

INSPIREMD, INC.

FORM S-8

(Securities Registration: Employee Benefit Plan)

Filed 06/05/14

Address	321 COLUMBUS AVENUE BOSTON, MA 02116
Telephone	(857) 453-6553
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SIC Code	3841 - Surgical and Medical Instruments and Apparatus
Industry	Medical Equipment & Supplies
Sector	Healthcare
Fiscal Year	12/31

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

FORM S-8

REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933

InspireMD, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation or organization)

26-2123838

(I.R.S. Employer
Identification Number)

**321 Columbus Avenue
Boston, Massachusetts 02116**

(Address of Principal Executive Offices; Zip Code)

InspireMD, Inc. 2013 Long-Term Incentive Plan

**Nonqualified Stock Option Agreement, dated September 16, 2013, by and between InspireMD, Inc. and David Blossom
Nonqualified Stock Option Agreement, dated December 2, 2013, by and between InspireMD, Inc. and Eric Olson**
(Full title of the plan)

**Alan Milinazzo
President and Chief Executive Officer
InspireMD, Inc.**

**321 Columbus Avenue
Boston, Massachusetts 02116**

(Name and address of agent for service)

(857) 453-6553

(Telephone number, including area code, of agent for service)

With a copy to:

**Rick A. Werner, Esq.
Haynes and Boone, LLP
30 Rockefeller Plaza, 26th Floor
New York, New York 10112
Tel. (212) 659-7300
Fax (212) 884-8234**

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Non-accelerated filer

(Do not check if a smaller reporting company)

Accelerated filer

Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be registered(1)	Proposed maximum offering price per share	Proposed maximum aggregate offering price	Amount of registration fee
Common Stock, \$0.0001 par value	10,000(2)	\$ 2.41(3)	\$ 24,100.00	\$ 3.10
Common Stock, \$0.0001 par value	530,855(2)	\$ 2.97(3)	\$ 1,576,639.35	\$ 203.07
Common Stock, \$0.0001 par value	33,333(2)	\$ 3.05(3)	\$ 101,665.65	\$ 13.09
Common Stock, \$0.0001 par value	446,158(2)	\$ 3.10(3)	\$ 1,383,089.80	\$ 178.14
Common Stock, \$0.0001 par value	40,000(2)	\$ 3.23(3)	\$ 129,200.00	\$ 16.64
Common Stock, \$0.0001 par value	487,757(4)	\$ 2.50(5)	\$ 1,216,953.72	\$ 156.74
Common Stock, \$0.0001 par value	3,451,897(6)	\$ 2.50(5)	\$ 8,612,483.02	\$ 1,109.29
Common Stock, \$0.0001 par value	150,000(7)	\$ 2.12(3)	\$ 318,000.00	\$ 40.96
Common Stock, \$0.0001 par value	150,000(8)	\$ 2.75(3)	\$ 412,500.00	\$ 53.13
Total	<u>5,300,000</u>		<u>\$ 13,774,631.53</u>	<u>\$ 1,774.17</u>

- (1) Pursuant to Rule 416 under the Securities Act of 1933, as amended, we are also registering an indeterminable number of shares of common stock that may be issued in connection with stock splits, stock dividends or similar transactions.
 - (2) Represents shares of common stock issuable pursuant to options awarded under the InspireMD, Inc. 2013 Long-Term Incentive Plan (the "Plan").
 - (3) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(h) under the Securities Act of 1933, as amended, and based upon the price at which such options may be exercised.
 - (4) Represents shares of restricted stock issued under the Plan.
 - (5) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) and (h) under the Securities Act of 1933, as amended, and based upon the average of the high and low prices of the common stock as reported on the NYSE MKT on June 3, 2014.
 - (6) Represents shares of common stock issuable pursuant to the Plan.
 - (7) Represents shares of common stock issuable pursuant to options awarded under the Nonqualified Stock Option Agreement, dated September 16, 2013, by and between InspireMD, Inc. and David Blossom.
 - (8) Represents shares of common stock issuable pursuant to options awarded under the Nonqualified Stock Option Agreement, dated December 2, 2013, by and between InspireMD, Inc. and Eric Olson.
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EXPLANATORY NOTE

This Registration Statement on Form S-8 of InspireMD, Inc. has been prepared in accordance with the requirements of Form S-8 under the Securities Act of 1933, as amended, to register:

- 1,060,346 shares of our common stock, par value \$0.0001 per share, underlying options previously granted under our 2013 Long-Term Incentive Plan (the “Plan”);
- 487,757 shares of restricted stock granted under the Plan;
- 3,451,897 shares of common stock issuable pursuant to the Plan;
- 150,000 shares of common stock issuable upon the exercise of options granted pursuant to the Nonqualified Stock Option Agreement, dated September 16, 2013, by and between InspireMD, Inc. and David Blossom; and
- 150,000 shares of common stock issuable pursuant to the Nonqualified Stock Option Agreement, dated December 2, 2013, by and between InspireMD, Inc. and Eric Olson.

This Registration Statement also includes a prospectus (which we refer to as the reoffer prospectus) prepared in accordance with General Instruction C of Form S-8 and in accordance with the requirements of Part I of Form S-3. The reoffer prospectus may be used for reofferings and resales of certain of the shares of our common stock listed above that may be deemed to be “control securities” and/or “restricted securities” under the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder. These are shares that were or may be acquired by our officers, directors and affiliates, or that were acquired by our employees or consultants, under an employee benefit plan. Such officers, directors, affiliates, employees and consultants are the selling stockholders identified in the reoffer prospectus.

PART I

INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

The document(s) containing the information specified in Part I will be sent or given to employees as specified by Rule 428(b)(1) of the Securities Act of 1933, as amended. Such documents are not being filed with the Securities and Exchange Commission either as part of this Registration Statement or as prospectuses or prospectus supplements pursuant to Rule 424 of the Securities Act of 1933, as amended.

REOFFER PROSPECTUS



InspireMD, Inc.

1,848,103 Shares of Common Stock

This reoffer prospectus relates to shares of common stock of InspireMD, Inc. that may be reoffered or resold from time to time by the stockholders identified in this reoffer prospectus and that have been acquired or that may be acquired under our 2013 Long-Term Incentive Plan (the "Plan") or under certain individual stock option agreements. This prospectus covers 487,757 shares of restricted stock that are owned by the selling stockholders and up to 1,360,346 shares of common stock issuable upon the exercise of currently outstanding options.

The selling stockholders may sell shares of common stock from time to time in the principal market on which our common stock is traded at the prevailing market price or in privately negotiated transactions. See "Plan of Distribution" which begins on page 9.

We will not receive any of the proceeds from the sale of common stock by the selling stockholders. However, we will generate proceeds in the event of an exercise of the options by the selling stockholders. We intend to use those proceeds, if any, for general corporate purposes. We will pay the expenses of registering these shares.

Our common stock is listed on the NYSE MKT under the symbol "NSPR." On June 4, 2014, the last reported sale price of our common stock as reported on the NYSE MKT was \$2.51 per share.

We may amend or supplement this reoffer prospectus from time to time by filing amendments or supplements as required. You should read the entire prospectus, the information incorporated by reference herein and any amendments or supplements carefully before you make your investment decision.

Investing in our common stock is highly speculative and involves a high degree of risk. You should carefully consider the risks and uncertainties in the section entitled "Risk Factors" beginning on page 5 of this reoffer prospectus before making a decision to purchase our stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this reoffer prospectus is June 5, 2014.

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ABOUT THIS PROSPECTUS

You should rely only on the information contained in this prospectus or incorporated by reference in this prospectus and in any applicable prospectus supplement. Neither we nor the selling stockholders have authorized anyone to provide you with different information. We and the selling stockholders take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. The information contained in this prospectus, any applicable prospectus supplement and the documents incorporated by reference herein or therein are accurate only as of the date such information is presented. Our business, financial condition, results of operations and prospects may have changed since that date. You should also read this prospectus together with the additional information described under the headings “Incorporation of Certain Information by Reference” and “Where You Can Find More Information.” This prospectus may be supplemented from time to time to add, update or change information in this prospectus. Any statement contained in this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in such prospectus supplement modifies or supersedes such statement. Any statement so modified will be deemed to constitute a part of this prospectus only as so modified, and any statement so superseded will be deemed not to constitute a part of this prospectus.

The selling stockholders are offering the common stock only in jurisdictions where such issuances are permitted. The distribution of this prospectus and the issuance of the common stock in certain jurisdictions may be restricted by law. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the issuance of the common stock and the distribution of this prospectus outside the United States. This prospectus does not constitute, and may not be used in connection with, an offer to sell, or a solicitation of an offer to buy, the common stock offered by this prospectus by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.

The registration statement containing this prospectus, including the exhibits to the registration statement, provides additional information about us and the securities offered under this prospectus. The registration statement, including the exhibits, can be read on the Securities and Exchange Commission’s website or at the Securities and Exchange Commission’s offices mentioned under the heading “Where You Can Find More Information.”

SUMMARY

This summary provides an overview of selected information contained elsewhere or incorporated by reference in this prospectus and does not contain all of the information you should consider before investing in our common stock. You should carefully read the prospectus, the information incorporated by reference and the registration statement of which this prospectus is a part in their entirety before investing in our common stock, including the information discussed under "Risk Factors" in this prospectus and the documents incorporated by reference and our financial statements and notes thereto that are incorporated by reference in this prospectus. As used in this prospectus, unless the context otherwise indicates, the terms "we," "our," "us," or "the Company" for periods prior to the closing of our share exchange transactions on March 31, 2011 refer to InspireMD Ltd., a private company incorporated under the laws of the State of Israel that is now our wholly-owned subsidiary, and its subsidiary, taken as a whole, and the terms "we," "our," "us," or "the Company" for periods subsequent to the closing of the share exchange transactions refer to InspireMD, Inc., a Delaware corporation, and its subsidiaries, including InspireMD Ltd., taken as a whole.

Unless otherwise indicated, all information in this prospectus reflects a one-for-four reverse stock split of our common stock that occurred on December 21, 2012.

The Company

Overview

We are a medical device company focusing on the development and commercialization of our proprietary stent platform technology, MGuard™. MGuard provides embolic protection in stenting procedures by placing a micronet mesh sleeve over a stent. Our initial products are marketed for use mainly in patients with acute coronary syndromes, notably acute myocardial infarction (heart attack) and saphenous vein graft coronary interventions (bypass surgery). According to the TYPHOON STEMI trial (New England Journal of Medicine, 2006) and the SOS SVG Trial (Journal of the American College of Cardiology, 2009), of patients with acute myocardial infarction and saphenous vein graft coronary interventions, 7.5% to 44% experience major adverse cardiac events, including cardiac death, heart attack and restenting of the artery. When performing stenting procedures in patients with acute coronary symptoms, interventional cardiologists face a difficult dilemma in choosing, with the aim of ensuring adequate protection from distal embolization (the dislodgement of particles from the artery wall that results in blood clot), between bare-metal stents, which have a high rate of restenosis (formation of new blockages), and drug-eluting (drug-coated) stents, which have a high rate of late thrombosis (formation of clots months or years after implantation), require administration of anti-platelet drugs for at least one year post procedure, are more costly than bare-metal stents and have additional side effects. We believe that MGuard is a simple and seamless solution for these patients.

We intend to study our MGuard technology for use in a broad range of coronary related situations in which complex lesions occur and intend to seek to make it an industry standard for treatment of acute coronary syndromes. We believe that patients will benefit from a cost-effective alternative which we believe will prove to have a superior clinical efficacy and safety profile than other stent technologies. We believe that with our MGuard technology, we are well positioned to emerge as a key player in the global stent market.

We also intend to apply our technology to develop additional products used for other vascular procedures, specifically carotid (the arteries that supply blood to the brain) and peripheral (other arteries) procedures.

In October 2007, our first generation product, the MGuard Coronary, received CE Mark approval for treatment of coronary arterial disease in the European Union. CE Mark is a mandatory conformance mark on many products marketed in the European Economic Area and certifies that a product has met European Union consumer safety, health or environmental requirements. We began shipping our product to customers in Europe in January 2008 and have since expanded our global distribution network to Southeast Asia, India, Latin America and Israel.

Our initial MGuard Coronary product incorporated a stainless steel stent. We replaced this stainless steel platform with a more advanced cobalt-chromium based platform, which we refer to as the MGuard Prime version of the MGuard Coronary product. We believe the new platform will prove to be superior because cobalt-chromium stents are generally known in the industry to provide better deliverability and possibly even a reduction in major adverse cardiac events. In particular, according to Jabara, et al. ("A Third Generation Ultra-thin Strut Cobalt Chromium Stent: Histopathological Evaluation in Porcine Coronary Arteries," EuroIntervention, November 2009), due to its greater density, cobalt-chromium enables the construction of stents that have both thinner struts and similar radial strength as stainless steel, with its thicker struts. In turn, Jabara, et al. found that the reduced thickness of the struts provides more flexibility and lower crossing profiles, thereby reducing the inflammatory response and neointimal thickening, potentially lowering restenosis and target vessel revascularization rates.

The MGuard Prime version of the MGuard Coronary product received CE Mark approval in the European Union in October 2010 for improving luminal diameter and providing embolic protection. We believe we can use and leverage the clinical trial results of our original stainless steel based MGuard Coronary to help market our new cobalt-chromium based MGuard Prime version of the MGuard Coronary product. In addition, MGuard Carotid received CE Mark approval in the European Union in March 2013.

However, we face a number of challenges to the further growth of our MGuard Coronary and other planned MGuard products. For example, we face competition from numerous pharmaceutical and biotechnology companies in the therapeutics area, as well as competition from academic institutions, government agencies and research institutions. Most of our current and potential competitors have, and will continue to have, substantially greater financial, technological, research and development, regulatory and clinical, manufacturing, marketing and sales, distribution and personnel resources than we do. In addition, none of our products are currently approved by the U.S. Food and Drug Administration. Clinical trials necessary to support a pre-market approval application to the U.S. Food and Drug Administration for our MGuard products, including one that is underway, will be expensive and will require the enrollment of a large number of patients, and suitable patients may be difficult to identify and recruit, which may cause a delay in the development and commercialization of our product candidates. Furthermore, our rights to our intellectual property with respect to our products could be challenged or our products could be challenged in view of third party intellectual property rights. Based on the prolific litigation that has occurred in the stent industry and the fact that we may pose a competitive threat to some large and well-capitalized companies that own or control patents relating to stents and their use, manufacture and delivery, we believe that it is possible that one or more third parties will assert a patent infringement claim against the manufacture, use or sale of our MGuard products based on one or more of these patents. Additionally, there is a strong preference to use drug-eluting stents in some countries. Over the last decade, there has been an increasing tendency to use drug-eluting stents in percutaneous coronary intervention (PCI), commonly known as angioplasty (a therapeutic procedure to treat narrowed coronary arteries of the heart found in patients with heart disease), with a usage rate of drug-eluting stents in PCI approaching 70-80% in some countries, even though drug-eluting stents do not address thrombus management in acute myocardial infarction. Also, the use of other bare-metal stents is preferred over the use of MGuard products in certain circumstances, such as when placing the stent at the entrance to large side branches, known as “jailing large side branches.”

For the three months ended March 31, 2014, our total revenue was approximately \$1.5 million and our net loss was approximately \$6.0 million. For the three months ended March 31, 2013, our total revenue was approximately \$1.5 million and our net loss was approximately \$4.9 million. For the six months ended December 31, 2013, our total revenue was approximately \$3.1 million and our net loss was approximately \$9.3 million. For the six months ended December 31, 2012, our total revenue was approximately \$1.9 million and our net loss was approximately \$9.4 million. For the twelve months ended June 30, 2013, our total revenue was approximately \$4.9 million and our net loss was approximately \$29.3 million. For the twelve months ended June 30, 2012, our total revenue was approximately \$5.3 million and our net loss was approximately \$17.6 million.

Recent Events

On April 30, 2014, we publicly announced our decision to initiate a voluntary field corrective action with respect to our MGuard Prime embolic protection systems to address reports of stent dislodgement. In connection with such action, we have ceased shipments of all MGuard Prime units and suspended enrollment in our MASTER II trial pending a review by the U.S. Food and Drug Administration and other regulatory agencies. We believe that we have identified the cause of the dislodgement issue and, upon approval from the European regulatory agency, intend to modify all existing units of the MGuard Prime to improve stent retention and performance. Our voluntary field corrective action is subject to numerous risks and uncertainties as discussed more fully in the disclosure incorporated by reference under the section entitled “Risk Factors.”

Corporate and Other Information

We were organized in the State of Delaware on February 29, 2008 as Saguaro Resources, Inc. to engage in the acquisition, exploration and development of natural resource properties. On March 28, 2011, we changed our name from “Saguaro Resources, Inc.” to “InspireMD, Inc.”

Our principal executive offices are located at 321 Columbus Avenue, Boston, Massachusetts 02116. Our telephone number is (857) 453-6553. Our website address is www.inspire-md.com. Information accessed through our website is not incorporated into this prospectus and is not a part of this prospectus.

RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below and all other risks, uncertainties and other information contained or incorporated by reference in this prospectus, including the risks and uncertainties discussed under “Risk Factors” in our Transition Report on Form 10-KT for the six month transition period ended December 31, 2013 and in our Quarterly Report on Form 10-Q for the three months ended March 31, 2014. All of these “Risk Factors” are incorporated by reference herein in their entirety. These risks and uncertainties are not the only ones facing us. Additional risks of which we are not presently aware or that we currently believe are immaterial may also harm our business and results of operations. The trading price of our common stock could decline due to the occurrence of any of these risks, and investors could lose all or part of their investment. In assessing these risks, investors should also refer to the information contained or incorporated by reference in our other filings with the Securities and Exchange Commission.

Our financial statements for the quarter ended March 31, 2014 contain an explanatory paragraph in the footnotes, as to our ability to continue as a going concern, which could prevent us from obtaining new financing on reasonable terms or at all.

Because we have had recurring losses and negative cash flows from operating activities and have significant future commitments, substantial doubt exists regarding our ability to remain in operation at the same level we are currently performing. Accordingly, the footnotes to our financial statements for the quarter ended March 31, 2014 include an explanatory paragraph as to our potential inability to continue as a going concern. Additionally, the doubts regarding our potential ability to continue as a going concern may adversely affect our ability to obtain new financing on reasonable terms or at all.

