its successor, or the direct or indirect parent of either, or of any deferred compensation into which such stock options, stock appreciation rights, restricted shares or stock units were converted upon or prior to a Change of Control.

(d) Involuntary Termination. “Involuntary Termination” shall mean:

(i) a material reduction in Executive’s title, duties, authorities or responsibilities as the Chief Executive Officer of the Company without the Executive’s consent;

(ii) without Executive’s express written consent, a reduction by the Company of Executive’s base compensation of more than ten percent (10%), unless such reduction in base compensation is part of a general reduction in compensation applicable to senior executives of the Company;

(iii) without Executive’s express written consent, the relocation of Executive’s principal place of employment, including Executive’s home office if Executive primarily works from Executive’s home, to a facility or a location more than forty (40) miles from its location as of the Effective Date or, on or following a Change of Control, from its location immediately prior to such Change of Control;

(iv) any termination of Executive by the Company which is not effected for Cause; or

(v) the failure of the Company to obtain the assumption of this Agreement or any other agreement between the Company and Executive by any successors contemplated in Section 9 below.

A termination shall not be considered an “Involuntary Termination” unless Executive provides notice to the Company of the existence of the condition described in subsections (i), (ii), (iii) or (iv) above within ninety (90) days of the initial existence of such condition, the Company fails to remedy the condition within thirty (30) days following the receipt of such notice, and Executive terminates employment within one-hundred eighty (180) days following the initial existence of such condition. A termination due to death or disability shall not be considered an Involuntary Termination.

(e) Termination Date. “Termination Date” shall mean Executive’s “separation from service” within the meaning of that term under Section 409A of the Internal Revenue Code of 1986, as amended (the “Code”).

2. Term of Agreement. This Agreement will automatically terminate upon the date that all of the obligations of the parties hereto with respect to this Agreement have been satisfied.

3. At-Will Employment. The Company and Executive acknowledge that Executive’s employment is and shall continue to be at-will, as defined under applicable law.

4. Change of Control Related Benefits.

If Executive is employed at the time of a Change of Control, then all of Executive’s Equity Awards will become fully vested and exercisable. The foregoing vesting credit will be effective immediately prior to the Change of Control.

5. Involuntary Termination. If Executive’s employment with the Company terminates as a result of an Involuntary Termination whether or not occurring in connection with a Change of Control, and Executive signs and does not revoke a Release that has become irrevocable within sixty (60) days following the Termination Date, then Executive shall be entitled to the following severance benefits, subject to Section 8 below:

(a) 300% of Executive’s annual base salary (as in effect prior to any reduction that constitutes a basis for Involuntary Termination pursuant to this Agreement), payable in a lump sum on the sixtieth (60th) day following the Termination Date;

(b) 300% of Executive’s target bonus as in effect for the Company’s fiscal year in which the Termination Date occurs, payable in a lump sum on the sixtieth (60th) day following the Termination Date;

(c) any unpaid annual bonus that was earned (subject to continued employment through the payment date) for any annual bonus period which had ended prior to the Termination Date, which amount shall be paid at such time as annual bonuses are paid to other senior executives of the Company (including for this purpose any semi-annual or other partial year period for which a portion of the annual bonus is approved as having been earned subject to continued employment but which has not yet been paid);

(d) payment (or reimbursement) of up to 18 months of premiums under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, or corresponding provision of state law (“COBRA”) for health insurance coverage for Executive and Executive’s eligible dependents, at the same level and for the same eligible dependents covered as of Executive’s Termination Date, but not beyond the date that Executive (or his eligible dependents) become COBRA ineligible, provided that Executive is solely responsible for timely electing COBRA continuation coverage, and provided further, however, that notwithstanding the foregoing, in the event that the Company determines that such COBRA premium payments could result in adverse tax treatment to the Company or Executive under applicable law, the Company may instead provide Executive with payments during the foregoing coverage period equivalent in value to the COBRA premiums otherwise payable by the Company hereunder, but without regard to whether Executive (or his eligible dependents) continue group health coverage under the Company’s group health plan; and

(e) all of Executive’s Equity Awards will become fully vested and exercisable.

