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**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**

Date of Report (Date of earliest event reported): December 16, 2016

**I.D. SYSTEMS, INC.**

(Exact Name of Registrant as Specified in its Charter)

<hr/> <p style="text-align: center;">Delaware (State or Other Jurisdiction of Incorporation)</p>	<hr/> <p style="text-align: center;">001-15087 (Commission File Number)</p>	<hr/> <p style="text-align: center;">22-3270799 (IRS Employer Identification No.)</p>
<hr/> <p style="text-align: center;">123 Tice Boulevard, Woodcliff Lake, New Jersey (Address of Principal Executive Offices)</p>		<hr/> <p style="text-align: center;">07677 (Zip Code)</p>

Registrant's telephone number, including area code (201) 996-9000

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(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 obligation 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))
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**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On December 16, 2016, I.D. Systems, Inc. (the “Company”) entered into a Separation and General Release Agreement (the “Separation Agreement”) with Norman L. Ellis, the former Chief Operating Officer of the Company. Pursuant to the Separation Agreement, Mr. Ellis has agreed to a general release of all claims against the Company and certain related parties as well as certain restrictive covenants, in exchange for which Mr. Ellis will be entitled to receive cash payments equal to three (3) months of his base salary and continue to receive healthcare benefits for a period of up to three months.

The description of the Separation Agreement contained herein does not purport to be complete and is qualified in its entirety by reference to the full text of the Separation Agreement, which is filed as [Exhibit 10.1](#) to this Current Report on Form 8-K and incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

As described above, the following exhibit is filed as part of this report:

Exhibit Number	Description
10.1	Separation and General Release Agreement, dated December 16, 2016, between I.D. Systems, Inc. and Norman L. Ellis.

**SIGNATURE**

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.

**I.D. SYSTEMS, INC.**

By: /s/ Ned Mavrommatis

Name: Ned Mavrommatis

Title: Chief Financial Officer

Date: December 19, 2016

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EXHIBIT INDEX

Exhibit Number	Description
10.1	Separation and General Release Agreement, dated December 16, 2016, between I.D. Systems, Inc. and Norman L. Ellis.



## SEPARATION AND GENERAL RELEASE AGREEMENT

This Separation and General Release Agreement (the "Agreement") is entered into between Norman Ellis with an address at 3061 Silent Wind Way, Henderson, NV 89052 (the "Employee") and I.D. Systems, Inc. ("ID Systems"), together with its parent, divisions, affiliates, and subsidiaries and their respective officers, directors, employees, shareholders, members, partners, plan administrators, attorneys, and agents, as well as any predecessors, future successors or assigns or estates of any of the foregoing with an address at 123 Tice Boulevard, Woodcliff Lake, NJ 07677 (the "Released Parties").

1. Separation of Employment. Employee acknowledges and understands that Employee's last day of employment with ID Systems was December 7, 2016 (the "Separation Date"). Employee acknowledges and agrees that, except as otherwise provided in this Agreement, Employee has received all compensation and benefits to which Employee is entitled as a result of Employee's employment. Employee understands that, except as otherwise provided in this Agreement, Employee is entitled to nothing further from any of the Released Parties, including reinstatement by ID Systems.