SPECIAL NOTE REGARDING FORWARD LOOKING STATEMENTS

This prospectus and the information incorporated by reference contain “forward-looking statements,” which include information relating to future events, future financial performance, strategies, expectations, competitive environment and regulation. Words such as “may,” “should,” “could,” “would,” “predicts,” “potential,” “continue,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes,” “estimates,” and similar expressions, as well as statements in future tense, identify forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results and will probably not be accurate indications of when such performance or results will be achieved. Forward-looking statements are based on information we have when those statements are made or our management’s good faith belief as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Important factors that could cause such differences include, but are not limited to:

- our history of recurring losses and negative cash flows from operating activities, significant future commitments and the uncertainty regarding the adequacy of our liquidity to pursue our complete business objectives;
- our ability to complete clinical trials as anticipated and obtain and maintain regulatory approvals for our products;
- our ability to adequately protect our intellectual property;
- disputes over ownership of intellectual property;
- our dependence on a single manufacturing facility and our ability to comply with stringent manufacturing quality standards and to increase production as necessary;
- the risk that the data collected from our current and planned clinical trials may not be sufficient to demonstrate that the MGuard technology is an attractive alternative to other procedures and products;
- intense competition in our industry, with competitors having substantially greater financial, technological, research and development, regulatory and clinical, manufacturing, marketing and sales, distribution and personnel resources than we do;
- entry of new competitors and products and potential technological obsolescence of our products;
- loss of a key customer or supplier;
- technical problems with our research and products and potential product liability claims;
- adverse economic conditions;
- adverse federal, state and local government regulation, in the United States, Europe or Israel;
- price increases for supplies and components;
- inability to carry out research, development and commercialization plans; and

- loss or retirement of key executives and research scientists.

You should review carefully the section entitled “Risk Factors” beginning on page 5 of this prospectus for a discussion of these and other risks that relate to our business and investing in our common stock. The forward-looking statements contained or incorporated by reference in this prospectus are expressly qualified in their entirety by this cautionary statement. We do not undertake any obligation to publicly update any forward-looking statement to reflect events or circumstances after the date on which any such statement is made or to reflect the occurrence of unanticipated events.

USE OF PROCEEDS

All shares of our common stock offered by this prospectus are being registered for the accounts of the selling stockholders and we will not receive any proceeds from the sale of these shares.

Certain shares of common stock offered by this prospectus are issuable upon the exercise of stock options. As such, if a selling stockholder exercises all or any portion of its options, we will receive the aggregate exercise price paid by such selling stockholder in connection with any such option exercise. We expect to use the proceeds received from the exercise of the options, if any, for general working capital purposes.

SELLING STOCKHOLDERS

This reoffer prospectus relates to the reoffer and resale of shares issued or that may be issued to the selling stockholders listed below, or future selling stockholders, under the Plan and under certain individual stock option agreements. Each of the transactions by which the selling stockholders acquired the securities covered by this prospectus was exempt under the registration provisions of the Securities Act of 1933, as amended.

The following table sets forth, as of June 5, 2014, the number of shares beneficially owned by each current selling stockholder. The number of shares in the column “Number of Shares Beneficially Owned Prior to the Offering” represents the total number of shares that a selling stockholder currently owns or has the right to acquire within sixty (60) days of June 5, 2014. The number of shares in the column “Shares Which May be Offered” represents all of the shares that a selling stockholder may offer under this reoffer prospectus, and includes shares issuable upon the exercise of options that have not yet vested and are not included in the column “Number of Shares Beneficially Owned Prior to the Offering.” The table and footnotes assume that the selling stockholders will sell all of the shares listed in the column “Shares Which May be Offered.” However, because the selling stockholders may sell all or some of their shares under this reoffer prospectus from time to time, or in another permitted manner, we cannot assure you as to the actual number of shares that will be sold by the selling stockholders or that will be held by the selling stockholders after completion of any sales. We do not know how long the selling stockholders will hold the shares before selling them. Beneficial ownership is determined in accordance with Rule 13d-3(d) promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. The selling stockholders have not had a material relationship with us within the past three years other than as described in the footnotes to the table below or as a result of their acquisition of our shares or other securities.

Information concerning the selling stockholders may change from time to time and changed information will be presented in a supplement to this reoffer prospectus if and when necessary and required. If, subsequent to the date of this reoffer prospectus, we grant additional awards to the selling stockholders or to other affiliates under the Plan, we intend to supplement this reoffer prospectus to reflect such additional awards and the names of such affiliates and the amounts of securities to be reoffered by them.

Name	Number of Shares Beneficially Owned Prior to the Offering	Shares Which May be Offered (1)	Shares Beneficially Owned After Offering	Percentage of Outstanding Common Stock After Offering (2)
Judith Antler (3)	15,466(4)	3,850(5)	11,616(6)	*
Nir Bachman (7)	7,175(5)	7,175(5)	-	-
Gwen Bame (8)	72,300(9)	94,800(10)	50,000(6)	*
Eli Bar (11)	404,378(12)	126,405(13)	374,643(14)	1.1%
Sol J. Barer, Ph.D. (15)	2,841,667(16)	85,000(17)	2,841,667(16)	7.9%
James Barry, Ph.D. (18)	58,333(6)	50,000(17)	58,333(6)	*
Michael Berman (19)	71,472(20)	50,000(17)	71,472(20)	*
David Blossom (21)	14,870(5)	213,205(22)	-	-
Piet van den Bosch (23)	16,667(5)	50,000(24)	-	-
Ralph Essers (25)	5,000(5)	15,000(26)	-	-
Giancarlo Fasulo (27)	10,000(5)	30,000(28)	-	-
Noam Igra (29)	4,100(5)	4,100(5)	-	-
Miriam Ivensitz (30)	13,437(31)	3,850(5)	9,587(6)	*
Paul Jeffers (32)	5,000(5)	15,000(26)	-	-
Amir Kohen (33)	55,657(34)	17,700(5)	37,957(35)	*
Max Lapping (36)	13,850(37)	3,850(5)	10,000(6)	*
Hilda Lief (38)	4,100(5)	17,433(39)	-	-
Chaim Lotan (40)	139,446(41)	10,000(5)	129,446(42)	*
James J. Loughlin (43)	48,333(44)	50,000(17)	48,333(44)	*
Chris MacLeod (45)	5,000(5)	15,000(26)	-	-
Nimrod Meller (46)	4,100(5)	4,100(5)	-	-
Alan W. Milinazzo (47)	1,245,317(48)	582,400(49)	1,062,592(50)	3.0%
Jonina Ohayon (51)	23,365(52)	3,075(5)	20,290(6)	*
Rick Olson (53)	31,778	150,000(17)	31,778	*
Robert Ratini (54)	12,000(5)	12,000(5)	-	-
Juan Rigla (55)	5,000(5)	5,000(5)	-	-
Campbell Rogers, M.D. (56)	-	50,000(17)	-	-
Racheli Shlechter (57)	23,234(58)	3,850(5)	19,384(6)	*
Craig Shore (59)	257,124(60)	106,735(5)	150,389(61)	*
Paul Stuka (62)	961,871(63)	50,000(17)	961,871(63)	2.7%
Karen Withrow (64)	925(5)	2,425(65)	-	-
Elad Yaacoby (66)	30,774(67)	16,150(68)	24,624(6)	*

*Less than 1%

- (1) Does not constitute a commitment to sell any or all of the stated number of shares of common stock. The number of shares offered shall be determined from time to time by each selling stockholder at their sole discretion.
- (2) The percentage of shares beneficially owned is based upon 35,021,465 shares of common stock outstanding as of June 5, 2014.
- (3) Ms. Antler has served as our employee since November 2006.
- (4) Comprised of (i) 3,850 shares of restricted stock and (ii) 11,616 shares issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (5) Comprised of shares of restricted stock.
- (6) Comprised of shares issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (7) Mr. Bachman has served as our employee since December 2013.
- (8) Ms. Bame has served as our employee since April 2013.
- (9) Comprised of (i) 22,300 shares of restricted stock and (ii) 50,000 shares of common stock issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (10) Comprised of (i) 22,300 shares of restricted stock and (ii) 72,500 shares of common stock issuable upon exercise of options.
- (11) Mr. Bar has served as senior vice president of research and development and chief technical officer of InspireMD Ltd., our wholly owned subsidiary, since February 2011. Prior to that, he served as InspireMD Ltd.'s vice president of research and development beginning in October 2006 and engineering manager beginning in June 2005.
- (12) Comprised of (i) 266,309 shares of common stock, (ii) 29,735 shares of restricted stock and (iii) 108,334 shares of common stock issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (13) Comprised of (i) 29,735 shares of restricted stock and (ii) 96,670 shares of common stock issuable upon exercise of options.
- (14) Comprised of (i) 266,309 shares of common stock and (ii) 108,334 shares of common stock issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (15) Dr. Barer has served as our director since July 11, 2011 and as chairman of our board of directors since November 16, 2011.
- (16) Comprised of (i) 1,950,000 shares of common stock and (ii) 891,667 shares of common stock issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (17) Comprised of shares of common stock issuable upon exercise of options.
- (18) Dr. Barry has served as our director since January 30, 2012.
- (19) Mr. Berman has served as our director since February 7, 2013.
- (20) Comprised of (i) 30,000 shares of common stock and (ii) 41,472 shares of common stock issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (21) Mr. Blossom has served as our Vice President of Global Marketing and Strategy since September 16, 2014.
- (22) Comprised of (i) 14,870 shares of restricted stock and (ii) 198,335 shares of common stock issuable upon exercise of options.

- (23) Mr. van den Bosch has served as our employee since April 2014.
- (24) Comprised of (i) 16,667 shares of restricted stock and (ii) 33,333 shares of common stock issuable upon exercise of options.
- (25) Mr. Essers has served as our employee since February 2014.
- (26) Comprised of (i) 5,000 shares of restricted stock and (ii) 10,000 shares of common stock issuable upon exercise of options.
- (27) Mr. Fasulo has served as our employee since February 2014.
- (28) Comprised of (i) 10,000 shares of restricted stock and (ii) 20,000 shares of common stock issuable upon exercise of options.
- (29) Mr. Igra has served as our employee since January 2014.
- (30) Ms. Ivensitz has served as our employee since December 2010.
- (31) Comprised of (i) 3,850 shares of restricted stock and (ii) 9,587 shares of common stock issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (32) Mr. Jeffers has served as our employee consultant since February 2014.
- (33) Mr. Kohen has served as our director of finance since May 2011 and our director of international human resources since January 2014.
- (34) Comprised of (i) 3,500 shares of common stock, (ii) 17,700 shares of restricted stock and (iii) 34,457 shares of common stock issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (35) Comprised of (i) 3,500 shares of common stock and (ii) 34,457 shares of common stock issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (36) Mr. Lapping has served as our controller since September 2011.
- (37) Comprised of (i) 3,850 shares of restricted stock and (ii) 10,000 shares of common stock issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (38) Ms. Lief has served as our employee since February 2014.
- (39) Comprised of (i) 4,100 shares of restricted stock and (ii) 13,333 shares of common stock issuable upon exercise of options.
- (40) Mr. Lotan has served as our employee since October 2009.
- (41) Comprised of (i) 71,016 shares of common stock, (ii) 10,000 shares of restricted stock and (iii) 58,430 shares of common stock issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (42) Comprised of (i) 71,016 shares of common stock and (ii) 58,430 shares of common stock issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (43) Mr. Loughlin has served as our director since September 19, 2012.
- (44) Comprised of (i) 15,000 shares of common stock and (ii) 33,333 shares of common stock issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (45) Mr. MacLeod has served as our employee since April 2014.
- (46) Mr. Meller has served as our employee since November 2013.
- (47) Mr. Milinazzo has served as our president, chief executive officer and director since January 3, 2013.
- (48) Comprised of (i) 646,776 shares of common stock, (ii) 182,725 shares of restricted stock and (iii) 415,816 shares of common stock issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (49) Comprised of (i) 182,725 shares of restricted stock and (ii) 415,816 shares of common stock issuable upon exercise of options.
- (50) Comprised of (i) 646,776 shares of common stock and (ii) 399,149 shares of common stock issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.

- (51) Ms. Ohayon has served as our employee since November 2007.
- (52) Comprised of (i) 3,075 shares of restricted stock and (ii) 20,290 shares of common stock issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (53) Mr. Olson has served as our vice president of global sales and operations since December 1, 2013.
- (54) Mr. Ratini served as vice president of sales and marketing of InspireMD Ltd., our wholly-owned subsidiary, in a full-time capacity from June 2012 through April 2014 and in a part-time capacity from March 2012 through May 2012.
- (55) Mr. Rigla has served as our employee since March 2014.
- (56) Dr. Rogers has served as our director since September 3, 2013.
- (57) Ms. Shlechter has served as our controller since January 2010.
- (58) Comprised of (i) 3,850 shares of restricted stock and (ii) 19,384 shares of common stock issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (59) Mr. Shore has served as our chief financial officer, secretary and treasurer since March 31, 2011 and our chief administrative officer since May 3, 2013. In addition, since November 10, 2010, Mr. Shore has served as InspireMD Ltd.'s vice president of business development.
- (60) Comprised of (i) 106,735 shares of restricted stock, (ii) currently exercisable warrants to purchase 750 shares of common stock and (iii) 149,639 shares of common stock issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (61) Comprised of (i) currently exercisable warrants to purchase 750 shares of common stock and (ii) 149,639 shares of common stock issuable upon exercise of options that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (62) Mr. Stuka has served as our director since August 8, 2011.
- (63) Mr. Stuka is the principal and managing member of Osiris Investment Partners, L.P., and, as such, has beneficial ownership of the (i) 745,204 shares of common stock and (ii) currently exercisable warrants to purchase 166,667 shares of common stock held by Osiris Investment Partners, L.P., in addition to personally holding (i) options to purchase 50,000 shares of common stock that are currently exercisable or exercisable within 60 days of June 5, 2014.
- (64) Ms. Withrow has served as our employee since July 2013.
- (65) Comprised of (i) 925 shares of restricted stock and (ii) 1,500 shares of common stock issuable upon exercise of options.
- (66) Mr. Yaacoby has served as our employee since May 2008.
- (67) Comprised of (i) 6,150 shares of restricted stock and (ii) 24,624 shares of common stock issuable upon exercise of options.
- (68) Comprised of (i) 6,150 shares of restricted stock and (ii) 10,000 shares of common stock issuable upon exercise of options.

PLAN OF DISTRIBUTION

Each selling stockholder of the securities and any of its transferees, distributees, pledgees or donees or their successors may, from time to time, sell any or all of their securities covered hereby on the NYSE MKT or any other stock exchange, market or trading facility on which the securities are traded or in private transactions. These sales may be at fixed or negotiated prices. A selling stockholder may use any one or more of the following methods when selling securities:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the securities as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- settlement of short sales entered into after the effective date of the registration statement of which this prospectus is a part;
- in transactions through broker-dealers that agree with the selling stockholders to sell a specified number of such securities at a stipulated price per security;
- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- a combination of any such methods of sale; or
- any other method permitted pursuant to applicable law.

If the selling stockholder effects such transactions by selling shares of our common stock to or through underwriters, broker-dealers or agents, such underwriters, broker-dealers or agents may receive commissions in the form of discounts, concessions or commissions from the selling stockholder or commissions from purchasers of our common stock for whom they may act as agent or to whom they may sell as principal (which discounts, concessions or commissions as to particular underwriters, broker-dealers or agents may be in excess of those customary in the types of transactions involved).

From time to time, one or more of the selling stockholders may distribute, devise, gift, pledge, hypothecate or grant a security interest in some or all of the shares of common stock owned by them. Any such distributees, devisees or donees will be deemed to be selling stockholders. Any such pledgees, secured parties or persons to whom the securities have been hypothecated will, upon foreclosure in the event of default, be deemed to be selling stockholders.

The selling stockholder and any broker-dealer participating in the distribution of our common stock may be deemed to be “underwriters” within the meaning of the Securities Act of 1933, as amended, and any commission paid, or any discounts or concessions allowed to, any such broker-dealer may be deemed to be underwriting commissions or discounts under the Securities Act of 1933, as amended. At the time a particular offering of the securities is made, a prospectus supplement, if required, will be distributed which will set forth the aggregate amount of securities being offered and the terms of the offering, including the name or names of any broker-dealers or agents, any discounts, commissions and other terms constituting compensation from the selling stockholder and any discounts, commissions or concessions allowed, reallocated or paid to broker-dealers.

The selling stockholder may choose not to sell any or may choose to sell less than all of our common stock registered pursuant to the registration statement, of which this reoffer prospectus forms a part.

The selling stockholder and any other person participating in such distribution will be subject to applicable provisions of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder, including, without limitation, Regulation M, which may limit the timing of purchases and sales of any of the shares of common stock by the selling stockholder and any other participating person. Regulation M may also restrict the ability of any person engaged in the distribution of the shares of common stock to engage in market-making activities with respect to the shares of common stock. All of the foregoing may affect the marketability of the common stock and the ability of any person or entity to engage in market-making activities with respect to the shares of our common stock.

We will pay the expenses of the registration of our common stock sold by the selling stockholders, including, without limitation, Securities and Exchange Commission filings fees, compliance with state securities or “blue sky” laws; provided, however, that the selling stockholder will pay all underwriting discounts and selling commissions, if any. As and when we are required to update this reoffer prospectus, we may incur additional expenses.

Once sold under the registration statement, of which this reoffer prospectus forms a part, our common stock will be freely tradable in the hands of persons other than our affiliates. We have notified the selling stockholders of the need to deliver a copy of this reoffer prospectus in connection with any sale of the shares.

In order to comply with certain state securities laws, if applicable, the shares may be sold in such jurisdictions only through registered or licensed brokers or dealers. In certain states, the shares may not be sold unless the shares have been registered or qualified for sale in such state or an exemption from regulation or qualification is available and is complied with. Sales of shares must also be made by the selling stockholders in compliance with all other applicable state securities laws and regulations.

In addition to any shares sold hereunder, selling stockholders may, at the same time, sell any shares of common stock owned by them in compliance with all of the requirements of Rule 144, regardless of whether such shares are covered by this reoffer prospectus.

