
**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): September 2, 2014

NOVATEL WIRELESS, INC.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

000-31659
(Commission
File Number)

86-0824673
(I.R.S. Employer
Identification No.)

9645 Scranton Road
San Diego, CA 92121
(Address of Principal Executive Offices) (Zip Code)

(858) 812-3400
(Registrant's telephone number, including area code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- 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.

(b)

Effective September 2, 2014, Thomas D. Allen, Interim Chief Financial Officer of Novatel Wireless, Inc. (the “Company”), resigned from his position with the Company due to the appointment of Michael Newman as Executive Vice President and Chief Financial Officer, as described below.

(c) and (e)

On September 2, 2014, the board of directors of the Company (the “Board”) appointed Michael Newman to serve as Executive Vice President and Chief Financial Officer of the Company. As Executive Vice President and Chief Financial Officer of the Company, Mr. Newman will perform the functions of principal financial officer and principal accounting officer.

Mr. Newman, age 45, previously served as Executive Vice President, Chief Financial Officer of Websense, Inc., a Delaware corporation (“Websense”), from April 2012 until July, 2013 (and served in a transitional role from July 2013 until October 2013), as interim Chief Financial Officer of Websense from September 2011 until April 2012 and as Senior Vice President, General Counsel, Chief Administrative Officer and Corporate Secretary of Websense from December 2010 until September 2011. From August 2007 to December 2010, Mr. Newman served as Websense’s Senior Vice President, General Counsel and Corporate Secretary and, from September 2002 to August 2007, he served as Websense’s Vice President and General Counsel. From April 1999 to September 2002, Mr. Newman served in the legal department of Gateway, Inc., a publicly-traded personal computer manufacturer, and prior to that, Mr. Newman practiced as an attorney with Cooley LLP and Latham & Watkins LLP, two of California’s leading law firms. Mr. Newman received his B.S. in Business Administration from Georgetown University, and a J.D. from Harvard Law School.

The Company has entered into an offer letter agreement with Mr. Newman (the “Offer Letter”), pursuant to which Mr. Newman will be entitled to receive an annual base salary of \$300,000 as compensation for his services as Executive Vice President and Chief Financial Officer. Commencing with calendar year 2015, \$210,000 of Mr. Newman’s annual base salary will be payable in cash, and the remaining \$90,000 of Mr. Newman’s annual base salary will be payable through the issuance of restricted stock units (“RSUs”) which will vest in 12 equal monthly installments from the date of grant; *provided, however*, that beginning in calendar year 2016, Mr. Newman will have the right to elect to receive his full annual base salary in cash. For calendar year 2014, Mr. Newman was granted \$30,000 in RSUs which will vest in four equal monthly installments over the course of the remaining 2014 calendar year. Mr. Newman will also have the opportunity to receive a \$150,000 bonus, to the extent that the Board determines that the Company has achieved certain performance goals during the period from July 1, 2014 through March 31, 2015, and for subsequent periods commencing on April 1, 2015, Mr. Newman will be eligible to receive an annual bonus targeted at 50% of his annual base salary, based on the achievement of criteria to be established by the Compensation Committee of the Board.

Upon the commencement of his employment with the Company, Mr. Newman was granted an equity award consisting of 225,000 RSUs which will vest in three equal installments on each of the first three anniversaries of Mr. Newman’s start date and options to purchase 175,000 shares of the Company’s common stock with a per share exercise price equal to \$2.25 (with 1/3 of the option shares vesting after one year and the remaining 2/3 vesting in equal monthly installments over the next two years thereafter). The vesting of all RSUs and options will be subject to Mr. Newman’s continued employment with the Company through each such applicable vesting date.

The Company has also entered into a Change in Control and Severance Agreement (the “Severance Agreement”) with Mr. Newman which provides that in the event of a Covered Termination during a Change in Control Period or in Contemplation of a Change in Control that actually occurs (each as defined in the Severance Agreement), Mr. Newman will, subject to certain conditions including the execution of a general release, be entitled to receive severance in an amount equal to the sum of 18 months of his then-current annual base salary, plus an amount equal to 12 months of his then-current annual target bonus opportunity. In addition, all of Mr. Newman’s outstanding equity awards, other than Compensatory RSUs (as defined in the Severance Agreement), will automatically become vested and, if applicable, exercisable, and Mr. Newman and his covered dependents will be entitled to certain healthcare benefits for a period of up to 18 months.

In addition, in the event of a Covered Termination that occurs before the earliest of (i) the one-year anniversary of the date that a permanent Chief Executive Officer is appointed by the Board, (ii) the date that the current Interim Chief Executive Officer is appointed by the Board to serve as the permanent Chief Executive Officer or (iii) the 18-month anniversary

of the effective date of the Severance Agreement, other than during a Change in Control Period, Mr. Newman will, subject to certain conditions including the execution of a general release, be entitled to receive severance in an amount equal to 50% of this then-current annual base salary and a prorated bonus for the fiscal year in which the termination occurs. In addition, Mr. Newman's outstanding equity awards that vest solely based on his continued employment, other than Compensatory RSUs, will automatically become vested and, if applicable, exercisable, to the extent that such awards would have vested had he continued his employment with the Company through the next applicable vesting date. Mr. Newman and his covered dependents will also be entitled to certain healthcare benefits for a period of up to nine months.