6. Accrued Wages and Vacation; Expenses. If Executive's employment with the Company terminates, without regard to the reason for, or the timing of, Executive's termination of employment, then (i) the Company shall pay Executive any unpaid wages due for periods prior to the Termination Date; (ii) the Company shall pay Executive all of Executive's accrued and unused vacation through the Termination Date; and (iii) following submission of proper expense reports by Executive, the Company shall reimburse Executive for all expenses reasonably and necessarily incurred by Executive in connection with the business of the Company prior to the Termination Date. These payments shall be made promptly upon termination and within the period of time mandated by law.

7. Limitation on Payments. In the event that the severance and other benefits provided for in this Agreement or otherwise payable to Executive (i) constitute "parachute payments" within the meaning of Section 280G of the Code and (ii) would be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), then Executive's benefits under this Agreement shall be either:

- (a) delivered in full or
- (b) delivered as to such lesser extent which would result in no portion of such benefits being subject to the Excise Tax,

whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the Excise Tax, results in the receipt by Executive on an after-tax basis, of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be taxable under Section 4999 of the Code.

Unless the Company and Executive otherwise agree in writing, any determination required under this Section 7 shall be made in writing by the Company's independent public accountants (the "Accountants"), whose determination shall be conclusive and binding upon Executive and the Company for all purposes. For purposes of making the calculations required by this Section 7, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and Executive shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section 7. The Company shall bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Section 7. In the event that a reduction is required, the reduction shall be applied first to any benefits that are not subject to Section 409A of the Code, and then shall be applied to benefits (if any) that are subject to Section 409A of the Code, with the benefits payable latest in time subject to reduction first.

8. Section 409A; Delayed Commencement of Benefits. The parties intend that any amounts payable hereunder comply with or are exempt from Section 409A of the Code ("Section 409A"), and this Agreement shall be administered accordingly. In the event that any changes to this Agreement or any additional terms are required to ensure that a payment is either exempt from or complies with Section 409A so that the additional taxes under Section 409A are not applied, Executive hereby agrees that the Company may make such change or incorporate such terms (by reference or otherwise) without Executive's consent. Each payment contemplated by this Agreement will be treated as a separate payment for purposes of Section 409A. If any of the payments upon separation from service set forth herein and/or under any other agreement with the Company are deemed to be "deferred compensation," then to the extent delayed commencement of any portion of such payments is required in order to avoid a prohibited distribution under Code Section 409A(a)(2)(B)(i) and the related adverse taxation under Code Section 409A, such payments shall not be provided to Executive prior to the earliest of (a) the

expiration of the six-month period measured from the date of Executive's separation from service with the Company, (b) the date of Executive's death or (c) such earlier date as permitted under Code Section 409A without the imposition of adverse taxation. Upon the first business day following the expiration of such applicable Code Section 409A(a)(2)(B)(i) period, all payments deferred pursuant to this paragraph shall be paid in a lump sum to Executive, and any remaining payments due shall be paid as otherwise provided herein or in the applicable agreement. No interest shall be due on any amounts so deferred. Notwithstanding anything herein to the contrary, the Company shall have no liability to Executive or to any other person if the payments and benefits provided in this Agreement that are intended to be exempt from or compliant with Section 409A are not so exempt or compliant, as applicable.

9. Successors.

(a) Company's Successors. Any successor to the Company (whether direct or indirect and whether by purchase, lease, merger, consolidation, liquidation or otherwise) to all or substantially all of the Company's business and/or assets shall assume the Company's obligations under this Agreement and agree expressly to perform the Company's obligations under this Agreement in the same manner and to the same extent as the Company would be required to perform such obligations in the absence of a succession. For all purposes under this Agreement, the term "Company" shall include any successor to the Company's business and/or assets which executes and delivers the assumption agreement described in this subsection (a) or which becomes bound by the terms of this Agreement by operation of law.

(b) Executive's Successors. Without the written consent of the Company, Executive shall not assign or transfer this Agreement or any right or obligation under this Agreement to any other person or entity. Notwithstanding the foregoing, the terms of this Agreement and all rights of Executive hereunder shall inure to the benefit of, and be enforceable by, Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

10. Notices.

(a) General. Notices and all other communications contemplated by this Agreement shall be in writing and shall be deemed to have been duly given when personally delivered or when mailed by U.S. registered or certified mail, return receipt requested and postage prepaid. In the case of Executive, mailed notices shall be addressed to Executive at the home address which he most recently communicated to the Company in writing. In the case of the Company, mailed notices shall be addressed to its corporate headquarters, and all notices shall be directed to the attention of its Secretary.

