

# FORM 4

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

| OMB APPROVAL                                   |                   |
|--|-------------------|
| OMB Number:                                    | 3235-0287         |
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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, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

|  |         |          |   |  |  |  |
|--|---------|----------|---|--|--|--|
| 1. Name and Address of Reporting Person *<br>De Tarr Charles |         |          | 2. Issuer Name and Ticker or Trading Symbol<br>Ideal Power Inc. [IPWR]                  |  | 5. Relationship of Reporting Person(s) to Issuer<br><br>(Check all applicable)<br><input type="checkbox"/> Director <input type="checkbox"/> 10% Owner<br><input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)<br><b>FORMER VP FINANCE</b> |  |
| (Last)<br>5004 BEE CREEK ROAD, SUITE 600                     | (First) | (Middle) | 3. Date of Earliest Transaction (Month/Day/Year)<br>12/05/2013                          |  |  |  |
| (Street)<br>SPICEWOOD, TX 78669                              |         |          | 4. If Amendment, Date Original Filed (Month/Day/Year)                                   |  | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><input type="checkbox"/> Form filed by More than One Reporting Person   |  |
| (City)   | (State) | (Zip)    | <b>Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned</b> |  |  |  |

| 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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|--------|---|--|---|
|                                 |                                      |  |                                | (A) or (D)  | Price  |   |  |   |
|                                 |                                      |  | Code                           | V   | Amount |   |  |   |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number. SEC 1474 (9-02)

**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) |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----------------------|---|--|--|--|--|
|  |  |                                      |  |                                |   | Date Exercisable   | Expiration Date       |   |  |  |  |  |
| Option for the Purchase of Common Stock    | \$ 5   | 12/05/2013                           |  | j(1)                           | 1   | (2)  | 07/19/2023            | Common Stock 21,000   | \$ 0                                       | 50,449   | D  |  |
| Option for the Purchase of Common Stock    | \$ 0.4167  | 12/05/2013                           |  | j(1)                           | 1   |  | 01/31/2009 01/31/2022 | Common Stock 26,743   | \$ 0                                       | 23,706   | D  |  |
| Option for the Purchase of Common Stock    | (3)  | 12/05/2013                           |  | j(1)                           | 1   |  | 11/27/2014 (4)        | Common Stock 33,743   | \$ 0                                       | 57,449 (5)   | D  |  |

## Reporting Owners

| Reporting Owner Name / Address | Relationships |           |         |       |
|--------------------------------|---------------|-----------|---------|-------|
|                                | Director      | 10% Owner | Officer | Other |
| De Tarr Charles                |               |           |         |       |

5004 BEE CREEK ROAD  
SUITE 600  
SPICEWOOD, TX 78669

FORMER VP FINANCE

## Signatures

/s/ Charles De Tarr

12/05/2013

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).

The reporting person separated from service on November 27, 2013. As part of his separation agreement, which was effective on

(1) December 5, 2013, the reporting person relinquished his right to purchase an aggregate 47,743 shares of common stock covered by two option grants in exchange for the right to purchase an aggregate 33,743 shares of common stock.

(2) This option was to vest in equal increments on December 31, 2013, December 31, 2014 and December 31, 2015.

(3) The reporting person has the right to purchase 26,743 shares of common stock at an exercise price of \$0.416675 per share and the right to purchase 7,000 shares of common stock at an exercise price of \$5.00 per share.

The right to purchase the shares of common stock covered by the option expires, as to 7,000 shares of common stock with an exercise price of \$5.00 per share, on November 26, 2015 and as to 26,743 shares of common stock with an exercise price of \$0.416675 per share, on January 31, 2022.

(5) The reporting person holds the option disclosed above along with one warrant for the purchase of 23,706 shares of the Company's 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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