There are no arrangements or understandings between Mr. Newman and any other persons pursuant to which he was selected as Executive Vice President and Chief Financial Officer. There are also no family relationships between Mr. Newman and any director or executive officer of the Company, and he has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

The foregoing descriptions of the Offer Letter and the Severance Agreement do not purport to be complete and are subject to, and qualified in their entirety by, the full text of such agreements, copies of which are attached hereto as Exhibit 10.1 and Exhibit 10.2, respectively, and the terms of which are incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
10.1	Offer Letter, effective September 2, 2014, by and between the Company and Michael Newman.
10.2	Change in Control and Severance Agreement, effective September 2, 2014, by and between the Company and Michael Newman.

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.

NOVATEL WIRELESS, INC.

Date: September 3, 2014

By: /s/ Alex Mashinsky

Alex Mashinsky

Interim Chief Executive Officer

August 30, 2014

Michael Newman
9645 Scranton Road
San Diego, CA 92121

Dear Michael,

Novatel Wireless, Inc. (the "**Company**") is pleased to extend the offer of employment set forth in this letter (this "**Offer Letter**"). Your employment under this Offer Letter, if you accept our offer, would commence effective September 2, 2014, or as soon as practicable thereafter (your "**Start Date**"), according to the terms outlined below.

POSITION: You would be our Executive Vice President and Chief Financial Officer, an exempt position initially based in our headquarters in San Diego, California. You would initially report to our Interim Chief Executive Officer. This is a full-time position and you will be expected to devote all of your working time to the performance of your duties for the Company. By signing this Offer Letter, you confirm that you are under no contractual or other legal obligations that would limit or prohibit you from performing your duties with the Company.

BASE COMPENSATION: Your annual base salary would be \$300,000 ("**Base Salary**"), of which, \$210,000 shall be payable in cash, to be paid on the same schedule as other senior executives, subject to standard deductions and withholding. Your Base Salary will be reviewed annually in accordance with standard practice of the Company for Named Executive Officers. Subject to the terms of this offer, \$90,000 of your Base Salary will be paid through the issuance of restricted stock units ("**RSUs**") on the first trading day of each calendar year during your employment, commencing with calendar year 2015 (each, first business day is a "**RSU Grant Date**"). On each RSU Grant Date you would be granted RSUs the number of which would be determined by dividing \$90,000 by the closing price of one share of Company Common Stock on RSU Grant Date. Such RSUs shall vest in 12 equal monthly installments from the RSU Grant Date. With respect to calendar year 2014, on the day your employment commences, you would be granted RSUs, the number of which would be determined by dividing \$30,000 by the closing price of one share of Company Common Stock on the date of grant. Those RSUs shall vest in four equal installments on the last trading day of September, October, November, and December, 2014. All vesting described in this Base Compensation Section is subject to your remaining continuously employed with the

Company though each such vesting date and the RSUs referred to in this Base Compensation Section are referred to as the "Compensatory RSUs." Your RSUs will be subject to the terms and conditions of the Novatel Wireless, Inc. 2009 Omnibus Incentive Compensation Plan (or a successor plan) and associated grant documents. The Company at any time may elect to convert all or a portion of future RSU grants into cash payments with written notice to you prior to the start of the applicable calendar year. You shall have the right, commencing with the calendar year 2016, to receive your full Base Salary without any RSUs, so long as you provide written notice to the Company at least 15 business days prior to the start of the applicable calendar year that you elect to receive your full Base Salary. For the sake of clarity, your Base Salary shall be prorated for partial calendar years.

BONUS:

If, after your Start Date but before April 1, 2015, the Company achieves the performance criteria set forth in the Company's 2014 Incentive and Retention Bonus Plan, as determined by the Company or such bonus is paid to other senior executives with respect to the time period July 1, 2014 through March 31, 2015, you will receive a bonus of \$150,000, which would be payable in or about June of 2015, subject to your continued employment with the Company through the date such bonus is paid. For subsequent periods commencing April 1, 2015, you will be eligible to receive an annual bonus with a target bonus opportunity of 50% of your Base Salary attributable to such bonus period, based on criteria established by the Compensation Committee of the Company's Board of Directors ("Compensation Committee") in its sole discretion. You will not be entitled to any such annual bonus or earn it unless you are employed by the Company at the earlier of (i) the time the bonus is paid or (ii) March 15 of the year following the calendar year to which the bonus is attributable.

