

## FORM 4

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

☐ Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or  
Section 30(h) of the Investment Company Act of 1940

| OMB APPROVAL                                   |           |
|--|-----------|
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(Print or Type Responses)

|   |                                      |  |                                |  |   |  |   |
|---|--------------------------------------|--|--------------------------------|--|---|--|---|
| 1. Name and Address of Reporting Person<br>BURNS TIMOTHY  |                                      | 2. Issuer Name and Ticker or Trading Symbol<br>Ideal Power Inc. [IPWR]           |                                | 5. Relationship of Reporting Person(s) to Issuer<br>(Check all applicable)<br>____ Director<br>____ 10% Owner<br>____ X Officer (give title below)<br>CFO, Secretary |   |  |   |
| (Last) (First) (Middle)<br>4120 FREIDRICH LANE, SUITE 100 |                                      | 3. Date of Earliest Transaction (Month/Day/Year)<br>09/16/2014                   |                                |  |   |  |   |
| (Street)<br>AUSTIN, TX 78744                              |                                      | 4. If Amendment, Date Original Filed (Month/Day/Year)                            |                                | 6. Individual or Joint/Group Filing (Check Applicable Line)<br>____ X Form filed by One Reporting Person<br>____ Form filed by More than One Reporting Person        |   |  |   |
| (City) (State) (Zip)                                      |                                      | Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned |                                |  |   |  |   |
| 1. Title of Security (Instr. 3)                           | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year)                               | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)  | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|   |                                      |  | Code V                         | Amount (A) or (D) Price  |   |  |   |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|--|--|
|  |  |                                      |  | Code V                         | (A) (D)   | Date Exercisable Expiration Date                         | Title Amount or Number of Shares                              |  |  |  |  |
| Option to Purchase Common Stock (1) (2)    | \$ 7.84  | 09/16/2014                           |  | A                              | 125,000   | (3) 09/16/2024   | Common Stock 125,000  | \$ 0                                       | 155,000 (4)  | D  |  |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                |       |
|---|---------------|-----------|----------------|-------|
|   | Director      | 10% Owner | Officer        | Other |
| BURNS TIMOTHY<br>4120 FREIDRICH LANE<br>SUITE 100<br>AUSTIN, TX 78744 |               |           | CFO, Secretary |       |

## Signatures

|                               |            |
|-------------------------------|------------|
| /s/ Timothy Burns             | 09/18/2014 |
| Signature of Reporting Person | Date       |

## Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The stock option was granted from the Ideal Power Converters, Inc. 2013 Equity Incentive Plan (the "Plan").

The right to purchase 80% of the option shares is contingent upon the Company obtaining stockholder approval of an amendment to the

- (2) Plan increasing the number of shares of common stock available for awards. The number of option shares granted to the reporting person may be decreased by 80%, or 100,000 option shares, if stockholder approval is not obtained on or before the annual meeting of the Company's stockholders to be held in 2016.
- (3) The right to purchase the common stock vests in equal increments over 4 years on the anniversary of the grant date.
- (4) Includes an option granted on November 21, 2013 for the purchase of 30,000 shares of common stock.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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