2. Employee General Release of Released Parties. In consideration of the payments and benefits set forth in Section 4 below, Employee hereby unconditionally and irrevocably releases, waives, discharges, and gives up, to the full extent permitted by law, any and all Claims (as defined below) that Employee may have against any of the Released Parties, arising on or prior to the date of Employee's execution and delivery of this Agreement to ID Systems. "Claims" means any and all actions, charges, controversies, demands, causes of action, suits, rights, and/or claims whatsoever for debts, sums of money, wages, salary, severance pay, commissions, bonuses, unvested stock options, vacation pay, sick pay, fees and costs, attorneys fees, losses, penalties, damages, including damages for pain and suffering and emotional harm, arising, directly or indirectly, out of any promise, agreement, offer letter, contract, understanding, common law, tort, the laws, statutes, and/or regulations of the State of New Jersey or any other state and the United States, including, but not limited to, federal and state whistleblower laws, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Equal Pay Act, the Americans with Disabilities Act, the Family and Medical Leave Act, the Employment Retirement Income Security Act (excluding COBRA), the Vietnam Era Veterans Readjustment Assistance Act, the Fair Credit Reporting Act, the Age Discrimination in Employment Act ("ADEA"), the Older Workers' Benefit Protection Act, the Occupational Safety and Health Act, the Sarbanes-Oxley Act of 2002, the New Jersey Law Against Discrimination, the New Jersey Family Leave Act, the New Jersey Civil Rights Act, and the New Jersey Conscientious Employee Protection Act, as each may be amended from time to time, whether arising directly or indirectly from any act or omission, whether intentional or unintentional. This Section 2 releases all Claims including those of which Employee is not aware and those not mentioned in this Agreement. Employee specifically releases any and all Claims arising out of Employee's employment with ID Systems or separation therefrom and any and all Claims that Employee may have against any of the Released Parties in his capacity as a stockholder of ID Systems. Employee expressly acknowledges and agrees that, by entering into this Agreement, Employee is releasing and waiving any and all Claims, including, without limitation, Claims that Employee may have arising under ADEA, which have arisen on or before the date of Employee's execution and delivery of this Agreement to ID Systems.

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3 . Representations; Covenant Not to Sue. Employee hereby represents and warrants to the Released Parties that Employee has not: (A) filed, caused or permitted to be filed any pending proceeding (nor has Employee lodged a complaint with any governmental or quasi-governmental authority) against any of the Released Parties, nor has Employee agreed to do any of the foregoing; (B) assigned, transferred, sold, encumbered, pledged, hypothecated, mortgaged, distributed, or otherwise disposed of or conveyed to any third party any right or Claim against any of the Released Parties that has been released in this Agreement; or (C) directly or indirectly assisted any third party in filing, causing or assisting to be filed, any Claim against any of the Released Parties. Except as set forth in Section 11 below, Employee covenants and agrees that he shall not encourage or solicit or voluntarily assist or participate in any way in the filing, reporting or prosecution by himself or any third party of a proceeding or Claim against any of the Released Parties.

4 . Benefits. As good consideration for Employee's execution, delivery, and non-revocation of this Agreement, Employee shall be entitled to receive cash payments (collectively the "Severance Payment") at the rate of Employee's annual base salary as in effect immediately prior to the Separation Date for a period of three (3) months commencing on the date hereof (the "Severance Period"), payable as set forth below. The Severance Payment shall be made as a series of separate payments in accordance with the Company's standard payroll practices (and subject to all applicable tax withholdings and deductions), commencing with the first regular payroll date on or immediately following the date hereof. In addition, during the Severance Period, Employee shall continue to be eligible to receive such healthcare benefits from ID Systems as was in effect and applicable to Employee immediately preceding the Separation Date; provided that in the event Employee becomes eligible to obtain alternate healthcare coverage from a new employer before the end of the Severance Period, ID Systems' obligation to provide such healthcare coverage shall cease. Employee acknowledges that Employee is not otherwise entitled to receive the payments and benefits described in this Section 4 and acknowledges that nothing in this Agreement shall be deemed to be an admission of liability on the part of any of the Released Parties. Employee agrees that Employee will not seek anything further from any of the Released Parties.

5 . Who is Bound. ID Systems and Employee are bound by this Agreement. Anyone who succeeds to Employee's rights and responsibilities, such as the executors of Employee's estate, is bound, and anyone who succeeds to ID Systems's rights and responsibilities, such as its successors and assigns, is also bound.