EQUITY AWARD:

If you decide to join the Company, the Company will grant you RSUs and non-qualified options to purchase shares of the Company's common stock that are in addition to the Compensatory RSUs. On your Start Date, the Company will grant you 225,000 RSUs which shall vest as in three equal installments of 75,000 RSUs on each of the first three anniversaries of your Start Date. In addition, on your Start Date the Company will grant you an option to purchase 175,000 shares of the Company's common stock with a per share exercise price equal to the closing price of the Company's Common Stock on the Start Date, with one-third (1/3) of the option shares vesting on the first anniversary of your Start Date and the remaining two-thirds (2/3) vesting in equal monthly installments thereafter. The vesting of both RSUs

and your options to purchase shares of the Company's common stock shall be subject in each case to your continued employment with the Company through each such vesting date. If the Company grants annual refreshes of RSUs and/or options to purchase shares of the Company's Common Stock to other Named Executive Officers (within the meaning of Regulation S-K promulgated by the Securities and Exchange Commission), then you will participate in that refresh, subject to possible pro-ration for time employed during the year prior to any such refresh date and the Compensation Committee's approval. Your RSUs and options described in this Equity Award section will be subject to the terms and conditions of the Novatel Wireless, Inc. 2009 Omnibus Incentive Compensation Plan (or a successor plan) and associated grant documents.

BENEFITS: You will be eligible to participate in the Company's employee benefits programs, including any health, disability and/or life insurance, to the same extent as, and subject to the same terms, conditions and limitations applicable to, other employees of the Company of similar rank and tenure, if and when such benefit programs are made available by the Company, and in accordance with the terms of such plans. You also will receive 20 days of paid vacation time per year in accordance with and subject to Company policies. You acknowledge that the Company may change (including cancel) its benefit programs, including any or all of its paid time off policies from time to time, in its discretion and in accordance with applicable law.

AT-WILL EMPLOYEE: If you accept this offer, your employment will be "at will", meaning that either you or the Company will be entitled to terminate your employment at any time, with or without cause or prior notice. Please note that, although your job duties, title, compensation and benefits, as well as our personnel policies and procedures, may change from time to time, your at-will status only may be changed with the approval of the Board and by a written agreement signed by the Company's Chief Executive Officer. You would be entitled to certain severance benefits depending on the circumstances surrounding your termination, as determined pursuant to the Change in Control and Severance Agreement attached as Exhibit A.

DISPUTES: You agree that if any disputes should arise between you and the Company (including claims against its employees, officers, directors, shareholders, agents, successors and assigns) relating or pertaining to or arising out of your employment with the Company, the dispute will be submitted exclusively to binding arbitration

before a neutral arbitrator in accordance with the rules of the American Arbitration Association in San Diego, California. This means that disputes will be decided by an arbitrator rather than a court or jury, and that both you and the Company waive their respective rights to a court or jury trial, except to enforce the decision of the arbitrator. You understand that the arbitrator's decision will be final and exclusive, and cannot be appealed. Nothing in this Agreement is intended to prevent either you or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. The Company and you shall share in the arbitrator's fees and expenses equally. The arbitrator shall have the power to award the prevailing party its attorneys' fees and costs of arbitration (including the arbitrator's fees paid by the arbitrator) except to the extent prohibited by applicable law. Notwithstanding the foregoing, you and the Company each have the right to resolve any issue or dispute over intellectual property rights by Court action instead of arbitration.

OBLIGATIONS:

As a condition of employment with the Company, you agree that you will acquire, as an employee, secret, confidential, or proprietary information or trade secrets of the Company, and, as such, you agree to execute and be bound by the Company's Inventions Disclosure, Confidentiality & Proprietary Rights Agreement (the "*Confidentiality Agreement*"), enclosed herein. The signed Confidentiality Agreement must be returned to the Company by your Start Date, after which the Company will return a fully-signed copy to you for your personal records. As a Company employee, you will be expected to abide by Company rules and policies, including those set forth in the Company's employee handbook. Except for policies related to at-will employment, which may only be revised as described earlier in this Offer Letter, you understand that any or all Company rules and policies may be revised from time to time, as deemed appropriate, advisable or required by the Company.

In your work for the Company, you will be expected not to use or disclose any confidential information, including trade secrets, of any former employer, entity or other person to whom you have an obligation of confidentiality, including under any binding agreement. Rather, you will be expected to use only that information which is generally known and used by persons with training and experience comparable to your own, which is common knowledge in the industry or otherwise legally in the public domain, or which is otherwise provided or developed by the Company. You agree that you will not bring on to Company premises any unpublished documents or property belonging to any former employer, entity or other person to whom you have an obligation of confidentiality.

During the term of your employment with the Company, you agree not to consult with, act as an advisor or consultant to, serve as an employee, agent, manager or director of, or otherwise provide services to, any company or organization (whether for-profit, not-for-profit or otherwise) other than the Company unless you receive prior written approval (which may be provided by e-mail) from the Company's Chief Executive Officer.