LEGAL MATTERS

Haynes and Boone, LLP, New York, New York, has passed upon the validity of the shares of our common stock offered by the selling stockholders under this prospectus.

EXPERTS

The financial statements incorporated in this prospectus by reference to the Transition Report on Form 10-KT for the six month period ended December 31, 2013 and the two years ended June 30, 2013 have been so incorporated in reliance on the report of Kesselman & Kesselman C.P.A.s, a member firm of PricewaterhouseCoopers International Limited, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The Securities and Exchange Commission allows us to “incorporate by reference” the information we have filed with it, which means that we can disclose important information to you by referring you to those documents. The information we incorporate by reference is an important part of this prospectus, and later information that we file with the Securities and Exchange Commission will automatically update and supersede this information. We incorporate by reference the documents listed below and any future documents we file with the Securities and Exchange Commission pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, subsequent to the date of this prospectus and prior to the termination of the offering (excluding, in either case, information furnished pursuant to Items 2.02 and 7.01 of Form 8-K):

- Our Transition Report on Form 10-KT for the six month period ended December 31, 2013, filed with the Securities and Exchange Commission on February 26, 2014;
- Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2014, filed with the Securities and Exchange Commission on May 7, 2014;
- Our Current Report on Form 8-K, filed with the Securities and Exchange Commission on February 4, 2014;
- Our Current Report on Form 8-K, filed with the Securities and Exchange Commission on February 5, 2014;
- Our Current Report on Form 8-K, filed with the Securities and Exchange Commission on February 18, 2014;
- Our Current Report on Form 8-K, filed with the Securities and Exchange Commission on March 21, 2014;
- Our Current Report on Form 8-K, filed with the Securities and Exchange Commission on April 30, 2014;
- Our Current Report on Form 8-K, filed with the Securities and Exchange Commission on May 8, 2014;
- Our Current Report on Form 8-K, filed with the Securities and Exchange Commission on May 20, 2014;
- The description of our common stock, which is contained in our registration statement on Form 8-A, filed with the Securities and Exchange Commission on March 12, 2013, as updated or amended in any amendment or report filed for such purpose.

All filings filed by us pursuant to the Securities Exchange Act of 1934, as amended, after the date of the initial filing of this amendment to the registration statement and prior to the effectiveness of such amendment (excluding information furnished pursuant to Items 2.02 and 7.01 of Form 8-K) shall also be deemed to be incorporated by reference into the prospectus.

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission. Such reports, proxy statements and other information can be read and copied at the Securities and Exchange Commission’s public reference facilities at 100 F Street, N.E., Washington, D.C. 20549, at prescribed rates. Please call the Securities and Exchange Commission at 1-800-732-0330 for further information on the operation of the public reference facilities. In addition, the Securities and Exchange Commission maintains a website that contains reports, proxy and information statements and other information regarding registrants that file electronically with the Securities and Exchange Commission. The address of the Securities and Exchange Commission’s website is www.sec.gov.

We make available free of charge on or through our website at www.inspire-md.com, our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, as soon as reasonably practicable after we electronically file such material with or otherwise furnish it to the Securities and Exchange Commission. Information on our website is not incorporated by reference in this prospectus and is not a part of this prospectus.

We will provide without charge to each person to whom a copy of this prospectus is delivered, upon written or oral request, a copy of any or all of the information that has been incorporated by reference in this prospectus but not delivered with this prospectus (other than an exhibit to these filings, unless we have specifically incorporated that exhibit by reference in this prospectus). Any such request should be addressed to us at: 321 Columbus Avenue, Boston, Massachusetts 02116, Attention: Craig Shore, Chief Financial Officer or by phone at (857)



InspireMD, Inc.

1,848,103 Shares of Common Stock

PROSPECTUS

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference

The Securities and Exchange Commission allows us to “incorporate by reference” the information we have filed with it, which means that we can disclose important information to you by referring you to those documents. The information we incorporate by reference is an important part of this registration statement, and later information that we file with the Securities and Exchange Commission will automatically update and supersede this information. We incorporate by reference the documents listed below and any future documents we file with the Securities and Exchange Commission pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, subsequent to the date of this registration statement and prior to the termination of the offering (excluding, in either case, information furnished pursuant to Items 2.02 and 7.01 of Form 8-K):

- Our Transition Report on Form 10-KT for the six month period ended December 31, 2013, filed with the Securities and Exchange Commission on February 26, 2014;
- Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2014, filed with the Securities and Exchange Commission on May 7, 2014;
- Our Current Report on Form 8-K, filed with the Securities and Exchange Commission on February 4, 2014;
- Our Current Report on Form 8-K, filed with the Securities and Exchange Commission on February 5, 2014;
- Our Current Report on Form 8-K, filed with the Securities and Exchange Commission on February 18, 2014;
- Our Current Report on Form 8-K, filed with the Securities and Exchange Commission on March 21, 2014;
- Our Current Report on Form 8-K, filed with the Securities and Exchange Commission on April 30, 2014;
- Our Current Report on Form 8-K, filed with the Securities and Exchange Commission on May 8, 2014;
- Our Current Report on Form 8-K, filed with the Securities and Exchange Commission on May 20, 2014;
- The description of our common stock, which is contained in our registration statement on Form 8-A, filed with the Securities and Exchange Commission on March 12, 2013, as updated or amended in any amendment or report filed for such purpose.

All filings filed by us pursuant to the Securities Exchange Act of 1934, as amended, after the date of the initial filing of this amendment to the registration statement and prior to the effectiveness of such amendment (excluding information furnished pursuant to Items 2.02 and 7.01 of Form 8-K) shall also be deemed to be incorporated by reference into this registration statement.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

Not applicable.

Item 6. Indemnification of Directors and Officers.

Section 145 of the General Corporation Law of the State of Delaware provides, in general, that a corporation incorporated under the laws of the State of Delaware, as we are, may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding (other than a derivative action by or in the right of the corporation) by reason of the fact that such person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. In the case of a derivative action, a Delaware corporation may indemnify any such person against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification will be made in respect of any claim, issue or matter as to which such person will have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery of the State of Delaware or any other court in which such action was brought determines such person is fairly and reasonably entitled to indemnity for such expenses.

Our certificate of incorporation and bylaws provide that we will indemnify our directors, officers, employees and agents to the extent and in the manner permitted by the provisions of the General Corporation Law of the State of Delaware, as amended from time to time, subject to any permissible expansion or limitation of such indemnification, as may be set forth in any stockholders' or directors' resolution or by contract. Any repeal or modification of these provisions approved by our stockholders will be prospective only and will not adversely affect any limitation on the liability of any of our directors or officers existing as of the time of such repeal or modification.

We are also permitted to apply for insurance on behalf of any director, officer, employee or other agent for liability arising out of his actions, whether or not the General Corporation Law of the State of Delaware would permit indemnification.

Item 7. Exemption from Registration Claimed.

This registration statement includes:

- 3,850 shares of restricted stock granted to Judith Antler under the Plan;
- 7,175 shares of restricted stock granted to Nir Bachman under the Plan;
- 22,300 shares of restricted stock granted to Gwen Bame under the Plan;
- 29,735 shares of restricted stock granted to Eli Bar under the Plan;
- 14,870 shares of restricted stock granted to David Blossom under the Plan;
- 16,667 shares of restricted stock granted to Piet van den Bosch under the Plan;
- 5,000 shares of restricted stock granted to Ralph Essers under the Plan;
- 10,000 shares of restricted stock granted to Giancarlo Fasulo under the Plan;
- 4,100 shares of restricted stock granted to Noam Igra under the Plan;
- 3,850 shares of restricted stock granted to Miriam Ivensitz under the Plan;
- 5,000 shares of restricted stock granted to Paul Jeffers under the Plan;
- 17,700 shares of restricted stock granted to Amir Kohen under the Plan;
- 3,850 shares of restricted stock granted to Max Lapping under the Plan;
- 4,100 shares of restricted stock granted to Hilda Lief under the Plan;
- 10,000 shares of restricted stock granted to Chaim Lotan under the Plan;
- 5,000 shares of restricted stock granted to Chris MacLeod under the Plan;
- 4,100 shares of restricted stock granted to Nimrod Meller under the Plan;
- 182,725 shares of restricted stock granted to Alan Milinazzo under the Plan;
- 3,075 shares of restricted stock granted to Jonina Ohayon under the Plan;
- 12,000 shares of restricted stock granted to Robert Ratini under the Plan;
- 5,000 shares of restricted stock granted to Juan Rigla under the Plan;
- 3,850 shares of restricted stock granted to Racheli Shlechter under the Plan;
- 106,735 shares of restricted stock granted to Craig Shore under the Plan;
- 925 shares of restricted stock granted to Karen Withrow under the Plan; and
- 6,150 shares of restricted stock granted to Elad Yaacoby under the Plan.

The securities listed above were not registered under the Securities Act of 1933, as amended, or the securities laws of any state, were offered and sold in reliance on the exemption from registration under the Securities Act of 1933, as amended, provided by Section 4(2), and did not involve any public offering.

Item 8. Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
4.1	Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to Current Report on Form 8-K filed with the Securities and Exchange Commission on April 1, 2011)
4.2	Amended and Restated Bylaws (incorporated by reference to Exhibit 3.2 to Current Report on Form 8-K filed with the Securities and Exchange Commission on April 1, 2011)
4.3	Certificate of Amendment to Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to Current Report on Form 8-K filed with the Securities and Exchange Commission on December 21, 2012)
4.4	Certificate of Designation, Preferences and Rights of Series A Preferred Stock (incorporated by reference to Exhibit 3.1 to Current Report on Form 8-K filed with the Securities and Exchange Commission on October 25, 2013)
4.5	Form of Common Stock Certificate (incorporated by reference to Exhibit 4.1 to Amendment No. 3 to Registration Statement on Form S-1 filed with the Securities and Exchange Commission on March 5, 2013)
5.1*	Opinion of Haynes and Boone
23.1*	Consent of Kesselman & Kesselman, Certified Public Accountants
23.2	Consent of Haynes and Boone, LLP (included in Exhibit 5.1)
24.1	Power of Attorney (included in signature page)
99.1	InspireMD, Inc. 2013 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed with the Securities and Exchange Commission on December 20, 2013)

- 99.2* Form of Incentive Stock Option Award Agreement under the Plan
- 99.3* Form of Nonqualified Stock Option Award Agreement under the Plan
- 99.4* Form of Restricted Stock Award Agreement under the Plan
- 99.5* Form of Restricted Stock Unit Award Agreement under the Plan
- 99.6* Form of Section 3(i) Stock Option Award Agreement under the Plan (Israeli)
- 99.7* Form of Section 102 Capital Gain Stock Option Award Agreement under the Plan (Israeli)
- 99.8* Form of Section 102 Capital Gain Restricted Stock Award Agreement under the Plan (Israeli)
- 99.9* Form of Stock Option Award Agreement under the Plan (European)
- 99.10* Form of Restricted Stock Award Agreement under the Plan (European)
- 99.11* Form of Stock Option Award Agreement outside the Plan

* Filed herewith.

Item 9. Undertakings.

- (a) The undersigned registrant hereby undertakes:
- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
 - (i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;
 - (ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;
 - (iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (a)(1)(i), and (a)(1)(ii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Securities and Exchange Commission by the registrant pursuant to Section 13 or 15(d) of the Exchange Act that are incorporated by reference in the registration statement.

- (2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
 - (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
- (b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- (c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Tel Aviv, State of Israel on June 5, 2014.

InspireMD, Inc.

By: /s/ Alan Milinazzo

Name: Alan Milinazzo

Title: President and Chief Executive Officer

POWER OF ATTORNEY

Each person whose signature appears below hereby appoints each of Alan Milinazzo and Craig Shore, severally, acting alone and without the other, his or her true and lawful attorney-in-fact, with full power of substitution, and with the authority to execute in the name of each such person, any and all amendments (including without limitation, post-effective amendments) to this registration statement on Form S-8, to sign any and all additional registration statements relating to the same offering of securities as this registration statement, including any amendment to this registration statement for the purpose of registering additional shares in accordance with General Instruction E to Form S-8, and to file such registration statements with the Securities and Exchange Commission, together with any exhibits thereto and other documents therewith, necessary or advisable to enable the registrant to comply with the Securities Act of 1933, and any rules, regulations and requirements of the Securities and Exchange Commission in respect thereof, which amendments may make such other changes in the registration statement as the aforesaid attorney-in-fact executing the same deems appropriate

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ Alan Milinazzo</u> Alan Milinazzo	President, Chief Executive Officer and Director (principal executive officer)	June 5, 2014
<u>/s/ Craig Shore</u> Craig Shore	Chief Financial Officer, Secretary and Treasurer (principal financial and accounting officer)	June 5, 2014
<u>/s/ Sol J. Barer</u> Sol J. Barer	Chairman of the Board of Directors	June 5, 2014
<u>/s/ James Barry</u> James Barry	Director	June 5, 2014
<u>/s/ Michael Berman</u> Michael Berman	Director	June 5, 2014
<u>/s/ James J. Loughlin</u> James J. Loughlin	Director	June 5, 2014
<u>/s/ Campbell Rogers</u> Campbell Rogers	Director	June 5, 2014
<u>/s/ Paul Stuka</u> Paul Stuka	Director	June 5, 2014

June 5, 2014

InspireMD, Inc.
321 Columbus Avenue
Boston, Massachusetts 02116

Re: InspireMD, Inc. Registration Statement on Form S-8

Ladies and Gentlemen:

We have acted as counsel to InspireMD, Inc., a Delaware corporation (the “Company”), in connection with the preparation of the Company’s registration statement on Form S-8 (the “Registration Statement”) under the Securities Act of 1933, as amended (the “Securities Act”), filed by the Company with the Securities and Exchange Commission (the “Commission”) on the date hereof. The Registration Statement relates to the registration of (i) up to 3,451,897 shares of common stock of the Company, par value \$0.0001 per share (the “Common Stock”), issuable under the InspireMD, Inc. 2013 Long-Term Incentive Plan (the “Plan”), (ii) up to 1,060,346 shares of Common Stock issuable pursuant to options previously granted under the Plan, (iii) 487,757 shares of restricted stock issued under the Plan, (iv) up to 150,000 shares of Common Stock issuable upon the exercise of options granted pursuant to the Nonqualified Stock Option Agreement, dated September 16, 2013, by and between InspireMD, Inc. and David Blossom (the “Blossom Option Agreement”) and (v) up to 150,000 shares of Common Stock issuable pursuant to the Nonqualified Stock Option Agreement, dated December 2, 2013, by and between InspireMD, Inc. and Eric Olson (the “Olson Option Agreement,” the shares listed in (i) through (v) the “Shares,” the shares listed in (i), (ii), (iv) and (v) the “Option Shares,” the shares listed in (iii) the “Restricted Shares” and the award agreements pursuant to which the grants listed in (iv) and (v) were made the “Awards”).

The opinion expressed herein is limited exclusively to the General Corporation Law of the State of Delaware (the “DGCL”), applicable provisions of the Delaware Constitution and judicial decisions interpreting the DGCL and such provisions of the Delaware Constitution, and the federal laws of the United States of America, and we have not considered, and express no opinion on, any other laws or the laws of any other jurisdiction. The opinions expressed herein are rendered only to you in connection with the Registration Statement. We express no opinion as to any matter other than as expressly set forth above, and no opinion on any other matter may be inferred or implied herefrom. The opinions expressed herein are rendered as of the date hereof and we expressly disclaim any obligation to update this letter or advise you of any change in any matter after the date hereof. The opinions expressed herein may not be relied upon by you for any other purpose, or be furnished to, quoted to or relied upon by any other person, firm or corporation or for any other purpose.

In rendering the opinions expressed herein, we have examined and relied upon the originals, or copies certified to our satisfaction, of (i) the Registration Statement; (ii) the Company's Certificate of Incorporation and any amendments to date certified by the Secretary of State of the State of Delaware (the "Certificate of Incorporation"); (iii) the Company's Bylaws and any amendments to date certified by the Secretary of the Company (the "Bylaws"); (iv) the minutes and records of the corporate proceedings of the Company with respect to the authorization of the issuance of the Shares and related matters thereto; (v) the Plan; (vi) the Awards; (vii) the form of common stock certificate; and (viii) such other records, documents and instruments as we have deemed necessary for the expression of the opinions stated herein. As to the various questions of fact material to the opinion expressed below, we have relied solely upon certificates or comparable documents of officers and representatives of the Company without independent check or verification of their accuracy.

In making such examination, we have assumed the genuineness of all signatures, the legal capacity of all natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified, conformed or photostatic copies and the authenticity of the originals of such latter documents.

In rendering the opinions set forth herein, we have assumed that, at the time of the issuance of the Option Shares, (i) the resolutions of the Company referred to above will not have been modified or rescinded, (ii) there will not have occurred any change in the law affecting the authorization, execution, delivery, validity or fully paid status of the Common Stock, (iii) the Company will receive consideration for the issuance of the Option Shares that is at least equal to the par value of the Common Stock, (iv) all requirements of the DGCL (as defined above), the Certificate of Incorporation and the Bylaws will be complied with when the Option Shares are issued, (v) sufficient shares of Common Stock will be authorized for issuance under the Certificate of Incorporation of the Company that have not otherwise been issued or reserved for issuance and (vi) neither the issuance nor sale of the Option Shares will result in a violation of any agreement or instrument then binding upon the Company or any order of any court or governmental body having jurisdiction over the Company.