6 . Cooperation. Employee agrees that, within five business days of the Separation Date, he shall provide ID Systems (attention: Chris Wolfe) with a written comprehensive summary of all outstanding work activities, current and prospective customer contact information, and otherwise reasonably cooperate as necessary to effect a transition of his responsibilities. Employee also agrees that he will cease from communicating with any current ID Systems employees (with the exception of Chris Wolfe, Ned Mavrommatis and Lindsay Estelle) regarding ID Systems personnel or other business-related matters. Employee agrees to reasonably cooperate in any ID Systems investigations and/or litigation regarding events that occurred during Employee's tenure with ID Systems. ID Systems will compensate Employee for reasonable expenses Employee incurs in extending such cooperation regarding investigations and/or litigation, so long as Employee provides advance written notice of Employee's request for compensation.

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7 . Non Disparagement and Confidentiality. Employee agrees not to make any defamatory or derogatory statements concerning any of the Released Parties. Provided inquiries are directed to ID Systems' Department of Human Resources, ID Systems shall disclose to prospective employers information limited to Employee's dates of employment and last position held by Employee. Employee confirms and agrees that Employee shall not, directly or indirectly, disclose to any person or entity or use for Employee's own benefit, any confidential information concerning the business, finances or operations of ID Systems or its customers; provided, however, that Employee's obligations under this Section 7 shall not apply to information generally known in ID Systems' industry through no fault of Employee or the disclosure of which is required by law after reasonable notice has been provided to ID Systems sufficient to enable ID Systems to contest the disclosure. Confidential information shall include, without limitation, trade secrets, customer lists, details of contracts, pricing policies, operational materials, marketing plans or strategies, security and safety plans and strategies, project development, and any other non-public or confidential information of, or relating to, ID Systems or its affiliates. Employee also agrees that the amounts paid to Employee and all of the other terms of this Agreement shall be kept confidential, unless ID Systems discloses them in a public filing. Employee acknowledges that he continues to be bound by that certain Employee Covenants Agreement, dated July 21, 2014, between ID Systems and Employee (the "Covenants Agreement").

8 . Remedies. If Employee tells anyone the amount paid to Employee or any other term of this Agreement (unless ID Systems has publicly disclosed the terms of this Agreement in a public filing), breaches any other term or condition of this Agreement or the Covenants Agreement, or any representation made by Employee in this Agreement was false when made, it shall constitute a material breach of this Agreement and, in addition to and not instead of the Released Parties' other remedies hereunder, under the Covenants Agreement or otherwise at law or in equity, Employee shall be required to immediately, upon written notice from ID Systems, return the payments paid by ID Systems hereunder, less \$500. Employee agrees that if Employee is required to return the payments, this Agreement shall continue to be binding on Employee and the Released Parties shall be entitled to enforce the provisions of this Agreement as if the payments had not been repaid to ID Systems and ID Systems shall have no further payment obligations to Employee hereunder. Further, in the event of a material breach of this Agreement, Employee agrees to pay all of the Released Parties' attorneys' fees and other costs associated with enforcing this Agreement.

9. ID Systems Property. Employee represents that he has returned all ID Systems property in Employee's possession, custody or control, including, but not limited to, all ID Systems equipment, samples, laptop computers, personal digital assistants, cell phones, pass codes, keys, swipe cards, documents or other materials that Employee received, prepared, or helped prepare. Employee represents that Employee has not retained any copies, duplicates, reproductions, computer disks, or excerpts thereof of ID Systems' documents.

10. Construction of Agreement. In the event that one or more of the provisions contained in this Agreement shall for any reason be held unenforceable in any respect under the law of any state of the United States or the United States, such unenforceability shall not affect any other provision of this Agreement, but this Agreement shall then be construed as if such unenforceable provision or provisions had never been contained herein or therein. If it is ever held that any restriction hereunder is too broad to permit enforcement of such restriction to its fullest extent, such restriction shall be enforced to the maximum extent permitted by applicable law. This Agreement and any and all matters arising directly or indirectly herefrom or therefrom shall be governed under the laws of the State of New Jersey, without reference to choice of law rules. ID Systems and Employee consent to the sole jurisdiction of the federal and state courts of New Jersey. **ID SYSTEMS AND EMPLOYEE HEREBY WAIVE THEIR RESPECTIVE RIGHT TO TRIAL BY JURY IN ANY ACTION CONCERNING THIS AGREEMENT OR ANY AND ALL MATTERS ARISING DIRECTLY OR INDIRECTLY HEREFROM AND REPRESENT THAT THEY HAVE CONSULTED WITH COUNSEL OF THEIR CHOICE OR HAVE CHOSEN VOLUNTARILY NOT TO DO SO SPECIFICALLY WITH RESPECT TO THIS WAIVER.**