ELECTRONIC DELIVERY:

The Company may, in its sole discretion, decide to deliver to you by email or any other electronic means any documents or notices related to this Offer Letter, securities of the Company or any of its affiliates or any other matter, including documents and/or notices required to be delivered to you by applicable securities law or any other law or the Company's Certificate of Incorporation or Bylaws or otherwise. By accepting this offer of employment and signing below, you hereby consent to receive such documents and notices by such electronic delivery and agree to participate through any on-line or electronic system that may be established and maintained by the Company or a third party designated by the Company.

ENTIRE OFFER:

This Offer Letter, together with the documents referenced herein (including the Change in Control and Severance Agreement), supersedes all prior or contemporaneous agreements and statements, whether written or oral, concerning the terms of your employment with the Company. No amendment or modification of the terms set forth in this Offer Letter shall be binding unless it is set forth in writing signed by both you and the Company's Chief Executive Officer.

WITHHOLDING:

All forms of compensation referred to in this Offer Letter are subject to applicable withholding and payroll taxes.

GOVERNING LAW:

Except to the extent governed by Federal law, this Offer Letter shall be governed by and construed in accordance with the laws of the State of California, excluding laws relating to conflicts or choice of law.

INSTRUCTIONS:

Please execute the original of this Offer Letter indicating your receipt, acknowledgment and agreement with this Offer Letter. This offer is contingent on (i) your execution and delivery to the Company of the following by your Start Date: (a) this Offer Letter

and (b) the Confidentiality Agreement; and (ii) your completion of the Company's standard hiring process (including, for example, proof of identity, proof of eligibility to work in the United States and successfully passing a background check) by your Start Date.

In addition, within your first three days of work, please bring with you documents that satisfy the requirements of Part 2 of USCIS Form I-9; either (i) one from List A or (ii) one from List B and one from List C. The documents need to be originals, not facsimiles, and need only meet the minimum requirements.

If we have not received your signature to the Offer Letter and the Confidentiality Agreement by 5:00 p.m. Pacific time on August 30, 2014, this offer will be deemed withdrawn.

We look forward to your joining the Novatel Wireless team.

Novatel Wireless

/s/ Alex Mashinsky
Alex Mashinsky, Interim CEO

I am pleased to accept the offer of at-will employment under the terms stated in this Offer Letter, and I understand and agree to all of its terms.

Accepted: /s/ Michael Newman
Michael Newman

Date: August 30, 2014

Enclosures: Inventions Disclosure, Confidentiality & Proprietary Rights Agreement
USCIS Form I-9

CHANGE IN CONTROL AND SEVERANCE AGREEMENT

This Change in Control and Severance Agreement (the “Agreement”) is made and entered into by and between Michael Newman (“Executive”) and Novatel Wireless, Inc., a Delaware corporation (the “Company”), this 30th day of August, 2014, effective as of the date Executive commences employment with the Company (the “Effective Date”).

WHEREAS, The Board of Directors of the Company (the “Board”) recognizes the importance of Executive’s role at the Company and that the possibility of an acquisition of the Company or an involuntary termination can be a distraction to Executive and can cause Executive to consider alternative employment opportunities. The Board has determined that it is in the best interests of the Company and its shareholders to assure that the Company will have the continued dedication and objectivity of Executive, notwithstanding the possibility, threat or occurrence of such an event.

WHEREAS, 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 motivate Executive to maximize the value of the Company upon a Change in Control (as defined below) for the benefit of its stockholders.

WHEREAS, the Board believes that it is imperative to provide Executive with severance benefits upon certain terminations of Executive’s service to the Company that enhance Executive’s financial security and provide incentive and encouragement to Executive to remain with the Company notwithstanding the possibility of such an event.

WHEREAS, unless otherwise defined herein, capitalized terms used in this Agreement are defined in Section 9 below.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, including the agreements set forth below, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Term of Agreement.

This Agreement shall become effective as of the Effective Date and terminate upon the date that all obligations of the parties hereto with respect to this Agreement have been satisfied.

2. At-Will Employment.

The Company and Executive acknowledge that Executive’s employment shall be “at-will,” as defined under applicable law. If Executive’s employment terminates for any reason, Executive shall not be entitled to any payments, benefits, damages, awards or compensation other than as provided by this Agreement, Executive’s offer letter dated August 30, 2014, (the “Offer Letter”) the Indemnification Agreement between the Company and Executive entered into on the date hereof, the Company’s bylaws (as may be amended from time to time), the Company’s Amended and Restated Certificate of Incorporation (as may be amended from time to time), and/or any other agreement evidencing the grant to Executive of equity compensation that is concurrently or hereafter entered into by the parties.