(b) Notice of Termination. Any termination by the Company for Cause or by Executive as a result of an Involuntary Termination shall be communicated by a notice of termination to the other party hereto given in accordance with this Section 10. Such notice shall indicate the specific termination provision in this Agreement relied upon, shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination under the provision so indicated, and shall specify the Termination Date (which shall be not more than thirty (30) days after the giving of such notice). The failure by Executive to include in the notice any fact or circumstance which contributes to a showing of Involuntary Termination shall not waive any right of Executive hereunder or preclude Executive from asserting such fact or circumstance in enforcing Executive's rights hereunder, subject to the requirements of Section 1(d).

11. Arbitration. Any controversy involving the construction or application of any terms, covenants or conditions of this Agreement, or any claims arising out of any alleged breach

of this Agreement, will be governed by the rules of the American Arbitration Association and submitted to and settled by final and binding arbitration in Santa Clara, California, except that any alleged breach of Executive's confidential information obligations shall not be submitted to arbitration and instead the Company may seek all legal and equitable remedies, including without limitation, injunctive relief.

12. Miscellaneous Provisions.

(a) No Duty to Mitigate. Executive shall not be required to mitigate the amount of any payment contemplated by this Agreement, nor shall any such payment be reduced by any earnings that Executive may receive from any other source.

(b) Waiver. No provision of this Agreement may be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by Executive and by an authorized officer of the Company (other than Executive). No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.

(c) Integration. This Agreement supersedes and replaces any prior agreements, representation or understandings, whether written, oral, express or implied, between Executive and the Company, including but not limited to any accelerated vesting provisions set forth in any agreement applicable to Executive's Equity Awards (to the extent modified by this Agreement), and constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof.

(d) Choice of Law. The validity, interpretation, construction and performance of this Agreement shall be governed by the internal substantive laws, but not the conflicts of law rules, of the State of California.

(e) Severability. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision hereof, which shall remain in full force and effect.

(f) Employment Taxes. All payments made pursuant to this Agreement shall be subject to withholding of applicable income and employment taxes.

(g) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of the parties has executed this Agreement, in the case of the Company by its duly authorized officer, as of the day and year first above written.

COMPANY:

IMMERSION CORPORATION

By: /s/ Elias Nader

Name: Elias Nader

Title: Compensation Committee Chair

EXECUTIVE:

/s/ Eric Singer

Name: Eric Singer

Title: Chairman and CEO

**Immersion Corporation Announces Management Changes
Announces Special Dividend and \$50 Million Stock Repurchase Program
Focus on driving multi-year step function increase in valuation**

AVENTURA FL, January 3, 2023 – Immersion Corporation (NASDAQ: IMMR), a leading developer and provider of technologies for haptics, today reported management changes, a special cash dividend and a new stock repurchase program.

Effective immediately, Executive Chairman Eric Singer has been appointed President and CEO and will continue to serve as Chairman of the Board. The Board of Directors believes Eric Singer’s significant experience in operations, transactions and capital allocation as well as his deep technology experience will help to drive long-term shareholder value creation. Francis Jose will return to the role of General Counsel and oversee the Company’s ongoing intellectual property licensing efforts.

Immersion’s Board of Directors has also declared a special one-time dividend of 10 cents per share, based on the Company’s strong operating performance in 2022. This dividend is in addition to a new recently declared quarterly dividend program of 3 cents per share. In addition, Immersion’s Board of Directors approved a new stock repurchase program of up to \$50.0 million for 2023. This new stock repurchase program replaces the stock repurchase program that had been in place in 2022 under which the Company repurchased a total of 2,542,065 shares (approximately 7.4% of shares outstanding as of December 31, 2021).