Based on the foregoing, subject to the assumptions and limitations stated herein, and having due regard for the legal considerations we deem relevant, we are of the opinion that (i) upon issuance of the Option Shares in accordance with the terms of the Plan and the instruments executed pursuant to such Plan, the Blossom Option Agreement or the Olson Option Agreement, as applicable, the Option Shares will be validly issued, fully paid and non-assessable and (ii) the Restricted Shares have been validly issued and are fully paid and non-assessable, subject to the provisions of the applicable award agreement.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to all references to us in the Registration Statement. In giving this consent, we do not thereby admit that we come within the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ Haynes and Boone, LLP

Haynes and Boone, LLP



CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-8 of our report dated February 26, 2014, which appears in InspireMD Inc.'s Transition Report on Form 10-K for the six-month period ended December 31, 2013. We also consent to the reference to us under the heading "Experts" in such Registration Statement

Tel-Aviv, Israel
June 5, 2014

/s/Kesselman & Kesselman
Certified Public Accountants (Isr.)
A member firm of PricewaterhouseCoopers International Limited

INCENTIVE STOCK OPTION AGREEMENT

INSPIREMD, INC.
2013 LONG-TERM INCENTIVE PLAN

1. Grant of Option. Pursuant to the InspireMD, Inc. 2013 Long-Term Incentive Plan (the “ *Plan* ”) for key Employees, key Contractors, and Outside Directors of InspireMD, Inc., a Delaware corporation (the “ *Company* ”), the Company grants to

_____ (the “ *Participant* ”)

who is an Employee of the Company, an option (the “ *Option* ” or “ *Stock Option* ”) to purchase a total of _____ (_____) full shares of Common Stock of the Company (the “ *Optioned Shares* ”) at an “ *Option Price* ” equal to \$_____ per share (being the Fair Market Value per share of the Common Stock on the Date of Grant or 110% of such Fair Market Value, in the case of a ten percent (10%) or more stockholder as provided in Section 422 of the Code), in the amounts, during the periods and upon the terms and conditions set forth in this Incentive Stock Option Agreement (this “ *Agreement* ”).

The “ *Date of Grant* ” of this Stock Option is _____ 20____. The “ *Option Period* ” shall commence on the Date of Grant and shall expire on the date immediately preceding the tenth (10th) anniversary of the Date of Grant (or the date immediately preceding the fifth (5th) anniversary of the Date of Grant, in the case of a ten percent (10%) or more stockholder as provided in Section 422 of the Code) unless terminated earlier in accordance with Section 4 below. The Stock Option is intended to be an Incentive Stock Option.

2. Subject to Plan. The Stock Option and its exercise are subject to the terms and conditions of the Plan, and the terms of the Plan shall control to the extent not otherwise inconsistent with the provisions of this Agreement. The capitalized terms used herein that are defined in the Plan shall have the same meanings assigned to them in the Plan. The Stock Option is subject to any rules promulgated pursuant to the Plan by the Board or the Committee and communicated to the Participant in writing.

3. Vesting; Time of Exercise. Except as specifically provided in this Agreement and subject to certain restrictions and conditions set forth in the Plan, the Optioned Shares shall be vested and the Stock Option shall be exercisable as follows:

[Insert applicable vesting schedule]

[In the event that (i) a Change in Control occurs, and (ii) this Agreement is not assumed by the surviving corporation or its parent, or the surviving corporation or its parent does not substitute its own option for this Stock Option, then immediately prior to the effective date of such Change in Control, the total Optioned Shares not previously vested shall thereupon immediately become vested and this Stock Option shall become fully exercisable, if not previously so exercisable.]

4. Term; Forfeiture.

a. Except as otherwise provided in this Agreement, to the extent the unexercised portion of the Stock Option relates to Optioned Shares which are not vested on the date of the Participant's Termination of Service, the Stock Option will be terminated on that date. The unexercised portion of the Stock Option that relates to Optioned Shares which are vested will terminate at the first of the following to occur:

- i. 5 p.m. on the date the Option Period terminates;
- ii. 5 p.m. on the date which is twelve (12) months following the date of the Participant's Termination of Service due to the Participant's death or Total and Permanent Disability;
- iii. 5 p.m. on the date which is ninety (90) days following the date of the Participant's Termination of Service by the Company without Cause (as defined below);
- iv. immediately upon the Participant's Termination of Service by the Company for Cause;
- v. 5 p.m. on the date which is thirty (30) days following the date of the Participant's Termination of Service for any reason not otherwise specified in this Section 4.a.; and
- vi. 5 p.m. on the date the Company causes any portion of the Stock Option to be forfeited pursuant to Section 7 hereof.

b. For the purposes hereof, "Cause" shall exist if the Participant (i) breaches any of the material terms or conditions of [**his / her**] employment agreement, or agreement to provide services to the Group, including, without limitation, the breach of any duty of non-disclosure or non-competition; (ii) engages in willful misconduct or acts in bad faith with respect to any company in the Group in connection with [**his / her**] employment or other agreement with the Group; or (iii) is convicted of a criminal offence involving moral turpitude.

5. Who May Exercise. Subject to the terms and conditions set forth in Sections 3 and 4 above, during the lifetime of the Participant, the Stock Option may be exercised only by the Participant, or by the Participant's guardian or personal or legal representative. If the Participant's Termination of Service is due to [**his / her**] death prior to the dates specified in Section 4.a. hereof, and the Participant has not exercised the Stock Option as to the maximum number of vested Optioned Shares as set forth in Section 3 hereof as of the date of death, the following persons may exercise the exercisable portion of the Stock Option on behalf of the Participant at any time prior to the earliest of the dates specified in Section 4.a. hereof: the personal representative of [**his / her**] estate, or the person who acquired the right to exercise the Stock Option by bequest or inheritance or by reason of the death of the Participant; provided that the Stock Option shall remain subject to the other terms of this Agreement, the Plan, and Applicable Laws, rules, and regulations.

6. No Fractional Shares. The Stock Option may be exercised only with respect to full shares, and no fractional share of stock shall be issued.

7. Manner of Exercise. Subject to such administrative regulations as the Committee may from time to time adopt, the Stock Option may be exercised by the delivery of written notice to the Committee setting forth the number of shares of Common Stock with respect to which the Stock Option is to be exercised, the date of exercise thereof (the “*Exercise Date*”) which shall be at least three (3) days after giving such notice unless an earlier time shall have been mutually agreed upon, and whether the Optioned Shares to be exercised will be considered as deemed granted under an Incentive Stock Option as provided in Section 11. On the Exercise Date, the Participant shall deliver to the Company consideration with a value equal to the total Option Price of the shares to be purchased, payable as follows: (a) cash, check, bank draft, or money order payable to the order of the Company; (b) if the Company, in its sole discretion, so consents in writing, Common Stock (including Restricted Stock) owned by the Participant on the Exercise Date, valued at its Fair Market Value on the Exercise Date, and which the Participant has not acquired from the Company within six (6) months prior to the Exercise Date; (c) if the Company, in its sole discretion, so consents in writing, by delivery (including by FAX) to the Company or its designated agent of an executed irrevocable option exercise form together with irrevocable instructions from the Participant to a broker or dealer, reasonably acceptable to the Company, to sell certain of the shares of Common Stock purchased upon exercise of the Stock Option or to pledge such shares as collateral for a loan and promptly deliver to the Company the amount of sale or loan proceeds necessary to pay such purchase price; and/or (d) in any other form of valid consideration that is acceptable to the Committee in its sole discretion. In the event that shares of Restricted Stock are tendered as consideration for the exercise of a Stock Option, a number of shares of Common Stock issued upon the exercise of the Stock Option equal to the number of shares of Restricted Stock used as consideration therefor shall be subject to the same restrictions and provisions as the Restricted Stock so tendered.

Upon payment of all amounts due from the Participant, the Company shall cause the Common Stock then being purchased to be registered in the Participant’s name (or the person exercising the Participant’s Stock Option in the event of [his / her] death) promptly after the Exercise Date, unless the Participant, or such other person, requests, in writing, delivery of the certificates for the Common Stock, as provided in Section 8.3(c) of the Plan and in accordance with the procedures established by the Committee. The obligation of the Company to register or deliver shares of Common Stock shall, however, be subject to the condition that if at any time the Company shall determine in its discretion that the listing, registration, or qualification of the Stock Option or the Common Stock upon any securities exchange or inter-dealer quotation system or under any state or federal law, or the consent or approval of any governmental regulatory body, is necessary as a condition of, or in connection with, the Stock Option or the issuance or purchase of shares of Common Stock thereunder, then the Stock Option may not be exercised in whole or in part unless such listing, registration, qualification, consent, or approval shall have been effected or obtained free of any conditions not reasonably acceptable to the Committee.

If the Participant fails to pay for any of the Optioned Shares specified in such notice or fails to accept delivery thereof, that portion of the Participant’s Stock Option and right to purchase such Optioned Shares may be forfeited by the Participant.

8. Nonassignability. The Stock Option is not assignable or transferable by the Participant except by will or by the laws of descent and distribution.

9. Rights as Stockholder. The Participant will have no rights as a stockholder with respect to any of the Optioned Shares until the issuance of a certificate or certificates to the Participant, or the registration of such shares in the Participant's name, for the shares of Common Stock. The Optioned Shares shall be subject to the terms and conditions of this Agreement. Except as otherwise provided in Section 10 hereof, no adjustment shall be made for dividends or other rights for which the record date is prior to the issuance of such certificate or certificates. The Participant, by [**his / her**] execution of this Agreement, agrees to execute any documents requested by the Company in connection with the issuance of the shares of Common Stock.

10. Adjustment of Number of Optioned Shares and Related Matters. The number of shares of Common Stock covered by the Stock Option, and the Option Prices thereof, shall be subject to adjustment in accordance with Articles 11 – 13 of the Plan.

11. Incentive Stock Option. Subject to the provisions of the Plan, the Stock Option is intended to be an Incentive Stock Option. To the extent the number of Optioned Shares exceeds the limit set forth in Section 6.3 of the Plan, such Optioned Shares shall be deemed granted pursuant to a Nonqualified Stock Option. Unless otherwise indicated by the Participant in the notice of exercise pursuant to Section 7, upon any exercise of this Stock Option, the number of exercised Optioned Shares that shall be deemed to be exercised pursuant to an Incentive Stock Option shall equal the total number of Optioned Shares so exercised multiplied by a fraction, (i) the numerator of which is the number of unexercised Optioned Shares that could then be exercised pursuant to an Incentive Stock Option, and (ii) the denominator of which is the then total number of unexercised Optioned Shares.

12. Disqualifying Disposition. In the event that Common Stock acquired upon exercise of this Stock Option is disposed of by the Participant in a "Disqualifying Disposition," such Participant shall notify the Company in writing within thirty (30) days after such disposition of the date and terms of such disposition. For purposes hereof, "*Disqualifying Disposition*" shall mean a disposition of Common Stock that is acquired upon the exercise of this Stock Option (and that is not deemed granted pursuant to a Nonqualified Stock Option under Section 11) prior to the expiration of either two (2) years from the Date of Grant of this Stock Option or one (1) year from the transfer of shares to the Participant pursuant to the exercise of the Stock Option.

13. Voting. The Participant, as record holder of some or all of the Optioned Shares following exercise of this Stock Option, has the exclusive right to vote, or consent with respect to, such Optioned Shares until such time as the Optioned Shares are transferred in accordance with this Agreement; provided, however, that this Section shall not create any voting right where the holders of such Optioned Shares otherwise have no such right.

14. Specific Performance. The parties acknowledge that remedies at law will be inadequate remedies for breach of this Agreement and consequently agree that this Agreement shall be enforceable by specific performance. The remedy of specific performance shall be cumulative of all of the rights and remedies at law or in equity of the parties under this Agreement.

15. Participant's Acknowledgments. The Participant acknowledges that a copy of the Plan has been made available for [**his / her**] review by the Company, and represents that [**he / she**] is familiar with the terms and provisions thereof, and hereby accepts this Stock Option subject to all the terms and provisions thereof. The Participant hereby agrees to accept as binding, conclusive, and final all decisions or interpretations of the Committee or the Board, as appropriate, upon any questions arising under the Plan or this Agreement.

16. Law Governing. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Delaware (excluding any conflict of laws rule or principle of Delaware law that might refer the governance, construction, or interpretation of this Agreement to the laws of another state).

17. No Right to Continue Employment. Nothing herein shall be construed to confer upon the Participant the right to continue in the employment of the Company or to interfere with or restrict in any way the right of the Company to discharge the Participant at any time.

18. Legal Construction. In the event that any one or more of the terms, provisions, or agreements that are contained in this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect for any reason, the invalid, illegal, or unenforceable term, provision, or agreement shall not affect any other term, provision, or agreement that is contained in this Agreement and this Agreement shall be construed in all respects as if the invalid, illegal, or unenforceable term, provision, or agreement had never been contained herein.

19. Covenants and Agreements as Independent Agreements. Each of the covenants and agreements that is set forth in this Agreement shall be construed as a covenant and agreement independent of any other provision of this Agreement. The existence of any claim or cause of action of the Participant against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of the covenants and agreements that are set forth in this Agreement.

20. Entire Agreement. This Agreement together with the Plan supersede any and all other prior understandings and agreements, either oral or in writing, between the parties with respect to the subject matter hereof and constitute the sole and only agreements between the parties with respect to the said subject matter. All prior negotiations and agreements between the parties with respect to the subject matter hereof are merged into this Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party or by anyone acting on behalf of any party, which are not embodied in this Agreement or the Plan and that any agreement, statement or promise that is not contained in this Agreement or the Plan shall not be valid or binding or of any force or effect.

21. Parties Bound. The terms, provisions, and agreements that are contained in this Agreement shall apply to, be binding upon, and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, and permitted successors and assigns, subject to the limitation on assignment expressly set forth herein.

22. Modification. No change or modification of this Agreement shall be valid or binding upon the parties unless the change or modification is in writing and signed by the parties. Notwithstanding the preceding sentence, the Company may amend the Plan to the extent permitted by the Plan.

23. Headings. The headings that are used in this Agreement are used for reference and convenience purposes only and do not constitute substantive matters to be considered in construing the terms and provisions of this Agreement.

24. Gender and Number. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

25. Notice. Any notice required or permitted to be delivered hereunder shall be deemed to be delivered only when actually received by the Company or by the Participant, as the case may be, at the addresses set forth below, or at such other addresses as they have theretofore specified by written notice delivered in accordance herewith:

a. Notice to the Company shall be addressed and delivered as follows:

InspireMD, Inc.
800 Boylston Street, 16th Floor
Boston, MA 02199
Attn: Craig Shore

b. Notice to the Participant shall be addressed and delivered as set forth on the signature page.

26. Tax Requirements. The Participant is hereby advised to consult immediately with [**his / her**] own tax advisor regarding the tax consequences of this Agreement. The Company or, if applicable, any Subsidiary (for purposes of this Section 26, the term “ **Company** ” shall be deemed to include any applicable Subsidiary), shall have the right to deduct from all amounts paid in cash or other form in connection with the Plan, any federal, state, local, or other taxes required by law to be withheld in connection with this Award. The Company may, in its sole discretion, also require the Participant receiving shares of Common Stock issued under the Plan to pay the Company the amount of any taxes that the Company is required to withhold in connection with the Participant’s income arising with respect to this Award. Such payments shall be required to be made when requested by the Company and may be required to be made prior to the registration or delivery of any certificate representing shares of Common Stock. Such payment may be made by (i) the delivery of cash to the Company in an amount that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding obligations of the Company; (ii) if the Company, in its sole discretion, so consents in writing, the actual delivery by the exercising Participant to the Company of shares of Common Stock that the Participant has not acquired from the Company within six (6) months prior to the date of exercise, which shares so delivered have an aggregate Fair Market Value that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding payment; (iii) if the Company, in its sole discretion, so consents in writing, the Company’s withholding of a number of shares to be delivered upon the exercise of the Stock Option, which shares so withheld have an aggregate Fair Market Value that equals (but does not exceed) the required tax withholding payment; or (iv) any combination of (i), (ii), or (iii). The Company may, in its sole discretion, withhold any such taxes from any other cash remuneration otherwise paid by the Company to the Participant.

* * * * *

[*Remainder of Page Intentionally Left Blank*
Signature Page Follows .]

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer, and the Participant, to evidence [**his / her**] consent and approval of all the terms hereof, has duly executed this Agreement, as of the date specified in Section 1 hereof.

THE COMPANY:

INSPIREMD, INC.

By: _____
Name: _____
Title: _____

THE PARTICIPANT:

Signature

Name: _____
Address: _____

NONQUALIFIED STOCK OPTION AGREEMENT

INSPIREMD, INC.
2013 LONG-TERM INCENTIVE PLAN

1. Grant of Option. Pursuant to the InspireMD, Inc. 2013 Long-Term Incentive Plan (the “ *Plan* ”) for key Employees, key Contractors, and Outside Directors of InspireMD, Inc., a Delaware corporation (the “ *Company* ”), and its Subsidiaries (collectively, the “ *Group* ”), the Company grants to

_____ (the “ *Participant* ”),

an option (the “ *Option* ” or “ *Stock Option* ”) to purchase a total of _____ (_____) full shares of Common Stock of the Company (the “ *Optioned Shares* ”) at an “ *Option Price* ” equal to \$ _____ per share (being [**equal to / greater than**] the Fair Market Value per share of the Common Stock on the Date of Grant).

The “ *Date of Grant* ” of this Stock Option is _____, 20___. The “ *Option Period* ” shall commence on the Date of Grant and shall expire on the date immediately preceding the tenth (10th) anniversary of the Date of Grant, unless terminated earlier in accordance with Section 4 below. The Stock Option is a Nonqualified Stock Option. This Stock Option is intended to comply with the provisions governing nonqualified stock options under the final Treasury Regulations issued on April 17, 2007, in order to exempt this Stock Option from application of Section 409A of the Code.

2. Subject to Plan. The Stock Option and its exercise are subject to the terms and conditions of the Plan, and the terms of the Plan shall control to the extent not otherwise inconsistent with the provisions of this Nonqualified Stock Option Agreement (this “ *Agreement* ”). The capitalized terms used herein that are defined in the Plan shall have the same meanings assigned to them in the Plan. The Stock Option is subject to any rules promulgated pursuant to the Plan by the Board or the Committee and communicated to the Participant in writing.

3. Vesting; Time of Exercise. Except as specifically provided in this Agreement and subject to certain restrictions and conditions set forth in the Plan, the Optioned Shares shall be vested and the Stock Option shall be exercisable as follows:

[Insert applicable vesting schedule]

[In the event that (i) a Change in Control occurs, and (ii) this Agreement is not assumed by the surviving corporation or its parent, or the surviving corporation or its parent does not substitute its own option for this Stock Option, then immediately prior to the effective date of such Change in Control, the total Optioned Shares not previously vested shall thereupon immediately become vested and this Stock Option shall become fully exercisable, if not previously so exercisable.]