3. Covered Termination Other Than During a Change in Control Period.

If Executive experiences a Covered Termination before the earliest of (i) the one-year anniversary of the date a permanent CEO is first appointed by the Board; (ii) the date on which an individual listed on Schedule A is appointed permanent CEO by the Board; or (iii) the 18-month anniversary of the Effective Date, other than during a Change in Control Period, and if Executive delivers to the Company a general release of all claims against the Company and its affiliates, in the form provided by the Company which shall be substantially in the form attached as Exhibit A (which form may be modified by the Company to comply with the facts and applicable law) (a “Release of Claims”) that becomes effective within 55 days following the Covered Termination and irrevocable within 62 days following the Covered Termination (the “Release Requirements”), then in addition to any accrued but unpaid salary, accrued but unused vacation, incurred but unreimbursed business expenses payable in accordance with applicable law, or vested benefits (other than severance) under any Company benefit plan (the “Accrued Amounts”) the Company shall provide Executive with the following:

(a) Severance. Executive shall be entitled to receive 50% of his Base Salary (as defined in Executive's Offer Letter), payable in cash in the form of salary continuation, commencing on the first normally-scheduled Company payroll date that is at least 75 days following the Termination Date (with any such amounts that normally would have been payable during the period between the Termination Date and such first payment being included in such first payment), less authorized deductions and applicable withholding taxes.

(b) Equity Awards. Each outstanding and unvested stock option and restricted stock unit award, held by Executive that vests solely based upon Executive's continued employment and is not a "Compensatory RSU" as defined in the Executive's Offer Letter, shall automatically become vested and, if applicable, exercisable and any forfeiture restrictions or rights of repurchase thereon shall immediately lapse, as of immediately prior to the Termination Date with respect to that number of shares of Company Common Stock that would have next vested had Executive continued employment with the Company through that next vesting date. All such equity awards or the proceeds therefrom shall be held by the Company until such time as the Executive timely satisfied the Release Requirements.

(c) Continued Healthcare. If Executive elects to receive continued healthcare coverage pursuant to the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), the Company shall directly pay the premium for Executive and Executive's covered dependents, if any, through the earliest of (i) the nine (9) month anniversary of the Termination Date, (ii) the date Executive and Executive's covered dependents, if any, become eligible for healthcare coverage under another employer of Executive plan(s) and (iii) the date that Executive and/or Executive's covered dependents, if any, become no longer eligible for COBRA. Any such payment or reimbursement shall be subject to any required withholding taxes. After the Company ceases to pay premiums pursuant to the preceding sentence, Executive may, if eligible, elect to continue healthcare coverage at Executive's expense in accordance with the provisions of COBRA. The Company shall have no obligation to make any payment under this subsection (c) if it reasonably determines that doing so would cause adverse consequences under Section 105(h) of the Internal Revenue Code or the Patient Protection and Affordable Care Act or other similar law.

(d) Pro Rata Bonus. Executive shall receive a pro rata bonus for the fiscal year of termination based on achievement of the applicable performance goals for the fiscal year of termination based on the number of days in the fiscal year during which Executive was employed as compared to 365, and shall be based on actual achievement of corporate performance goals and criteria as determined by the Board, and shall be based on assumed full achievement of any individual performance goal and criteria, and paid to Executive at the time such bonuses normally are paid, but not later than the March 15 of the calendar year following the Covered Termination, except if your employment is terminated prior to April 1, 2015, any pro-rata bonus will be paid no later than May 31, 2015. Any such pro rata bonus shall be paid in a single cash lump sum, less authorized deductions and applicable withholding taxes.

4. Covered Termination During a Change in Control Period.

If Executive experiences a Covered Termination during a Change in Control Period, and if Executive satisfies the Release Requirements, then in addition to any Accrued Amounts, but in lieu of any amounts the Executive otherwise could have received under Section 3 of this Agreement, the Company shall provide Executive with the following:

(a) Severance. Executive shall be entitled to receive an amount equal to the sum of eighteen (18) months of Executive's Base Salary, plus an amount equal to 12 months of the Executive's annual target bonus opportunity, in each case, at the rate in effect immediately prior to the Termination Date. The Base Salary component shall be payable in cash in the form of salary continuation, commencing on the first normally-scheduled Company payroll date that is at least 75 days following the Termination Date (with any such amounts that normally would have been payable during the period between the Termination Date and such first payment being included in such first payment), less authorized deductions and applicable withholding taxes. The target annual bonus component shall be payable in cash in a lump sum within 10 days of the date the Executive timely satisfied the Release Requirements.

(b) Equity Awards. Each outstanding and unvested stock option and restricted stock unit award, held by Executive that is not a "Compensatory RSU" as defined in the Executive's Offer Letter, shall automatically become vested and, if applicable, exercisable and any forfeiture restrictions or rights of repurchase thereon shall immediately lapse, as of immediately prior to the Termination Date with respect to one hundred percent (100%) of the unvested shares underlying Executive's equity awards. In all other respects Executive's equity awards shall continue to be bound by and subject to the terms of their respective agreements and equity plans. All such equity awards or the proceeds therefrom shall be held by the Company until such time as the Executive timely satisfied the Release Requirements, if at all.