Eric Singer, President and CEO, stated, “Immersion has a unique set of assets, and the Board is redoubling its efforts to create a step function increase in value over the long term. Over the past two years, we have driven a significant increase in profitability, helping to fortify Immersion’s balance sheet with record levels of cash and investments. We now have multiple levers to drive shareholder value concurrent with our workstreams around monetization of our intellectual property, which encompasses entering new license arrangements and renewing existing licenses as well as our targeted litigation strategy, including but not limited to our recent lawsuit against Meta Platforms (NASDAQ: META). Our special dividend and stock repurchase program underscore our financial flexibility to return value to shareholders in a very uncertain macro environment, and we intend to leverage our financial resources to continue to increase shareholder value.”

“We thank Francis Jose for his work as CEO over the past 16 months. I look forward to continuing to work with the team on our core priorities in the coming year,” Singer added.

The special dividend of \$0.10 per share will be paid on January 30, 2023 to shareholders of record on January 15, 2023. In addition, the Company’s first quarterly dividend will be paid on January 30, 2023 to shareholders of record on January 15, 2023. Future quarterly dividends will be subject to further review and approval by the Board in accordance with applicable law. The Board reserves the right to adjust or withdraw the quarterly dividend in future periods as it reviews the Company’s capital allocation strategy from time-to-time.

Exhibit 99.1

The stock repurchase program allows for the repurchase of up to \$50 million of Immersion common stock for a period of up to 12 months. The timing, pricing and sizes of any repurchases will depend on a number of factors, including the market price of the Company's common stock and general market and economic conditions. The stock repurchase program does not obligate the Company to repurchase any dollar amount or number of shares, and the program may be suspended or discontinued at any time.

About Immersion

Immersion Corporation (NASDAQ: IMMR) is a leading innovator of touch feedback technology, also known as haptics. The company invents, accelerates, and scales haptic experiences by providing technology solutions for mobile, automotive, gaming, and consumer electronics. Haptic technology creates immersive and realistic experiences that enhance digital interactions by engaging users' sense of touch. Learn more at www.immersion.com.

Forward-looking Statements

This press release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The forward-looking statements involve risks and uncertainties. Forward-looking statements are identified by words such as "anticipates," "believes," "expects," "intends," "may," "can," "will," "places," "estimates," and other similar expressions. However, these words are not the only way we identify forward-looking statements. Examples of forward-looking statements include any expectations, projections, or other characterizations of future events, or circumstances, including but not limited to statements about the anticipated impact of the appointment of Eric Singer as President and CEO, the impact of the Board's efforts to create a step function increase in value over the long term, the Company's intent to leverage its financial resources to continue to increase shareholder value, the financial strength of the Company and commitment to return capital to shareholders in a meaningful way, the implementation of the stock repurchase program, and the Company's focus on entering new license arrangements and renewing existing licenses, protecting its intellectual property and capital allocation to drive long-term shareholder value.

Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Actual results could differ materially from those projected in the forward-looking statements, therefore we caution you not to place undue reliance on these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: the inability to predict the outcome of any litigation, the costs associated with any litigation and the risks related to our business, both direct and indirect, of initiating litigation, the effects of the COVID-19 global pandemic on the Company and its business, and on the business of its suppliers and customers; unanticipated changes in the markets in which the Company operates; the effects of the current macroeconomic climate (especially in light of the ongoing adverse effects of the COVID-19 global pandemic); delay in or failure to achieve adoption of or commercial demand for the Company's products or third party products incorporating the Company's

Exhibit 99.1

technologies; the inability of Immersion to renew existing licensing arrangements, or enter into new licensing arrangements on favorable terms; the loss of a major customer; the ability of Immersion to protect and enforce its intellectual property rights; the risk that the Company may not successfully repurchase stock under its stock repurchase program; and other factors. For a more detailed discussion of these factors, and other factors that could cause actual results to vary materially, interested parties should review the risk factors listed in Immersion's Annual Report on Form 10-K for 2021 and in its most recent Quarterly Report on Form 10-Q which are on file with the U.S. Securities and Exchange Commission. Any forward-looking statements made by us in this press release speak only as of the date of this press release, and Immersion does not intend to update these forward-looking statements after the date of this press release, except as required by law.

Immersion, and the Immersion logo are trademarks of Immersion Corporation in the United States and other countries. All other trademarks are the property of their respective owners. The use of the word "partner" or "partnership" in this press release does not mean a legal partner or legal partnership.

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