4. Term; Forfeiture.

a. Except as otherwise provided in this Agreement, to the extent the unexercised portion of the Stock Option relates to Optioned Shares which are not vested on the date of the Participant's Termination of Service, the Stock Option will be terminated on that date. The unexercised portion of the Stock Option that relates to Optioned Shares which are vested will terminate at the first of the following to occur:

- i. 5 p.m. on the date the Option Period terminates;
- ii. 5 p.m. on the date which is twenty-four (24) months following the date of the Participant's Termination of Service due to death;
- iii. 5 p.m. on the date which is twelve (12) months following the date of the Participant's Termination of Service due to the Participant's Total and Permanent Disability;
- iv. 5 p.m. on the date which is ninety (90) days following the date of the Participant's Termination of Service by the Company without Cause (as defined below);
- v. immediately upon the Participant's Termination of Service by the Company for Cause;
- vi. 5 p.m. on the date which is thirty (30) days following the date of the Participant's Termination of Service for any reason not otherwise specified in this Section 4.a.; and
- vii. 5 p.m. on the date the Company causes any portion of the Stock Option to be forfeited pursuant to Section 7 hereof.

b. For the purposes hereof, "**Cause**" shall exist if the Participant (i) breaches any of the material terms or conditions of [**his / her**] employment agreement, or agreement to provide services to the Group, including, without limitation, the breach of any duty of non-disclosure or non-competition; (ii) engages in willful misconduct or acts in bad faith with respect to any company in the Group in connection with [**his / her**] employment or other agreement with the Group; or (iii) is convicted of a criminal offence involving moral turpitude.

5. Who May Exercise. Subject to the terms and conditions set forth in Sections 3 and 4 above, during the lifetime of the Participant, the Stock Option may be exercised only by the Participant, or by the Participant's guardian or personal or legal representative. If the Participant's Termination of Service is due to [**his / her**] death prior to the dates specified in Section 4.a. hereof, and the Participant has not exercised the Stock Option as to the maximum number of vested Optioned Shares as set forth in Section 3 hereof as of the date of death, the following persons may exercise the exercisable portion of the Stock Option on behalf of the Participant at any time prior to the earliest of the dates specified in Section 4.a. hereof: the personal representative of [**his / her**] estate, or the person who acquired the right to exercise the Stock Option by bequest or inheritance or by reason of the death of the Participant; provided that the Stock Option shall remain subject to the other terms of this Agreement, the Plan, and Applicable Laws, rules, and regulations.

6. No Fractional Shares. The Stock Option may be exercised only with respect to full shares, and no fractional share of stock shall be issued.

7. Manner of Exercise. Subject to such administrative regulations as the Committee may from time to time adopt, the Stock Option may be exercised by the delivery of written notice to the Committee setting forth the number of shares of Common Stock with respect to which the Stock Option is to be exercised, the date of exercise thereof (the "**Exercise Date**") which shall be at least three (3) days after giving such notice unless an earlier time shall have been mutually agreed upon. On the Exercise Date, the Participant shall deliver to the Company consideration with a value equal to the total Option Price of the shares to be purchased, payable as follows: (a) cash, check, bank draft, or money order payable to the order of the Company; (b) if the Company, in its sole discretion, so consents in writing, Common Stock (including Restricted Stock) owned by the Participant on the Exercise Date, valued at its Fair Market Value on the Exercise Date, and which the Participant has not acquired from the Company within six (6) months prior to the Exercise Date; (c) if the Company, in its sole discretion, so consents in writing, by delivery (including by FAX) to the Company or its designated agent of an executed irrevocable option exercise form together with irrevocable instructions from the Participant to a broker or dealer, reasonably acceptable to the Company, to sell certain of the shares of Common Stock purchased upon exercise of the Stock Option or to pledge such shares as collateral for a loan and promptly deliver to the Company the amount of sale or loan proceeds necessary to pay such purchase price; and/or (d) in any other form of valid consideration that is acceptable to the Committee in its sole discretion. In the event that shares of Restricted Stock are tendered as consideration for the exercise of a Stock Option, a number of shares of Common Stock issued upon the exercise of the Stock Option equal to the number of shares of Restricted Stock used as consideration therefor shall be subject to the same restrictions and provisions as the Restricted Stock so tendered.

Upon payment of all amounts due from the Participant, the Company shall cause the Common Stock then being purchased to be registered in the Participant's name (or the person exercising the Participant's Stock Option in the event of [**his / her**] death) promptly after the Exercise Date, unless the Participant, or such other person, requests, in writing, delivery of the certificates for the Common Stock, as provided in Section 8.3(c) of the Plan and in accordance with the procedures established by the Committee. The obligation of the Company to register or deliver shares of Common Stock shall, however, be subject to the condition that if at any time the Company shall determine in its discretion that the listing, registration, or qualification of the Stock Option or the Common Stock upon any securities exchange or inter-dealer quotation system or under any state or federal law, or the consent or approval of any governmental regulatory body, is necessary as a condition of, or in connection with, the Stock Option or the issuance or purchase of shares of Common Stock thereunder, then the Stock Option may not be exercised in whole or in part unless such listing, registration, qualification, consent, or approval shall have been effected or obtained free of any conditions not reasonably acceptable to the Committee.

If the Participant fails to pay for any of the Optioned Shares specified in such notice or fails to accept delivery thereof, that portion of the Participant's Stock Option and right to purchase such Optioned Shares may be forfeited by the Participant.

8. Nonassignability. The Stock Option is not assignable or transferable by the Participant except by will or by the laws of descent and distribution.

9. Rights as Stockholder. The Participant will have no rights as a stockholder with respect to any of the Optioned Shares until the issuance of a certificate or certificates to the Participant, or the registration of such shares in the Participant's name, for the shares of Common Stock. The Optioned Shares shall be subject to the terms and conditions of this Agreement. Except as otherwise provided in Section 10 hereof, no adjustment shall be made for dividends or other rights for which the record date is prior to the issuance of such certificate or certificates. The Participant, by [**his / her**] execution of this Agreement, agrees to execute any documents requested by the Company in connection with the issuance of the shares of Common Stock.

10. Adjustment of Number of Optioned Shares and Related Matters. The number of shares of Common Stock covered by the Stock Option, and the Option Prices thereof, shall be subject to adjustment in accordance with Articles 11 - 13 of the Plan.

11. Nonqualified Stock Option. The Stock Option shall not be treated as an Incentive Stock Option.

12. Voting. The Participant, as record holder of some or all of the Optioned Shares following exercise of this Stock Option, has the exclusive right to vote, or consent with respect to, such Optioned Shares until such time as the Optioned Shares are transferred in accordance with this Agreement; provided, however, that this Section shall not create any voting right where the holders of such Optioned Shares otherwise have no such right.

13. Specific Performance. The parties acknowledge that remedies at law will be inadequate remedies for breach of this Agreement and consequently agree that this Agreement shall be enforceable by specific performance. The remedy of specific performance shall be cumulative of all of the rights and remedies at law or in equity of the parties under this Agreement.

14. Participant's Acknowledgments. The Participant acknowledges that a copy of the Plan has been made available for [**his / her**] review by the Company, and represents that [**he / she**] is familiar with the terms and provisions thereof, and hereby accepts this Stock Option subject to all the terms and provisions thereof. The Participant hereby agrees to accept as binding, conclusive, and final all decisions or interpretations of the Committee or the Board, as appropriate, upon any questions arising under the Plan or this Agreement.

15. Law Governing. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Delaware (excluding any conflict of laws rule or principle of Delaware law that might refer the governance, construction, or interpretation of this Agreement to the laws of another state).

16. No Right to Continue Service or Employment. Nothing herein shall be construed to confer upon the Participant the right to continue in the employ or to provide services to the Company or the Group, whether as an Employee, Contractor, or Outside Director, or interfere with or restrict in any way the right of the Company or the Group to discharge the Participant as an Employee, Contractor, or Outside Director at any time.

17. Legal Construction. In the event that any one or more of the terms, provisions, or agreements that are contained in this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect for any reason, the invalid, illegal, or unenforceable term, provision, or agreement shall not affect any other term, provision, or agreement that is contained in this Agreement, and this Agreement shall be construed in all respects as if the invalid, illegal, or unenforceable term, provision, or agreement had never been contained herein.

18. Covenants and Agreements as Independent Agreements. Each of the covenants and agreements that is set forth in this Agreement shall be construed as a covenant and agreement independent of any other provision of this Agreement. The existence of any claim or cause of action of the Participant against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of the covenants and agreements that are set forth in this Agreement.

19. Entire Agreement. This Agreement together with the Plan supersede any and all other prior understandings and agreements, either oral or in writing, between the parties with respect to the subject matter hereof and constitute the sole and only agreements between the parties with respect to the said subject matter. All prior negotiations and agreements between the parties with respect to the subject matter hereof are merged into this Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party or by anyone acting on behalf of any party, which are not embodied in this Agreement or the Plan and that any agreement, statement, or promise that is not contained in this Agreement or the Plan shall not be valid or binding or of any force or effect.

20. Parties Bound. The terms, provisions, and agreements that are contained in this Agreement shall apply to, be binding upon, and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, and permitted successors and assigns, subject to the limitation on assignment expressly set forth herein.

21. Modification. No change or modification of this Agreement shall be valid or binding upon the parties unless the change or modification is in writing and signed by the parties; provided, however, that the Company may change or modify this Agreement without the Participant's consent or signature if the Company determines, in its sole discretion, that such change or modification is necessary for purposes of compliance with or exemption from the requirements of Section 409A of the Code or any regulations or other guidance issued thereunder. Notwithstanding the preceding sentence, the Company may amend the Plan to the extent permitted by the Plan.

22. Headings. The headings that are used in this Agreement are used for reference and convenience purposes only and do not constitute substantive matters to be considered in construing the terms and provisions of this Agreement.

23. Gender and Number. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

24. Notice. Any notice required or permitted to be delivered hereunder shall be deemed to be delivered only when actually received by the Company or by the Participant, as the case may be, at the addresses set forth below, or at such other addresses as they have theretofore specified by written notice delivered in accordance herewith:

- a. Notice to the Company shall be addressed and delivered as follows:

InspireMD, Inc.
800 Boylston Street, 16th Floor
Boston, MA 02199

Attn: _____
Fax: _____

b. Notice to the Participant shall be addressed and delivered as set forth on the signature page.

25. Tax Requirements. The Participant is hereby advised to consult immediately with [**his / her**] own tax advisor regarding the tax consequences of this Agreement. The Company or, if applicable, any Subsidiary (for purposes of this Section 25, the term “ **Company** ” shall be deemed to include any applicable Subsidiary), shall have the right to deduct from all amounts paid in cash or other form in connection with the Plan, any federal, state, local, or other taxes required by law to be withheld in connection with this Award. The Company may, in its sole discretion, also require the Participant receiving shares of Common Stock issued under the Plan to pay the Company the amount of any taxes that the Company is required to withhold in connection with the Participant’s income arising with respect to this Award. Such payments shall be required to be made when requested by the Company and may be required to be made prior to the registration or delivery of any certificate representing shares of Common Stock. Such payment may be made by (i) the delivery of cash to the Company in an amount that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding obligations of the Company; (ii) if the Company, in its sole discretion, so consents in writing, the actual delivery by the exercising Participant to the Company of shares of Common Stock that the Participant has not acquired from the Company within six (6) months prior to the date of exercise, which shares so delivered have an aggregate Fair Market Value that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding payment; (iii) if the Company, in its sole discretion, so consents in writing, the Company’s withholding of a number of shares to be delivered upon the exercise of the Stock Option, which shares so withheld have an aggregate Fair Market Value that equals (but does not exceed) the required tax withholding payment; or (iv) any combination of (i), (ii), or (iii). The Company may, in its sole discretion, withhold any such taxes from any other cash remuneration otherwise paid by the Company to the Participant.

* * * * *

[*Remainder of Page Intentionally Left Blank*
Signature Page Follows.]

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer, and the Participant, to evidence [**his / her**] consent and approval of all the terms hereof, has duly executed this Agreement, as of the date specified in Section 1 hereof.

THE COMPANY:

INSPIREMD, INC.

By: _____
Name: _____
Title: _____

THE PARTICIPANT:

Signature
Name: _____
Address: _____

RESTRICTED STOCK AWARD AGREEMENT

INSPIREMD, INC.
2013 LONG-TERM INCENTIVE PLAN

1. Grant of Award. Pursuant to the InspireMD, Inc. 2013 Long-Term Incentive Plan (the “ *Plan* ”) for key Employees, key Contractors, and Outside Directors of InspireMD, Inc., a Delaware corporation (the “ *Company* ”), and its Subsidiaries (collectively, the “ *Group* ”),

(the “ *Participant* ”)

has been granted a Restricted Stock Award in accordance with Section 6.4 of the Plan. The number of shares of Common Stock awarded under this Restricted Stock Award Agreement (this “ *Agreement* ”) is _____ (_____) shares (the “ *Awarded Shares* ”). The “ *Date of Grant* ” of this Award is _____, 20____. [**Delete if no purchase price: The purchase price per share for the Awarded Shares is \$_____ per share (which is less than/equal to/greater than the Fair Market Value of a share of Common Stock as of the Date of Grant).**]

2. Subject to Plan. This Agreement is subject to the terms and conditions of the Plan, and the terms of the Plan shall control to the extent not otherwise inconsistent with the provisions of this Agreement. To the extent the terms of the Plan are inconsistent with the provisions of this Agreement, this Agreement shall control. The capitalized terms used herein that are defined in the Plan shall have the same meanings assigned to them in the Plan. This Agreement is subject to any rules promulgated pursuant to the Plan by the Board or the Committee and communicated to the Participant in writing.

3. Vesting. Except as specifically provided in this Agreement and subject to certain restrictions and conditions set forth in the Plan, the Awarded Shares shall vest as follows:

[Insert applicable vesting schedule]

[Notwithstanding the foregoing, upon (i) the Participant’s death; (ii) the Termination Date (as defined below) if the Participant’s Termination of Service is due to his or her Total and Permanent Disability; (iii) the Termination Date if the Participant’s Termination of Service is due to his or her Retirement, or (iv) the occurrence of a Change in Control, the total Awarded Shares not previously vested shall thereupon immediately become fully vested.]

4. Forfeiture of Awarded Shares. Awarded Shares that are not vested in accordance with Section 3 shall be forfeited on the date of the Participant's Termination of Service with the Group (the "**Termination Date**"). Upon forfeiture, all of the Participant's rights with respect to the forfeited Awarded Shares shall cease and terminate, without any further obligations on the part of the Company or the Group. **[Delete if no purchase price : The Company [shall be obligated to] [may, in its sole discretion, elect to] pay the Participant, as soon as practicable after the event causing forfeiture, in cash, an amount equal to the total consideration paid by the Participant for such forfeited Awarded Shares or the Fair Market Value of such forfeited Awarded Shares as of the Termination Date, as the Committee, in its sole discretion shall select.]**

5. Restrictions on Awarded Shares. Subject to the provisions of the Plan and the terms of this Agreement, from the Date of Grant until the date the Awarded Shares are vested in accordance with Section 3 and are no longer subject to forfeiture in accordance with Section 4 (the "**Restriction Period**"), the Participant shall not be permitted to sell, transfer, pledge, or assign any of the Awarded Shares. Except for these limitations, the Committee may in its sole discretion, remove any or all of the restrictions on such Awarded Shares whenever it may determine that, by reason of changes in Applicable Laws or other changes in circumstances arising after the date of this Agreement, such action is appropriate.

6. Legend. Awarded Shares electronically registered in a Participant's name shall note that such shares are Restricted Stock. If certificates for Awarded Shares are issued, the following legend shall be placed on all such certificates:

On the face of the certificate:

"Transfer of this stock is restricted in accordance with conditions printed on the reverse of this certificate."

On the reverse:

"The shares of stock evidenced by this certificate are subject to and transferable only in accordance with that certain InspireMD, Inc. 2013 Long-Term Incentive Plan, a copy of which is on file at the principal office of the Company in Boston, Massachusetts and that certain Restricted Stock Award Agreement dated as of _____, 20__, by and between the Company and _____. No transfer or pledge of the shares evidenced hereby may be made except in accordance with and subject to the provisions of said Plan and Award Agreement. By acceptance of this certificate, any holder, transferee or pledgee hereof agrees to be bound by all of the provisions of said Plan and Award Agreement."

The following legend shall be inserted on a certificate, if issued, evidencing Common Stock issued under the Plan if the shares were not issued in a transaction registered under the applicable federal and state securities laws:

"Shares of stock represented by this certificate have been acquired by the holder for investment and not for resale, transfer or distribution, have been issued pursuant to exemptions from the registration requirements of applicable state and federal securities laws, and may not be offered for sale, sold or transferred other than pursuant to effective registration under such laws, or in transactions otherwise in compliance with such laws, and upon evidence satisfactory to the Company of compliance with such laws, as to which the Company may rely upon an opinion of counsel satisfactory to the Company."

All Awarded Shares owned by the Participant shall be subject to the terms of this Agreement and shall be represented by a certificate or certificates bearing the foregoing legend.

7. Delivery of Certificates. If requested by the Participant in accordance with Section 6.4(a) of the Plan, the Company shall deliver certificates for the Awarded Shares free of restriction under this Agreement promptly after, and only after, the Restriction Period has expired without forfeiture pursuant to Section 4. In connection with the issuance of a certificate for Restricted Stock, the Participant shall endorse such certificate in blank or execute a stock power in a form satisfactory to the Company in blank and deliver such certificate and executed stock power to the Company.

8. Rights of a Stockholder. Except as provided in Section 4 and Section 5 above, the Participant shall have, with respect to his Awarded Shares, all of the rights of a stockholder of the Company, including the right to vote the shares, and the right to receive any dividends thereon. [**Any stock dividends paid with respect to Awarded Shares shall at all times be treated as Awarded Shares and shall be subject to all restrictions placed on Awarded Shares; any such stock dividends paid with respect to Awarded Shares shall vest as the Awarded Shares become vested.**]

9. Voting. The Participant, as record holder of the Awarded Shares, has the exclusive right to vote, or consent with respect to, such Awarded Shares until such time as the Awarded Shares are transferred in accordance with this Agreement; provided, however, that this Section 9 shall not create any voting right where the holders of such Awarded Shares otherwise have no such right.