(c) **Continued Healthcare.** If Executive elects to receive continued healthcare coverage pursuant to the provisions of COBRA, the Company shall directly pay the premium for Executive and Executive's covered dependents, if any, through the earliest of (i) the eighteen (18) month anniversary of the Termination Date, (ii) the date Executive and Executive's covered dependents, if any, become eligible for healthcare coverage under another employer of Executive plan(s) and (iii) the date that Executive and/or Executive's covered dependents, if any, become no longer eligible for COBRA. Any such payment or reimbursement shall be subject to any required withholding taxes. After the Company ceases to pay premiums pursuant to the preceding sentence, Executive may, if eligible, elect to continue healthcare coverage at Executive's expense in accordance the provisions of COBRA. The Company shall have no obligation to make any payment under this subsection (c) if it reasonably determines that doing so would cause adverse consequences under Section 105(h) of the Internal Revenue Code or the Patient Protection and Affordable Care Act or other similar law.

5. In Contemplation.

In the event Executive is terminated in Contemplation of a Change in Control, Executive shall receive the amounts under Section 3 hereof, provided that, if the Change of Control actually occurs and that Change in Control satisfies the requirements of Treasury Regulation 1.409A-3(i)(5), upon such Change in Control an extra payment and vesting shall be immediately made to Executive of any difference between the amounts due under Section 3 and the amounts due under Section 4.

6. Other Terminations.

If Executive's service with the Company is terminated by the Company or by Executive for any or no reason other than as a Covered Termination, then Executive shall only be entitled to Accrued Amounts.

7. Deemed Resignation.

Upon termination of Executive's employment for any reason, Executive shall be deemed to have resigned from all offices and directorships, if any, then held with the Company or any of its affiliates, and, at the Company's request, Executive shall execute such documents as are necessary or desirable to effectuate such resignations.

8. Limitation on Payments.

Notwithstanding anything in this Agreement to the contrary, if any payment or distribution Executive would receive pursuant to this Agreement or otherwise ("**Payment**") would (a) constitute a "parachute payment" within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the "**Code**"), and (b) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "**Excise Tax**"), then such Payment shall either be (i) delivered in full or (ii) delivered as to such lesser extent which would result in no portion of such Payment being subject to the Excise Tax, whichever of the foregoing amounts, taking into account the applicable federal, state and local income and payroll taxes and the Excise Tax, results in the receipt by Executive on an after-tax basis, of the largest payment, notwithstanding that all or some portion the Payment may be taxable under Section 4999 of the Code. The accounting firm engaged by the Company for general audit purposes as of the day prior to the effective date of the Change in Control or, in the event such accounting firm is precluded from performing calculations hereunder, such other accounting firm of national reputation determined by the Company, and reasonably acceptable to Executive, shall perform the foregoing calculations. The Company shall bear all expenses with respect to the determinations by such accounting firm required to be made hereunder. The accounting firm shall provide its calculations to the Company and Executive within fifteen (15) calendar days after the date on which Executive's right to a Payment is triggered (if requested at that time by the Company or Executive) or such other time as requested by the Company or Executive. Any good faith determinations of the accounting firm made hereunder shall be final, binding and conclusive upon the Company and Executive. Any reduction in payments and/or benefits pursuant to this Section 8 will occur in the following order: (1) reduction of cash payments; (2) cancellation of accelerated vesting of equity awards other than stock options (with the later vesting reduced first) (3) cancellation of accelerated vesting of stock options (with the later vesting reduced first) and (4) reduction of other benefits payable to Executive or any such other order determined by the Company that will not result in adverse tax consequences under Section 409A of the Code.

9. Definition of Terms.

The following terms referred to in this Agreement shall have the following meanings:

(a) "Cause" means (i) any act of material misconduct or material dishonesty by Executive in the performance of his duties; (ii) any willful failure, gross neglect or refusal by Executive to attempt in good faith to perform his duties to the Company or to follow the lawful instructions of the Board (except as a result of physical or mental incapacity or illness) which is not promptly cured after written notice; (iii) Executive's commission of any fraud or embezzlement against the Company (whether or not a misdemeanor); (iv) any material breach of any written agreement with the Company, which breach has not been cured by Executive (if curable) within thirty (30) days after written notice thereof to Executive by the Company; (v) Executive's being convicted of (or pleading guilty or nolo contendere to) any felony or misdemeanor involving theft, embezzlement, dishonesty or moral turpitude; and/or (vi) Executive's failure to materially comply with the material policies of the Company in effect from time to time relating to conflicts of interest, ethics, codes of conduct, insider trading, or discrimination and harassment, or other breach of Executive's fiduciary duties to the Company, which failure or breach is or could reasonably be expected to be materially injurious to the business or reputation of the Company.