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11. Acknowledgments. ID Systems and Employee acknowledge and agree that:

(A) By entering into this Agreement, Employee does not waive any rights or Claims that may arise after the date that Employee executes and delivers this Agreement to ID Systems;

(B) This Agreement shall not affect the rights and responsibilities of the Equal Employment Opportunity Commission (the “EEOC”) to enforce the ADEA and other laws, and further acknowledge and agree that this Agreement shall not be used to justify interfering with Employee’s protected right to file a charge or participate in an investigation or proceeding conducted by the EEOC. Accordingly, nothing in this Agreement shall preclude Employee from filing a charge with, or participating in any manner in an investigation, hearing or proceeding conducted by, the EEOC, but Employee hereby waives any and all rights to recover under, or by virtue of, any such investigation, hearing or proceeding;

(C) Notwithstanding anything set forth in this Agreement to the contrary, nothing in this Agreement shall affect or be used to interfere with Employee’s protected right to test in any court, under the Older Workers’ Benefit Protection Act, or like statute or regulation, the validity of the waiver of rights under ADEA set forth in this Agreement; and

(D) Nothing in this Agreement shall preclude Employee from: exercising Employee’s rights, if any (i) under Section 601-608 of the Employee Retirement Income Security Act of 1974, as amended, popularly known as COBRA, or (ii) ID Systems’s pension plan or 401(k) plan, if applicable.

12. Opportunity For Review.

(A) Employee represents and warrants that Employee: (i) has had sufficient opportunity to consider this Agreement; (ii) has read this Agreement; (iii) understands all the terms and conditions hereof; (iv) is not incompetent or had a guardian, conservator or trustee appointed for Employee; (v) has entered into this Agreement of Employee’s own free will and volition; (vi) has duly executed and delivered this Agreement; (vii) understands that Employee is responsible for Employee’s own attorney’s fees and costs; (viii) has had the opportunity to review this Agreement with counsel of Employee’s choice or has chosen voluntarily not to do so; (ix) understands the Employee has been given twenty-one (21) days to review this Agreement before signing this Agreement and understands that he is free to use as much or as little of the 21-day period as he wishes or considers necessary before deciding to sign this Agreement; (x) understands that if Employee does not sign and return this Agreement to ID Systems within 21 days of his receipt, ID Systems shall have no obligation to enter into this Agreement, Employee shall not be entitled to the payments and benefits set forth in Section 4 of this Agreement, and the Separation Date shall be unaltered; and (xi) this Agreement is valid, binding and enforceable against the parties to this Agreement in accordance with its terms.

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(B) This Agreement shall be effective and enforceable on the eighth (8th) day after execution and delivery to ID Systems by Employee. The parties to this Agreement understand and agree that Employee may revoke this Agreement after having executed and delivered it to ID Systems by so advising ID Systems in writing no later than 11:59 p.m. on the seventh (7th) day after Employee's execution and delivery of this Agreement to ID Systems. If Employee revokes this Agreement, it shall not be effective or enforceable, Employee shall not be entitled to the payments and benefits set forth in Section 4 of this Agreement, and the Separation Date shall be unaltered.

Agreed to and accepted on this 16th day of December, 2016.

Witness:

/s/ Katie O'Sullivan

Katie O'Sullivan

Agreed to and accepted on this 16th day of December, 2016.

EMPLOYEE:

/s/ Norman Ellis

Name: Norman Ellis

ID SYSTEMS, INC.

/s/ Lindsay Estelle

Name: Lindsay Estelle

Title: Director, Human Resources

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