10. Adjustment to Number of Awarded Shares. The number of Awarded Shares shall be subject to adjustment in accordance with Articles 11-13 of the Plan.

11. Specific Performance. The parties acknowledge that remedies at law will be inadequate remedies for breach of this Agreement and consequently agree that this Agreement shall be enforceable by specific performance. The remedy of specific performance shall be cumulative of all of the rights and remedies at law or in equity of the parties under this Agreement.

12. Participant's Representations. Notwithstanding any of the provisions hereof, the Participant hereby agrees that he or she will not acquire any Awarded Shares, and that the Company will not be obligated to issue any Awarded Shares to the Participant hereunder, if the issuance of such shares shall constitute a violation by the Participant or the Company of any provision of any law or regulation of any governmental authority. Any determination in this connection by the Company shall be final, binding, and conclusive. The rights and obligations of the Company and the rights and obligations of the Participant are subject to all Applicable Laws, rules, and regulations.

13. Participant's Acknowledgments. The Participant acknowledges that a copy of the Plan has been made available for his or her review by the Company, and represents that he or she is familiar with the terms and provisions thereof, and hereby accepts this Award subject to all the terms and provisions thereof. The Participant hereby agrees to accept as binding, conclusive, and final all decisions or interpretations of the Committee or the Board, as appropriate, upon any questions arising under the Plan or this Agreement.

14. Law Governing. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Delaware (excluding any conflict of laws rule or principle of Delaware law that might refer the governance, construction, or interpretation of this Agreement to the laws of another state).

15. No Right to Continue Service or Employment. Nothing herein shall be construed to confer upon the Participant the right to continue in the employ or to provide services to the Company or the Group, whether as an Employee, Contractor, or Outside Director, or interfere with or restrict in any way the right of the Company or the Group to discharge the Participant as an Employee, Contractor, or Outside Director at any time.

16. Legal Construction. In the event that any one or more of the terms, provisions, or agreements that are contained in this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect for any reason, the invalid, illegal, or unenforceable term, provision, or agreement shall not affect any other term, provision, or agreement that is contained in this Agreement and this Agreement shall be construed in all respects as if the invalid, illegal, or unenforceable term, provision, or agreement had never been contained herein.

17. Covenants and Agreements as Independent Agreements. Each of the covenants and agreements that is set forth in this Agreement shall be construed as a covenant and agreement independent of any other provision of this Agreement. The existence of any claim or cause of action of the Participant against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of the covenants and agreements that are set forth in this Agreement.

18. Entire Agreement. This Agreement together with the Plan supersede any and all other prior understandings and agreements, either oral or in writing, between the parties with respect to the subject matter hereof and constitute the sole and only agreements between the parties with respect to the said subject matter. All prior negotiations and agreements between the parties with respect to the subject matter hereof are merged into this Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party or by anyone acting on behalf of any party, which are not embodied in this Agreement or the Plan and that any agreement, statement or promise that is not contained in this Agreement or the Plan shall not be valid or binding or of any force or effect.

19. Parties Bound. The terms, provisions, and agreements that are contained in this Agreement shall apply to, be binding upon, and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, and permitted successors and assigns, subject to the limitation on assignment expressly set forth herein. No person shall be permitted to acquire any Awarded Shares without first executing and delivering an agreement in the form satisfactory to the Company making such person or entity subject to the restrictions on transfer contained herein.

20. Modification. No change or modification of this Agreement shall be valid or binding upon the parties unless the change or modification is in writing and signed by the parties. Notwithstanding the preceding sentence, the Company may amend the Plan to the extent permitted by the Plan.

21. Headings. The headings that are used in this Agreement are used for reference and convenience purposes only and do not constitute substantive matters to be considered in construing the terms and provisions of this Agreement.

22. Gender and Number. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

23. Notice. Any notice required or permitted to be delivered hereunder shall be deemed to be delivered only when actually received by the Company or by the Participant, as the case may be, at the addresses set forth below, or at such other addresses as they have theretofore specified by written notice delivered in accordance herewith:

a. Notice to the Company shall be addressed and delivered as follows:

InspireMD, Inc.
800 Boylston Street, 16th Floor
Boston, MA 02199
Attn: _____
Fax: _____

b. Notice to the Participant shall be addressed and delivered as set forth on the signature page.

24. Tax Requirements. **The Participant is hereby advised to consult immediately with his or her own tax advisor regarding the tax consequences of this Agreement, the method and timing for filing an election to include this Agreement in income under Section 83(b) of the Code, and the tax consequences of such election. By execution of this Agreement, the Participant agrees that if the Participant makes such an election, the Participant shall provide the Company with written notice of such election in accordance with the regulations promulgated under Section 83(b) of the Code.** The Company or, if applicable, any Subsidiary (for purposes of this Section 24, the term “*Company*” shall be deemed to include any applicable Subsidiary), shall have the right to deduct from all amounts paid in cash or other form in connection with the Plan, any federal, state, local, or other taxes required by law to be withheld in connection with this Award. The Company may, in its sole discretion, also require the Participant receiving shares of Common Stock issued under the Plan to pay the Company the amount of any taxes that the Company is required to withhold in connection with the Participant’s income arising with respect to this Award. Such payments shall be required to be made when requested by Company and may be required to be made prior to the delivery of any certificate representing shares of Common Stock, if such certificate is requested by the Participant in accordance with Section 6.4(a) of the Plan. Such payment may be made by (i) the delivery of cash to the Company in an amount that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding obligations of the Company; (ii) if the Company, in its sole discretion, so consents in writing, the actual delivery by the Participant to the Company of shares of Common Stock that the Participant has not acquired from the Company within six (6) months prior thereto, which shares so delivered have an aggregate Fair Market Value that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding payment; (iii) if the Company, in its sole discretion, so consents in writing, the Company’s withholding of a number of shares to be delivered upon the vesting of this Award, which shares so withheld have an aggregate Fair Market Value that equals (but does not exceed) the required tax withholding payment; or (iv) any combination of (i), (ii), or (iii). The Company may, in its sole discretion, withhold any such taxes from any other cash remuneration otherwise paid by the Company to the Participant.

[*Remainder of Page Intentionally Left Blank.*
Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer, and the Participant, to evidence his or her consent and approval of all the terms hereof, has duly executed this Agreement, as of the date specified in Section 1 hereof.

COMPANY:

INSPIREMD, INC.

By: _____
Name: _____
Title: _____

PARTICIPANT:

Signature
Name: _____
Address: _____

RESTRICTED STOCK UNIT AWARD AGREEMENT

INSPIREMD, INC.
2013 LONG-TERM INCENTIVE PLAN

1. Award of Restricted Stock Units. Pursuant to the InspireMD, Inc. 2013 Long-Term Incentive Plan (the “Plan”) for key Employees, key Contractors, and Outside Directors of InspireMD, Inc., a Delaware corporation (the “*Company*”) and its Subsidiaries (collectively, the “*Group*”),

(the “*Participant*”)

has been granted an Award, in accordance with Section 6.6 of the Plan for _____ (_____) Restricted Stock Units (the “*Awarded Units*”) which may be converted into the number of shares of Common Stock of the Company equal to the number of Restricted Stock Units, subject to the terms and conditions of the Plan and this Restricted Stock Unit Award Agreement (this “*Agreement*”). The “*Date of Grant*” of this Award is _____, 20___. Each Awarded Unit shall be a notional share of Common Stock, with the value of each Awarded Unit being equal to the Fair Market Value of a share of Common Stock at any time.

2. Subject to Plan. This Agreement is subject to the terms and conditions of the Plan, and the terms of the Plan shall control to the extent not otherwise inconsistent with the provisions of this Agreement. To the extent the terms of the Plan are inconsistent with the provisions of this Agreement, this Agreement shall control. The capitalized terms used herein that are defined in the Plan shall have the same meanings assigned to them in the Plan. This Agreement is subject to any rules promulgated pursuant to the Plan by the Board or the Committee and communicated to the Participant in writing.

3. Vesting; Time of Delivery of Shares. Awarded Units which have become vested pursuant to the terms of this Section 3 are collectively referred to herein as “*Vested RSUs*.” All other Awarded Units are collectively referred to herein as “*Unvested RSUs*.”

a. Except as specifically provided in this Agreement and subject to certain restrictions and conditions set forth in the Plan, the Awarded Units shall be vested as follows:

[Insert applicable vesting schedule]

[Notwithstanding the foregoing, upon (i) the Participant's death; (ii) the Termination Date (as defined below) if the Participant's Termination of Service is due to his or her Total and Permanent Disability; (iii) the Termination Date if the Participant's Termination of Service is due to his or her Retirement, or (iv) the occurrence of a Change in Control, all Unvested RSUs shall immediately become Vested RSUs.]

b. Subject to the provisions of the Plan and this Agreement, upon the vesting of Awarded Units, or as soon as practicable following vesting, and in no event, later than sixty (60) days after vesting of Awarded Units, the Company shall convert the Vested RSUs into the number of whole shares of Common Stock equal to the number of Vested RSUs and shall deliver to the Participant or the Participant's personal representative a number of shares of Common Stock equal to the number of Vested RSUs credited to the Participant.

4. Forfeiture of Awarded Units. Except as otherwise provided in Section 3.a. above, upon the Participant's Termination of Service for any reason (the "**Termination Date**"), the Participant shall be deemed to have forfeited all of the Participant's Unvested RSUs. Upon forfeiture, all of the Participant's rights with respect to the forfeited Unvested RSUs shall cease and terminate, without any further obligations on the part of the Company.

5. Who May Receive Converted Awarded Units. During the lifetime of the Participant, the Common Stock received upon conversion of Awarded Units may only be received by the Participant or his or her legal representative. If the Participant dies prior to the date his or her Awarded Units are converted into shares of Common Stock as described in Section 3 above, the Common Stock relating to such converted Awarded Units may be received by any individual who is entitled to receive the property of the Participant pursuant to the applicable laws of descent and distribution.

6. No Fractional Shares. Awarded Units may be converted only with respect to full shares, and no fractional share of Common Stock shall be issued.

7. Nonassignability. The Awarded Units are not assignable or transferable by the Participant except by will or by the laws of descent and distribution.

8. Rights of a Stockholder. The Participant will have no rights as a stockholder with respect to any shares covered by this Agreement until the issuance of a certificate or certificates to the Participant or the registration of such shares in the Participant's name for the shares of Common Stock. The Awarded Units shall be subject to the terms and conditions of this Agreement. Except as otherwise provided in Section 9 hereof, no adjustment shall be made for dividends or other rights for which the record date is prior to the issuance of such certificate or certificates. The Participant, by his or her execution of this Agreement, agrees to execute any documents requested by the Company in connection with the conversion of the Awarded Units into shares of Common Stock pursuant to this Agreement.

9. Adjustment of Number of Awarded Units and Related Matters. The number of shares of Common Stock covered by the Awarded Units shall be subject to adjustment in accordance with Articles 11 – 13 of the Plan.

10. Specific Performance. The parties acknowledge that remedies at law will be inadequate remedies for breach of this Agreement and consequently agree that this Agreement shall be enforceable by specific performance. The remedy of specific performance shall be cumulative of all of the rights and remedies at law or in equity of the parties under this Agreement.

11. Participant's Representations. Notwithstanding any of the provisions hereof, the Participant hereby agrees that the Company will not be obligated to issue any shares of Common Stock to the Participant hereunder, if the issuance of such shares shall constitute a violation by the Participant or the Company of any provision of any law or regulation of any governmental authority. Any determination in this connection by the Company shall be final, binding, and conclusive. The rights and obligations of the Company and the rights and obligations of the Participant are subject to all Applicable Laws, rules, and regulations.

12. Participant's Acknowledgments. The Participant acknowledges that a copy of the Plan has been made available for his or her review by the Company, and represents that he or she is familiar with the terms and provisions thereof, and hereby accepts this Award subject to all the terms and provisions thereof. The Participant hereby agrees to accept as binding, conclusive, and final all decisions or interpretations of the Committee or the Board, as appropriate, upon any questions arising under the Plan or this Agreement.

13. Law Governing. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Delaware (excluding any conflict of laws rule or principle of Delaware law that might refer the governance, construction, or interpretation of this Agreement to the laws of another state).

14. No Right to Continue Service or Employment. Nothing herein shall be construed to confer upon the Participant the right to continue in the employ or to provide services to the Company or the Group, whether as an Employee, Contractor, or Outside Director, or interfere with or restrict in any way the right of the Company or the Group to discharge the Participant as an Employee, Contractor or Outside Director at any time.

15. Legal Construction. In the event that any one or more of the terms, provisions, or agreements that are contained in this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect for any reason, the invalid, illegal, or unenforceable term, provision, or agreement shall not affect any other term, provision, or agreement that is contained in this Agreement and this Agreement shall be construed in all respects as if the invalid, illegal, or unenforceable term, provision, or agreement had never been contained herein.

16. Covenants and Agreements as Independent Agreements. Each of the covenants and agreements that is set forth in this Agreement shall be construed as a covenant and agreement independent of any other provision of this Agreement. The existence of any claim or cause of action of the Participant against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of the covenants and agreements that are set forth in this Agreement.

17. Entire Agreement. This Agreement together with the Plan supersede any and all other prior understandings and agreements, either oral or in writing, between the parties with respect to the subject matter hereof and constitute the sole and only agreements between the parties with respect to the said subject matter. All prior negotiations and agreements between the parties with respect to the subject matter hereof are merged into this Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party or by anyone acting on behalf of any party, which are not embodied in this Agreement or the Plan and that any agreement, statement, or promise that is not contained in this Agreement or the Plan shall not be valid or binding or of any force or effect.

18. Parties Bound. The terms, provisions, and agreements that are contained in this Agreement shall apply to, be binding upon, and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, and permitted successors and assigns, subject to the limitation on assignment expressly set forth herein.

19. Modification. No change or modification of this Agreement shall be valid or binding upon the parties unless the change or modification is in writing and signed by the parties; provided, however, that the Company may change or modify this Agreement without the Participant's consent or signature if the Company determines, in its sole discretion, that such change or modification is necessary for purposes of compliance with or exemption from the requirements of Section 409A of the Code or any regulations or other guidance issued thereunder. Notwithstanding the preceding sentence, the Company may amend the Plan to the extent permitted by the Plan.

20. Headings. The headings that are used in this Agreement are used for reference and convenience purposes only and do not constitute substantive matters to be considered in construing the terms and provisions of this Agreement.

21. Gender and Number. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

22. Notice. Any notice required or permitted to be delivered hereunder shall be deemed to be delivered only when actually received by the Company or by the Participant, as the case may be, at the addresses set forth below, or at such other addresses as they have theretofore specified by written notice delivered in accordance herewith:

- a. Notice to the Company shall be addressed and delivered as follows:

InspireMD, Inc.
800 Boylston Street, 16th Floor
Boston, MA 02199
Attn: _____
Fax: _____

- b. Notice to the Participant shall be addressed and delivered as set forth on the signature page.

23. Section 409A: Six Month Delay. Notwithstanding anything herein to the contrary, in the case of a distribution of shares of Common Stock on account of any Termination of Service, other than death, a distribution of the number of such shares, determined after application of the withholding requirements set forth in Section 25 below, on behalf of the Participant, if the Participant is a "specified employee" as defined in § 1.409A-1(i) of the Final Regulations under Section 409A of the Code, to the extent otherwise required under Section 409A of the Code, shall not occur until the date which is six (6) months following the date of the Participant's Termination of Service (or, if earlier, the date of death of the Participant).

24. Tax Requirements. **The Participant is hereby advised to consult immediately with his or her own tax advisor regarding the tax consequences of this Agreement.** Unless the Company otherwise consents in writing to an alternative withholding method, the Company, or if applicable, any Subsidiary (for purposes of this Section 24, the term "**Company**" shall be deemed to include any applicable Subsidiary) shall have the right to deduct from all amounts paid in cash or other form in connection with the Plan, any federal, state, local, or other taxes required by law to be withheld in connection with this Agreement. The Company shall withhold the number of shares to be delivered upon the conversion of the Awarded Units with an aggregate Fair Market Value that equals (but does not exceed) the amount of any federal, state, local, or other taxes required by law to be withheld in connection with this Agreement. However, if the Participant is a "specified employee" as defined in §1.409A-1(i) of the Final Regulations under Section 409A of the Code who is subject to the six (6) months delay provided for in Section 24 above, the Company shall withhold the number of shares attributable to the employment taxes on the date of the Participant's Termination of Service and withhold the number of shares attributable to the income taxes on the date which occurs six (6) months following the date of the Participant's Termination of Service (or, if earlier, the date of death of the Participant).

The Company may, in its sole discretion and prior to the date of conversion, also permit the Participant receiving shares of Common Stock upon conversion of Awarded Units to pay the Company the amount of any taxes that the Company is required to withhold in connection with the Participant's income arising with respect to this Agreement. Such payments shall be required to be made prior to the delivery of any certificate representing shares of Common Stock. Such payment, if the Company, in its sole discretion, so consents in writing, may be made by (i) the delivery of cash to the Company in an amount that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding obligations of the Company; (ii) the actual delivery by the Participant to the Company of shares of Common Stock that the Participant has not acquired from the Company within six (6) months prior to the date of conversion, which shares so delivered have an aggregate Fair Market Value that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding payment; (iii) the Company's withholding of a number of shares to be delivered upon the conversion of the Awarded Units, which shares so withheld have an aggregate Fair Market Value that equals (but does not exceed) the required tax withholding payment; or (iv) any combination of (i), (ii), or (iii). The Company may, in its sole discretion, withhold any such taxes from any other cash remuneration otherwise paid by the Company to the Participant.

* * * * *

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Signature Page Follows.]

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer, and the Participant, to evidence his or her consent and approval of all the terms hereof, has duly executed this Agreement, as of the date specified in Section 1 hereof.

COMPANY:

INSPIREMD, INC.