(b) "Change in Control" means either:

(i) any "person" (as such term is defined in Section 3(a)(9) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act) is or becomes, after the Effective Date, a "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities eligible to vote for the election of the Board (the "Company Voting Securities") or of substantially all of the Company's assets; provided, however, that an event described in this clause (i) shall not be deemed to be a Change in Control if any of following becomes such a beneficial owner: (A) the Company or any majority-owned subsidiary (provided, that this exclusion applies solely to the ownership levels of the Company or the majority-owned subsidiary), (B) any tax-qualified, broad-based employee benefit plan sponsored or maintained by the Company or any majority-owned subsidiary, (C) any underwriter temporarily holding securities pursuant to an offering of such securities, or (D) any person pursuant to a Non-Qualifying Transaction (as defined in clause (ii)); or

(ii) the consummation of a merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company or any of its subsidiaries that requires the approval of the Company's stockholders, whether for such transaction or the issuance of securities in the transaction (a "Business Combination"), unless immediately following such Business Combination: (A) more than fifty percent (50%) of the total voting power of (x) the corporation resulting from such Business Combination (the "Surviving Corporation"), or (y) if applicable, the ultimate parent corporation that directly or indirectly has beneficial ownership of one hundred (100%) of the voting securities eligible to elect directors of the Surviving Corporation (the "Parent Corporation"), is represented by Company Voting Securities that were outstanding immediately prior to such Business Combination (or, if applicable, is represented by shares into which such Company Voting Securities were converted pursuant to such Business Combination), and such voting power among the holders thereof is in substantially the same proportion as the voting power of such Company Voting Securities among the holders thereof immediately prior to the Business Combination, (B) no person (other than any employee benefit plan (or related trust) sponsored or maintained by the Surviving Corporation or the Parent Corporation), is or becomes the beneficial owner, directly or indirectly, of more than fifty percent (50%) of the total voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) and (C) at least a majority of the members of the board of directors of the Parent Corporation (or if there is no Parent Corporation, the Surviving Corporation) following the consummation of the Business Combination were members of the Board as of the date hereof at the time of the Board's approval of the execution of the initial agreement providing for such Business Combination (any Business Combination which satisfies all of the criteria specified in (A), (B) and (C) above shall be deemed to be a "Non-Qualifying Transaction").

(c) "Change in Control Period" means the period commencing 30 days prior to a Change in Control and ending on the 12-month anniversary of such Change in Control.

(d) "Contemplation of a Change in Control" means a Covered Termination that occurs as a result of an action directed or requested by a person that directly or indirectly undertakes a transaction that constitutes a Change in Control of the Company.

(e) "Covered Termination" means Executive's resignation for Good Reason or the termination of Executive's employment by the Company other than a Disability Termination or a termination for Cause that, in each case and to the extent necessary, constitutes a Separation from Service (as defined below).

(f) “Disability Termination” means a termination of employment by the Company of the Executive after the Executive has been unable for 90 days in any 365 day period to perform his material duties because of physical or mental incapacity or illness.

(g) “Good Reason” means the occurrence, without Executive’s written consent, of any of the following: (i) a material diminution in Executive’s base compensation; (ii) a material diminution in Executive’s job responsibilities, duties or authorities, or (iii) a material change of at least fifty (50) miles in the geographic location at which Executive must regularly perform Executive’s service. Notwithstanding the foregoing, Executive shall not be deemed to have “Good Reason” unless: (x) the condition giving rise to such resignation continues more than thirty (30) days following Executive’s providing to the Company a written notice of detailing such condition (y) such written notice is provided to the Company within ninety (90) days of the initial occurrence of such condition and (z) Executive’s resignation is effective within thirty (30) days following the expiration of the Company cure period pursuant to subclause (x).

(h) “Termination Date” means the date Executive experiences a Covered Termination.

10. Assignment and Successors.

The Company may assign its rights and obligations under this Agreement to any successor to all or substantially all of the business or the assets of the Company (by merger or otherwise). This Agreement shall be binding upon and inure to the benefit of the Company, Executive and their respective successors, permitted assigns, personnel and legal representatives, executors, administrators, heirs, distributees, devisees, and legatees, as applicable. None of Executive’s rights or obligations may be assigned or transferred by Executive, other than Executive’s rights to payments hereunder, which may be transferred only by will or operation of law.

11. Notices.

Any notice, request, claim, demand, document and other communication hereunder to any party shall be effective upon receipt (or refusal of receipt) and shall be in writing and delivered personally or sent by facsimile or certified or registered mail, postage prepaid (or if it is sent through any other method agreed upon by the parties), as follows:

(i) if to the Company: Company:
Novatel Wireless, Inc.
Attn: Board of Directors
Facsimile: (858) 812-3402

(ii) if to Executive, at the address set forth in Executive’s personnel file with the Company; or

(iii) at any other address as any party shall have specified by notice in writing to the other party.

12. Non-Disparagement.

Executive agrees that he shall not disparage, criticize or defame the Company, its affiliates and their respective affiliates, directors, officers, agents, partners, shareholders or employees, either publicly or privately, except in the reasonable good faith performance of his duties to the Company. Nothing in this Section 12(b) shall have application to any evidence, testimony or disclosure required by any court, arbitrator or government agency.

13. Dispute Resolution.

The parties agree that if any disputes should arise between Executive and the Company (including claims against its employees, officers, directors, shareholders, agents, successors and assigns) relating or pertaining to or arising out of Executive’s employment with the Company, the dispute will be submitted exclusively to binding arbitration before a neutral arbitrator in accordance with the rules of the American Arbitration Association in San Diego, California. **This means that disputes will be decided by an arbitrator rather than a court or jury, and that both Executive and the Company waive their respective rights to a court or jury trial, except to enforce the decision of the arbitrator.** The parties understand that the arbitrator’s decision will be final and exclusive, and cannot be appealed. Nothing in this Agreement is intended to prevent either Executive or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. The Company and the Executive shall share in the arbitrator’s fees and expenses equally. The arbitrator shall have the power to award the prevailing party its attorneys’ fees and costs of arbitration (including the arbitrator’s fees paid by the arbitrator) except to the extent prohibited by applicable law. Notwithstanding the foregoing, Executive and the Company each have the right to resolve any issue or dispute over intellectual property rights by Court action instead of arbitration.

14. Miscellaneous Provisions.

(a) Section 409A.

(i) Separation from Service. Notwithstanding any provision to the contrary in this Agreement, no amount deemed deferred compensation subject to Section 409A of the Code shall be payable pursuant to Sections 3, 4 or 5 above unless Executive's termination of employment constitutes a "separation from service" with the Company within the meaning of Section 409A of the Code and the Department of Treasury regulations and other guidance promulgated thereunder ("Separation from Service").

(ii) Specified Employee. Notwithstanding any provision to the contrary in this Agreement, if Executive is deemed at the time of his separation from service to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent delayed commencement of any portion of the benefits to which Executive is entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of Executive's benefits shall not be provided to Executive prior to the earlier of (A) the expiration of the six (6)-month period measured from the date of Executive's Separation from Service or (B) the date of Executive's death. Upon the first business day following the expiration of the applicable Code Section 409A(a)(2)(B)(i) period, all payments deferred pursuant to this Section 14(a)(ii) shall be paid in a lump sum to Executive, and any remaining payments due under this Agreement shall be paid as otherwise provided herein.

(iii) Expense Reimbursements. To the extent that any reimbursements payable pursuant to this Agreement are subject to the provisions of Section 409A of the Code, any such reimbursements payable to Executive pursuant to this Agreement shall be paid to Executive no later than December 31 of the year following the year in which the expense was incurred, the amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year, and Executive's right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

(iv) Reserved.

(v) Release. Notwithstanding anything to the contrary in this Agreement, to the extent that any payments due under this Agreement as a result of Executive's termination of employment are subject to Executive's execution and delivery of a Release of Claims, (A) the Company shall deliver the Release of Claims to Executive within ten (10) business days following the Termination Date, (B) if Executive fails to execute the Release of Claims on or prior to the Release Expiration Date (as defined below) or timely revokes his acceptance of the Release of Claims thereafter, Executive shall not be entitled to any payments or benefits otherwise conditioned on the Release of Claims, and (C) in any case where the Termination Date and the Release Expiration Date fall in two separate taxable years, any payments required to be made to Executive that are conditioned on the Release of Claims and are treated as nonqualified deferred compensation for purposes of Section 409A shall be made in the later taxable year. For purposes of this Section 14(a)(v), "Release Expiration Date" shall mean the date that is forty-five (45) days following the date upon which the Company timely delivers the Release of Claims to Executive.

(b) Withholding. The Company shall be entitled to withhold from any amounts payable under this Agreement any federal, state, local or foreign withholding or other taxes or charges which the Company is required to withhold. The Company shall be entitled to rely on an opinion of counsel if any questions as to the amount or requirement of withholding shall arise.

(c) Amendment; Waiver. This Agreement may not be modified, amended, or terminated except by an instrument in writing, signed by Executive and a member of the Board or a Company officer designated by the Board. No waiver shall operate as a waiver of, or estoppel with respect to, any other or subsequent failure. No failure to exercise and no delay in exercising any right, remedy, or power hereunder preclude any other or further exercise of any other right, remedy, or power provided herein or by law or in equity.

(d) Entire Agreement. The terms of this Agreement, collectively with the Offer Letter and the Confidential Information Agreement and Indemnification Agreement is intended by the Parties to be the final expression of their agreement with respect to the employment of Executive by the Company and supersede all prior understandings and agreements, whether written or oral. The parties further intend that this Agreement, collectively with the Offer Letter and the Confidential Information Agreement, Indemnification Agreement shall constitute the complete and exclusive statement of their terms and that no extrinsic evidence whatsoever may be introduced in any judicial, administrative, or other legal proceeding to vary the terms of this Agreement.

(e) Choice of Law. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of California.

(f) 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.

(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.

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 set forth below.

NOVATEL WIRELESS, INC.

By: /s/ Alex Mashinsky

Title: Interim Chief Executive Officer

Date: August 30, 2014

EXECUTIVE

/s/ Michael Newman

Michael Newman

Date: August 30, 2014

Schedule A
Alex Mashinsky