By: _____
Name: _____
Title: _____

PARTICIPANT:

Signature
Name: _____
Address: _____

SECTION 3(i) STOCK OPTION AGREEMENT

INSPIREMD, INC.
2013 LONG-TERM INCENTIVE PLAN

1. Grant of Option. Pursuant to the InspireMD, Inc. 2013 Employee Stock Incentive Plan (the “*Israeli Plan*”), a sub-plan to the 2013 Long-Term Incentive Plan (the “*Main Plan*”) (the Israeli Plan and the Main Plan being collectively referred to herein as, the “*Plan*”) for key Employees, key Contractors, and Outside Directors of InspireMD, Inc., a Delaware corporation (the “*Company*”), and its Subsidiaries (collectively, the “*Group*”), the Company grants to

(the “*Participant*”),

an option (the “*Option*” or “*Stock Option*”) to purchase a total of _____ (_____) full shares of Common Stock of the Company (the “*Optioned Shares*”) at an “*Option Price*” equal to \$_____ per share (being [**equal to / greater than**] the Fair Market Value per share of the Common Stock on the Date of Grant).

The “*Date of Grant*” of this Stock Option is _____, 20___. The “*Option Period*” shall commence on the Date of Grant and shall expire on the date immediately preceding the tenth (10th) anniversary of the Date of Grant, unless terminated earlier in accordance with Section 4 below. The Company has designated the Stock Option as a Section 3(i) Incentive (*i.e.*, a Stock Option issued pursuant to Section 3(i) of the Ordinance).

2. Subject to Plan. The Stock Option and its exercise are subject to the terms and conditions of the Plan, and the terms of the Plan shall control to the extent not otherwise inconsistent with the provisions of this Section 3(i) Stock Option Agreement (this “*Agreement*”). The capitalized terms used herein that are defined in the Plan shall have the same meanings assigned to them in the Plan. The Stock Option is subject to any rules promulgated pursuant to the Plan by the Administrator and communicated to the Participant in writing.

3. Vesting; Time of Exercise. Except as specifically provided in this Agreement and subject to certain restrictions and conditions set forth in the Plan, the Optioned Shares shall be vested and the Stock Option shall be exercisable as follows:

[Insert applicable vesting schedule]

[In the event that (i) a Transaction occurs, and (ii) this Agreement is not assumed by the surviving corporation or its parent, or the surviving corporation or its parent does not substitute its own option for this Stock Option, then immediately prior to the effective date of such Transaction, the total Optioned Shares not previously vested shall thereupon immediately become vested and this Stock Option shall become fully exercisable, if not previously so exercisable.]

4. Term; Forfeiture.

a. Except as otherwise provided in this Agreement, to the extent the unexercised portion of the Stock Option relates to Optioned Shares which are not vested on the date of the Participant's Termination of Service, the Stock Option will be terminated on that date. The unexercised portion of the Stock Option that relates to Optioned Shares which are vested will terminate at the first of the following to occur:

- i. 5 p.m. on the date the Option Period terminates;
- ii. 5 p.m. on the date which is twenty-four (24) months following the date of the Participant's Termination of Service due to death;
- iii. 5 p.m. on the date which is twelve (12) months following the date of the Participant's Termination of Service due to the Participant's Total and Permanent Disability or Retirement with the consent of the Administrator;
- iv. 5 p.m. on the date which is sixty (60) days following the date of the Participant's Termination of Service by the Company without Cause (as defined below);
- v. immediately upon the Participant's Termination of Service by the Company for Cause;
- vi. 5 p.m. on the date which is thirty (30) days following the date of the Participant's Termination of Service for any reason not otherwise specified in this Section 4.a.; and
- vii. 5 p.m. on the date the Company causes any portion of the Stock Option to be forfeited pursuant to Section 7 hereof.

b. For the purposes hereof, "**Cause**" shall exist if the Participant (i) breaches any of the material terms or conditions of [**his / her**] employment agreement, or agreement to provide services to the Group, including, without limitation, the breach of any duty of non-disclosure or non-competition; (ii) engages in willful misconduct or acts in bad faith with respect to any company in the Group in connection with [**his / her**] employment or other agreement with the Group; or (iii) is convicted of a felony.

5. Who May Exercise. Subject to the terms and conditions set forth in Sections 3 and 4 above, during the lifetime of the Participant, the Stock Option may be exercised only by the Participant, or by the Participant's guardian or personal or legal representative. If the Participant's Termination of Service is due to [**his / her**] death prior to the dates specified in Section 4.a. hereof, and the Participant has not exercised the Stock Option as to the maximum number of vested Optioned Shares as set forth in Section 3 hereof as of the date of death, the following persons may exercise the exercisable portion of the Stock Option on behalf of the Participant at any time prior to the earliest of the dates specified in Section 4.a. hereof: the personal representative of [**his / her**] estate, or the person who acquired the right to exercise the Stock Option by bequest or inheritance or by reason of the death of the Participant; provided that the Stock Option shall remain subject to the other terms of this Agreement, the Plan, and Applicable Laws, rules, and regulations.

6. No Fractional Shares. The Stock Option may be exercised only with respect to full shares, and no fractional share of stock shall be issued.

7. Manner of Exercise. Subject to such administrative regulations as the Administrator may from time to time adopt, the Stock Option may be exercised by the delivery of written notice to the Administrator setting forth the number of shares of Common Stock with respect to which the Stock Option is to be exercised, the date of exercise thereof (the "**Exercise Date**") which shall be at least three (3) days after giving such notice unless an earlier time shall have been mutually agreed upon. On the Exercise Date, the Participant shall deliver to the Company consideration with a value equal to the total Option Price of the shares to be purchased, payable in cash or by certified check in the manner prescribed in Article VI of the Israeli Plan.

Upon payment of all amounts due from the Participant, the Company shall cause the Common Stock then being purchased to be registered in the Participant's name (or the person exercising the Participant's Stock Option in the event of [**his / her**] death) promptly after the Exercise Date, unless the Participant, or such other person, requests, in writing, delivery of the certificates for the Common Stock, as provided in Section 8.3(c) of the Main Plan and in accordance with the procedures established by the Administrator. The obligation of the Company to register or deliver shares of Common Stock shall, however, be subject to the condition that if at any time the Company shall determine in its discretion that the listing, registration, or qualification of the Stock Option or the Common Stock upon any securities exchange or inter-dealer quotation system or under any state or federal law, or the consent or approval of any governmental regulatory body, is necessary as a condition of, or in connection with, the Stock Option or the issuance or purchase of shares of Common Stock thereunder, then the Stock Option may not be exercised in whole or in part unless such listing, registration, qualification, consent, or approval shall have been effected or obtained free of any conditions not reasonably acceptable to the Administrator.

If the Participant fails to pay for any of the Optioned Shares specified in such notice or fails to accept delivery thereof, that portion of the Participant's Stock Option and right to purchase such Optioned Shares may be forfeited by the Participant.

8. Nonassignability. The Stock Option is not assignable or transferable by the Participant except by will or by the laws of descent and distribution

9. Rights as Stockholder. The Participant will have no rights as a stockholder with respect to any of the Optioned Shares until the issuance of a certificate or certificates to the Participant, or the registration of such shares in the Participant's name, for the shares of Common Stock. The Optioned Shares shall be subject to the terms and conditions of this Agreement. Except as otherwise provided in Section 10 hereof, no adjustment shall be made for dividends or other rights for which the record date is prior to the issuance of such certificate or certificates. The Participant, by [**his / her**] execution of this Agreement, agrees to execute any documents requested by the Company in connection with the issuance of the shares of Common Stock.

10. Adjustment of Number of Optioned Shares and Related Matters . The number of shares of Common Stock covered by the Stock Option, and the Option Prices thereof, shall be subject to adjustment in accordance with Articles 11 - 13 of the Main Plan and Articles VIII - IX of the Israeli Plan.

11. Voting . The Participant, as record holder of some or all of the Optioned Shares following exercise of this Stock Option, has the exclusive right to vote, or consent with respect to, such Optioned Shares until such time as the Optioned Shares are transferred in accordance with this Agreement; provided, however, that this Section shall not create any voting right where the holders of such Optioned Shares otherwise have no such right.

12. Specific Performance . The parties acknowledge that remedies at law will be inadequate remedies for breach of this Agreement and consequently agree that this Agreement shall be enforceable by specific performance. The remedy of specific performance shall be cumulative of all of the rights and remedies at law or in equity of the parties under this Agreement.

13. Participant's Acknowledgments . The Participant acknowledges that a copy of the Plan has been made available for [**his / her**] review by the Company, and represents that [**he / she**] is familiar with the terms and provisions thereof, and hereby accepts this Stock Option subject to all the terms and provisions thereof. The Participant hereby agrees to accept as binding, conclusive, and final all decisions or interpretations of the Administrator upon any questions arising under the Plan or this Agreement.

14. Law Governing . This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Israel (excluding any conflict of laws rule or principle of Israel law that might refer the governance, construction, or interpretation of this Agreement to the laws of another state).

15. No Right to Continue Service or Employment . Nothing herein shall be construed to confer upon the Participant the right to continue in the employ or to provide services to the Company or the Group, whether as an Employee, Contractor, or Outside Director, or interfere with or restrict in any way the right of the Company or the Group to discharge the Participant as an Employee, Contractor, or Outside Director at any time.

16. Legal Construction . In the event that any one or more of the terms, provisions, or agreements that are contained in this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect for any reason, the invalid, illegal, or unenforceable term, provision, or agreement shall not affect any other term, provision, or agreement that is contained in this Agreement, and this Agreement shall be construed in all respects as if the invalid, illegal, or unenforceable term, provision, or agreement had never been contained herein.

17. Covenants and Agreements as Independent Agreements . Each of the covenants and agreements that is set forth in this Agreement shall be construed as a covenant and agreement independent of any other provision of this Agreement. The existence of any claim or cause of action of the Participant against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of the covenants and agreements that are set forth in this Agreement.

18. Entire Agreement . This Agreement together with the Plan supersede any and all other prior understandings and agreements, either oral or in writing, between the parties with respect to the subject matter hereof and constitute the sole and only agreements between the parties with respect to the said subject matter. All prior negotiations and agreements between the parties with respect to the subject matter hereof are merged into this Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party or by anyone acting on behalf of any party, which are not embodied in this Agreement or the Plan and that any agreement, statement, or promise that is not contained in this Agreement or the Plan shall not be valid or binding or of any force or effect.

19. Parties Bound. The terms, provisions, and agreements that are contained in this Agreement shall apply to, be binding upon, and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, and permitted successors and assigns, subject to the limitation on assignment expressly set forth herein.

20. Modification. No change or modification of this Agreement shall be valid or binding upon the parties unless the change or modification is in writing and signed by the parties. Notwithstanding the preceding sentence, the Company may amend the Plan to the extent permitted by the Plan.

21. Headings. The headings that are used in this Agreement are used for reference and convenience purposes only and do not constitute substantive matters to be considered in construing the terms and provisions of this Agreement.

22. Gender and Number. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

23. Notice. Any notice required or permitted to be delivered hereunder shall be deemed to be delivered only when actually received by the Company or by the Participant, as the case may be, at the addresses set forth below, or at such other addresses as they have theretofore specified by written notice delivered in accordance herewith:

- a. Notice to the Company shall be addressed and delivered as follows:

InspireMD, Inc.
800 Boylston Street, 16th Floor
Boston, MA 02199
Attn: _____
Fax: _____

- b. Notice to the Participant shall be addressed and delivered as set forth on the signature page.

24. Tax Requirements. The Participant is hereby advised to consult immediately with [**his / her**] own tax advisor regarding the tax consequences of this Agreement. The Company or, if applicable, any Subsidiary (for purposes of this Section 24, the term “ **Company** ” shall be deemed to include any applicable Subsidiary), shall have the right to deduct from all amounts paid in cash or other form in connection with the Plan, any federal, state, local, or other taxes required by law to be withheld in connection with this Award. The Company may, in its sole discretion or as required under any Applicable Law, also require the Participant receiving shares of Common Stock issued under the Plan to pay the Company the amount of any taxes that the Company is required to withhold in connection with the Participant’s income arising with respect to this Award. Such payments shall be required to be made when requested by the Company and may be required to be made prior to the registration or delivery of any certificate representing shares of Common Stock. Such payment may be made by (i) the delivery of cash to the Company in an amount that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding obligations of the Company; (ii) if the Company, in its sole discretion, so consents in writing, the actual delivery by the exercising Participant to the Company of shares of Common Stock that the Participant has not acquired from the Company within six (6) months prior to the date of exercise, which shares so delivered have an aggregate Fair Market Value that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding payment; (iii) if the Company, in its sole discretion, so consents in writing, the Company’s withholding of a number of shares to be delivered upon the exercise of the Stock Option, which shares so withheld have an aggregate Fair Market Value that equals (but does not exceed) the required tax withholding payment; or (iv) any combination of (i), (ii), or (iii). The Company may, in its sole discretion, withhold any such taxes from any other cash remuneration otherwise paid by the Company to the Participant.

*[Remainder of Page Intentionally Left Blank
Signature Page Follows.]*

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer, and the Participant, to evidence his consent and approval of all the terms hereof, has duly executed this Agreement, as of the date specified in Section 1 hereof.

THE COMPANY:

INSPIREMD, INC.

By: _____
Name: _____
Title: _____

THE PARTICIPANT:

Signature
Name: _____
Address: _____

SECTION 102 CAPITAL GAIN STOCK OPTION AGREEMENT

INSPIREMD, INC.
2013 LONG-TERM INCENTIVE PLAN

1. Grant of Option. Pursuant to the InspireMD, Inc. 2013 Employee Stock Incentive Plan (the “*Israeli Plan*”), a sub-plan to the 2013 Long-Term Incentive Plan (the “*Main Plan*”) (the Israeli Plan and the Main Plan being collectively referred to herein as, the “*Plan*”) for key Employees, key Contractors, and Outside Directors of InspireMD, Inc., a Delaware corporation (the “*Company*”), and its Subsidiaries (collectively, the “*Group*”), the Company grants to

(the “*Participant*”),

an option (the “*Option*” or “*Stock Option*”) to purchase a total of _____ (_____) full shares of Common Stock of the Company (the “*Optioned Shares*”) at an “*Option Price*” equal to \$_____ per share (being [**equal to / greater than**] the Fair Market Value per share of the Common Stock on the Date of Grant).

The “*Date of Grant*” of this Stock Option is _____, 20___. The “*Option Period*” shall commence on the Date of Grant and shall expire on the date immediately preceding the tenth (10th) anniversary of the Date of Grant, unless terminated earlier in accordance with Section 4 below. The Company has designated the Stock Option as an Approved 102 Incentive (i.e., a Stock Option issued pursuant to Section 102(b) of the Ordinance) and held in trust by a trustee for the benefit of the Participant), and has classified it as a Capital Gain Incentive that qualifies for tax treatment in accordance with the provisions of Section 102(b)(2) of the Ordinance.

2. Subject to Plan. The Stock Option and its exercise are subject to the terms and conditions of the Plan, and the terms of the Plan shall control to the extent not otherwise inconsistent with the provisions of this Section 102 Capital Gain Stock Option Agreement (this “*Agreement*”). The capitalized terms used herein that are defined in the Plan shall have the same meanings assigned to them in the Plan. The Stock Option is subject to any rules promulgated pursuant to the Plan by the Administrator and communicated to the Participant in writing.

3. Vesting; Time of Exercise. Except as specifically provided in this Agreement and subject to certain restrictions and conditions set forth in the Plan, the Optioned Shares shall be vested and the Stock Option shall be exercisable as follows:

[Insert applicable vesting schedule]



[In the event that (i) a Transaction occurs, and (ii) this Agreement is not assumed by the surviving corporation or its parent, or the surviving corporation or its parent does not substitute its own option for this Stock Option, then immediately prior to the effective date of such Transaction, the total Optioned Shares not previously vested shall thereupon immediately become vested and this Stock Option shall become fully exercisable, if not previously so exercisable.]

4. Term; Forfeiture.

a. Except as otherwise provided in this Agreement, to the extent the unexercised portion of the Stock Option relates to Optioned Shares which are not vested on the date of the Participant's Termination of Service, the Stock Option will be terminated on that date. The unexercised portion of the Stock Option that relates to Optioned Shares which are vested will terminate at the first of the following to occur:

- i. 5 p.m. on the date the Option Period terminates;
- ii. 5 p.m. on the date which is twenty-four (24) months following the date of the Participant's Termination of Service due to death;
- iii. 5 p.m. on the date which is twelve (12) months following the date of the Participant's Termination of Service due to the Participant's Total and Permanent Disability or Retirement with the consent of the Administrator;
- iv. 5 p.m. on the date which is sixty (60) days following the date of the Participant's Termination of Service by the Company without Cause (as defined below);
- v. immediately upon the Participant's Termination of Service by the Company for Cause;
- vi. 5 p.m. on the date which is thirty (30) days following the date of the Participant's Termination of Service for any reason not otherwise specified in this Section 4.a.; and
- vii. 5 p.m. on the date the Company causes any portion of the Stock Option to be forfeited pursuant to Section 7 hereof.

b. For the purposes hereof, "**Cause**" shall exist if the Participant (i) breaches any of the material terms or conditions of [**his / her**] employment agreement, or agreement to provide services to the Group, including, without limitation, the breach of any duty of non-disclosure or non-competition; (ii) engages in willful misconduct or acts in bad faith with respect to any company in the Group in connection with [**his / her**] employment or other agreement with the Group; or (iii) is convicted of a felony.

5. Who May Exercise. Subject to the terms and conditions set forth in Sections 3 and 4 above, during the lifetime of the Participant, the Stock Option may be exercised only by the Participant, or by the Participant's guardian or personal or legal representative. If the Participant's Termination of Service is due to [**his / her**] death prior to the dates specified in Section 4.a. hereof, and the Participant has not exercised the Stock Option as to the maximum number of vested Optioned Shares as set forth in Section 3 hereof as of the date of death, the following persons may exercise the exercisable portion of the Stock Option on behalf of the Participant at any time prior to the earliest of the dates specified in Section 4.a. hereof: the personal representative of [**his / her**] estate, or the person who acquired the right to exercise the Stock Option by bequest or inheritance or by reason of the death of the Participant; provided that the Stock Option shall remain subject to the other terms of this Agreement, the Plan, and Applicable Laws, rules, and regulations.

6. No Fractional Shares. The Stock Option may be exercised only with respect to full shares, and no fractional share of stock shall be issued.

7. Manner of Exercise. Subject to Article X of the Israeli Plan and such administrative regulations as the Administrator may from time to time adopt, the Stock Option may be exercised by the delivery of written notice to the Administrator setting forth the number of shares of Common Stock with respect to which the Stock Option is to be exercised, the date of exercise thereof (the "**Exercise Date**") which shall be at least three (3) days after giving such notice unless an earlier time shall have been mutually agreed upon. On the Exercise Date, the Participant shall deliver to the Company consideration with a value equal to the total Option Price of the shares to be purchased, payable in cash or by certified check in the manner prescribed in Article VI of the Israeli Plan. The exercise of the Stock Option shall be subject to the agreement with the Trustee (as defined below) and in accordance with Section 102 of the Ordinance.

Subject to Article X of the Israeli Plan, upon payment of all amounts due from the Participant, the Company shall cause the Common Stock then being purchased to be registered in the Participant's name (or the person exercising the Participant's Stock Option in the event of [**his / her**] death) promptly after the Exercise Date, unless the Participant, or such other person, requests, in writing, delivery of the certificates for the Common Stock, as provided in Section 8.3(c) of the Main Plan and in accordance with the procedures established by the Administrator. The obligation of the Company to register or deliver shares of Common Stock shall, however, be subject to the condition that if at any time the Company shall determine in its discretion that the listing, registration, or qualification of the Stock Option or the Common Stock upon any securities exchange or inter-dealer quotation system or under any state or federal law, or the consent or approval of any governmental regulatory body, is necessary as a condition of, or in connection with, the Stock Option or the issuance or purchase of shares of Common Stock thereunder, then the Stock Option may not be exercised in whole or in part unless such listing, registration, qualification, consent, or approval shall have been effected or obtained free of any conditions not reasonably acceptable to the Administrator.

If the Participant fails to pay for any of the Optioned Shares specified in such notice or fails to accept delivery thereof, that portion of the Participant's Stock Option and right to purchase such Optioned Shares may be forfeited by the Participant.

8. Israeli Tax Ordinance.

a. The Stock Option, including all rights attaching thereto, and other shares of Common Stock received following the exercise of the Stock Option by the Company (the “*Trustee*”) and approved in accordance with the provisions of Section 102 of the Ordinance, and will be held by the Trustee for the benefit of the Participant for a period of, and will not be delivered to the Participant prior to the expiration of, at least twenty-four (24) months from the Date of Grant.

b. All rights attaching to any shares of Common Stock received following exercise of any vested portion of the Stock Option and all rights or shares received by the Participant with respect thereto (including bonus shares), will be subject to the same taxation treatment applicable to the Optioned Shares.

c. The Trustee shall not sell or transfer to the Participant any of the shares of Common Stock acquired by exercise of the Stock Option or any right or share received by the Participant with respect thereto prior to the full payment by the Participant of [**his / her**] tax liabilities arising from or relating to such Common Stock or any right or share related thereto.

9. Nonassignability. The Stock Option is not assignable or transferable by the Participant except by will or by the laws of descent and distribution

10. Rights as Stockholder. The Participant will have no rights as a stockholder with respect to any of the Optioned Shares until the issuance of a certificate or certificates to the Participant, or the registration of such shares in the Participant’s name, for the shares of Common Stock. The Optioned Shares shall be subject to the terms and conditions of this Agreement. Except as otherwise provided in Section 11 hereof, no adjustment shall be made for dividends or other rights for which the record date is prior to the issuance of such certificate or certificates. The Participant, by [**his / her**] execution of this Agreement, agrees to execute any documents requested by the Company in connection with the issuance of the shares of Common Stock.

11. Adjustment of Number of Optioned Shares and Related Matters. The number of shares of Common Stock covered by the Stock Option, and the Option Prices thereof, shall be subject to adjustment in accordance with Articles 11 - 13 of the Main Plan and Articles VIII - IX of the Israeli Plan.

12. Voting. The Participant shall not be entitled to vote, or consent with respect to, any of the Optioned Shares following exercise of this Stock Option that are being held by the Trustee. Upon delivery to the Participant of a certificate or certificates representing such Optioned Shares, or the registration of such Optioned Shares in the Participant’s name, the Participant shall be treated as the record holder of some or all of the Optioned Shares following exercise of this Stock Option, having the exclusive right to vote, or consent with respect to, such Optioned Shares until such time as the Optioned Shares are transferred in accordance with this Agreement; provided, however, that this Section shall not create any voting right where the holders of such Optioned Shares otherwise have no such right.

13. Specific Performance. The parties acknowledge that remedies at law will be inadequate remedies for breach of this Agreement and consequently agree that this Agreement shall be enforceable by specific performance. The remedy of specific performance shall be cumulative of all of the rights and remedies at law or in equity of the parties under this Agreement.

14. Participant's Acknowledgments. The Participant acknowledges that a copy of the Plan has been made available for [**his / her**] review by the Company, and represents that [**he / she**] is familiar with the terms and provisions thereof, and hereby accepts this Stock Option subject to all the terms and provisions thereof. The Participant hereby agrees to accept as binding, conclusive, and final all decisions or interpretations of the Administrator upon any questions arising under the Plan or this Agreement.

15. Law Governing. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Israel (excluding any conflict of laws rule or principle of Israel law that might refer the governance, construction, or interpretation of this Agreement to the laws of another state).

16. No Right to Continue Service or Employment. Nothing herein shall be construed to confer upon the Participant the right to continue in the employ or to provide services to the Company or the Group, whether as an Employee, Contractor, or Outside Director, or interfere with or restrict in any way the right of the Company or the Group to discharge the Participant as an Employee, Contractor, or Outside Director at any time.

17. Legal Construction. In the event that any one or more of the terms, provisions, or agreements that are contained in this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect for any reason, the invalid, illegal, or unenforceable term, provision, or agreement shall not affect any other term, provision, or agreement that is contained in this Agreement, and this Agreement shall be construed in all respects as if the invalid, illegal, or unenforceable term, provision, or agreement had never been contained herein.

18. Covenants and Agreements as Independent Agreements. Each of the covenants and agreements that is set forth in this Agreement shall be construed as a covenant and agreement independent of any other provision of this Agreement. The existence of any claim or cause of action of the Participant against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of the covenants and agreements that are set forth in this Agreement.

19. Entire Agreement. This Agreement together with the Plan supersede any and all other prior understandings and agreements, either oral or in writing, between the parties with respect to the subject matter hereof and constitute the sole and only agreements between the parties with respect to the said subject matter. All prior negotiations and agreements between the parties with respect to the subject matter hereof are merged into this Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party or by anyone acting on behalf of any party, which are not embodied in this Agreement or the Plan and that any agreement, statement, or promise that is not contained in this Agreement or the Plan shall not be valid or binding or of any force or effect.

20. Parties Bound. The terms, provisions, and agreements that are contained in this Agreement shall apply to, be binding upon, and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, and permitted successors and assigns, subject to the limitation on assignment expressly set forth herein.

21. Modification. No change or modification of this Agreement shall be valid or binding upon the parties unless the change or modification is in writing and signed by the parties. Notwithstanding the preceding sentence, the Company may amend the Plan to the extent permitted by the Plan.

22. Headings. The headings that are used in this Agreement are used for reference and convenience purposes only and do not constitute substantive matters to be considered in construing the terms and provisions of this Agreement.

23. Gender and Number. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

24. Notice. Any notice required or permitted to be delivered hereunder shall be deemed to be delivered only when actually received by the Company or by the Participant, as the case may be, at the addresses set forth below, or at such other addresses as they have theretofore specified by written notice delivered in accordance herewith:

a. Notice to the Company shall be addressed and delivered as follows:

InspireMD, Inc.
800 Boylston Street, 16th Floor
Boston, MA 02199
Attn: _____
Fax: _____

b. Notice to the Participant shall be addressed and delivered as set forth on the signature page.

25. Tax Requirements. The Participant is hereby advised to consult immediately with [**his / her**] own tax advisor regarding the tax consequences of this Agreement. The Company or, if applicable, any Subsidiary (for purposes of this Section 25, the term “ **Company** ” shall be deemed to include any applicable Subsidiary), shall have the right to deduct from all amounts paid in cash or other form in connection with the Plan, any federal, state, local, or other taxes required by law to be withheld in connection with this Award. The Company may, in its sole discretion or as required under any Applicable Law, also require the Participant receiving shares of Common Stock issued under the Plan to pay the Company the amount of any taxes that the Company is required to withhold in connection with the Participant’s income arising with respect to this Award. Such payments shall be required to be made when requested by the Company and may be required to be made prior to the registration or delivery of any certificate representing shares of Common Stock. Such payment may be made by (i) the delivery of cash to the Company in an amount that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding obligations of the Company; (ii) if the Company, in its sole discretion, so consents in writing, the actual delivery by the exercising Participant to the Company of shares of Common Stock that the Participant has not acquired from the Company within six (6) months prior to the date of exercise, which shares so delivered have an aggregate Fair Market Value that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding payment; (iii) if the Company, in its sole discretion, so consents in writing, the Company’s withholding of a number of shares to be delivered upon the exercise of the Stock Option, which shares so withheld have an aggregate Fair Market Value that equals (but does not exceed) the required tax withholding payment; or (iv) any combination of (i), (ii), or (iii). The Company may, in its sole discretion, withhold any such taxes from any other cash remuneration otherwise paid by the Company to the Participant.

* * * * *

[*Remainder of Page Intentionally Left Blank*
Signature Page Follows.]

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer, and the Participant, to evidence his consent and approval of all the terms hereof, has duly executed this Agreement, as of the date specified in Section 1 hereof.

THE COMPANY:

INSPIREMD, INC.

By: _____
Name: _____
Title: _____

THE PARTICIPANT:

Signature
Name: _____
Address: _____

SECTION 102 CAPITAL GAIN RESTRICTED STOCK AWARD AGREEMENT

INSPIREMD, INC.
2013 LONG-TERM INCENTIVE PLAN

1. Grant of Award. Pursuant to the InspireMD, Inc. 2013 Employee Stock Incentive Plan (the “*Israeli Plan*”), a sub-plan to the InspireMD, Inc. 2013 Long-Term Incentive Plan (the “*Main Plan*”) (the Israeli Plan and Main Plan being collectively referred to herein as, the “*Plan*”) for key Employees, key Contractors, and Outside Directors of InspireMD, Inc., a Delaware corporation (the “*Company*”), and its Subsidiaries (collectively, the “*Group*”),

(the “*Participant*”)

has been granted a Restricted Stock Award in accordance with Section 6.4 of the Main Plan and Section 8 of the Israeli Plan. The number of shares of Common Stock awarded under this Restricted Stock Award Agreement (this “*Agreement*”) is _____ (_____) shares (the “*Awarded Shares*”). The “*Date of Grant*” of this Award is _____, 20____. [**Delete if no purchase price: The purchase price per share for the Awarded Shares is \$_____ per share (which is less than/equal to/greater than the Fair Market Value of a share of Common Stock as of the Date of Grant).**]

2. Subject to Plan. This Agreement is subject to the terms and conditions of the Plan, and the terms of the Plan shall control to the extent not otherwise inconsistent with the provisions of this Agreement. To the extent the terms of the Plan are inconsistent with the provisions of this Agreement, this Agreement shall control. The capitalized terms used herein that are defined in the Plan shall have the same meanings assigned to them in the Plan. This Agreement is subject to any rules promulgated pursuant to the Plan by the Administrator and communicated to the Participant in writing.

3. Vesting. Except as specifically provided in this Agreement and subject to certain restrictions and conditions set forth in the Plan, the Awarded Shares shall vest as follows:

[Insert applicable vesting schedule]

[Notwithstanding the foregoing, upon (i) the Participant’s death; (ii) the Termination Date (as defined below) if the Participant’s Termination of Service is due to his or her Total and Permanent Disability; (iii) the Termination Date if the Participant’s Termination of Service is due to his or her Retirement, or (iv) the occurrence of a Transaction, the total Awarded Shares not previously vested shall thereupon immediately become fully vested.]

4. Forfeiture of Awarded Shares. Awarded Shares that are not vested in accordance with Section 3 shall be forfeited on the date of the Participant's Termination of Service with the Group (the "**Termination Date**"). Upon forfeiture, all of the Participant's rights with respect to the forfeited Awarded Shares shall cease and terminate, without any further obligations on the part of the Company or the Group. **[Delete if no purchase price : The Company [shall be obligated to] [may, in its sole discretion, elect to] pay the Participant, as soon as practicable after the event causing forfeiture, in cash, an amount equal to the total consideration paid by the Participant for such forfeited Awarded Shares or the Fair Market Value of such forfeited Awarded Shares as of the Termination Date, as the Administrator, in its sole discretion shall select.]**

5. Restrictions on Awarded Shares. Subject to the provisions of the Plan and the terms of this Agreement, from the Date of Grant until the date the Awarded Shares are vested in accordance with Section 3 and are no longer subject to forfeiture in accordance with Section 4 (the "**Restriction Period**"), the Participant shall not be permitted to sell, transfer, pledge, or assign any of the Awarded Shares or to grant any right thereto. Except for these limitations, the Administrator may in its sole discretion, remove any or all of the restrictions on such Awarded Shares whenever it may determine that, by reason of changes in Applicable Laws or other changes in circumstances arising after the date of this Agreement, such action is appropriate.

6. Legend. Awarded Shares electronically registered in a Participant's name shall note that such shares are Restricted Stock. If certificates for Awarded Shares are issued, the following legend shall be placed on all such certificates:

On the face of the certificate:

"Transfer of this stock is restricted in accordance with conditions printed on the reverse of this certificate."

On the reverse:

"The shares of stock evidenced by this certificate are subject to and transferable only in accordance with that certain InspireMD, Inc. 2013 Long-Term Incentive Plan, a copy of which is on file at the principal office of the Company in Boston, Massachusetts and that certain Restricted Stock Award Agreement dated as of _____, 20__, by and between the Company and _____. No transfer or pledge of the shares evidenced hereby may be made except in accordance with and subject to the provisions of said Plan and Award Agreement. By acceptance of this certificate, any holder, transferee or pledgee hereof agrees to be bound by all of the provisions of said Plan and Award Agreement."

The following legend shall be inserted on a certificate, if issued, evidencing Common Stock issued under the Plan if the shares were not issued in a transaction registered under the applicable federal and state securities laws:

“Shares of stock represented by this certificate have been acquired by the holder for investment and not for resale, transfer or distribution, have been issued pursuant to exemptions from the registration requirements of applicable state and federal securities laws, and may not be offered for sale, sold or transferred other than pursuant to effective registration under such laws, or in transactions otherwise in compliance with such laws, and upon evidence satisfactory to the Company of compliance with such laws, as to which the Company may rely upon an opinion of counsel satisfactory to the Company.”

All Awarded Shares owned by the Participant shall be subject to the terms of this Agreement and shall be represented by a certificate or certificates bearing the foregoing legend.

7. Israeli Tax Ordinance.

a. The Company has designated the Awarded Shares as Approved 102 Incentives (i.e. shares of Common Stock issued pursuant to Section 102(b) of the Ordinance) and held in trust by a trustee for the benefit of the Participant), and has classified them as Capital Gain Incentives that qualify for tax treatment in accordance with the provisions of Section 102(b)(2) of the Ordinance.

b. The Awarded Shares including all rights attaching thereto, and other shares received with respect thereto (including [**cash dividends**], stock dividends, and bonus shares), will be allocated or issued to a trustee nominated by the Company (the “*Trustee*”) and approved in accordance with the provisions of Section 102 of the Ordinance, and will be held by the Trustee for the benefit of the Participant for a period of, and will not be delivered to the Participant prior to the expiration of, at least twenty four (24) months from the Date of Grant.

c. All rights attaching to the Awarded Shares and all rights or shares received by the Participant with respect thereto (including, cash dividends, stock dividends, or bonus shares), will be subject to the same taxation treatment applicable to the Awarded Shares.

d. The Trustee shall not sell or transfer to the Participant any of the Awarded Shares or any right or share received by the Participant with respect thereto prior to the full payment by the Participant of his/her tax liabilities arising from or relating to the Awarded Shares or any right or share related thereto.

8. Delivery of Certificates. If requested by the Participant in accordance with Section 6.4(a) of the Plan and subject to other provisions of the Plan, including those of the Israeli Plan regarding the Israeli tax laws applicable to the Awarded Shares being Approved 102 Incentives, the Company shall deliver certificates for the Awarded Shares free of restriction under this Agreement promptly after, and only after, the Restriction Period has expired without forfeiture pursuant to Section 4. In connection with the issuance of a certificate for Restricted Stock, the Participant shall endorse such certificate in blank or execute a stock power in a form satisfactory to the Company in blank and deliver such certificate and executed stock power to the Company.

9. Rights of a Stockholder. Except as provided in Sections 4 and 5 above and the provisions of the Israeli Plan regarding the Israeli tax laws applicable to the Awarded Shares being Approved 102 Incentives, the Participant shall have, with respect to his Awarded Shares, all of the rights of a stockholder of the Company, including the right to vote the shares, and the right to receive any dividends thereon. [**Any stock dividends paid with respect to Awarded Shares shall at all times be treated as Awarded Shares and shall be subject to all restrictions placed on Awarded Shares; any such stock dividends paid with respect to Awarded Shares shall vest as the Awarded Shares become vested.**]

10. Voting. As long as the Awarded Shares are being held by the Trustee the Participant shall not be entitled to vote such Awarded Shares. Upon the delivery to the Participant of a certificate or certificates representing the Awarded Shares, the Participant shall be treated as the record holder of the Awarded Shares, having the exclusive right to vote, or consent with respect to, such Awarded Shares until such time as the Awarded Shares are transferred in accordance with this Agreement; provided, however, that this Section 10 shall not create any voting right where the holders of such Awarded Shares otherwise have no such right.

11. Adjustment to Number of Awarded Shares. The number of Awarded Shares shall be subject to adjustment in accordance with Articles 11-13 of the Main Plan and Articles VIII – IX of the Israeli Plan.

12. Specific Performance. The parties acknowledge that remedies at law will be inadequate remedies for breach of this Agreement and consequently agree that this Agreement shall be enforceable by specific performance. The remedy of specific performance shall be cumulative of all of the rights and remedies at law or in equity of the parties under this Agreement.

13. Participant's Representations. Notwithstanding any of the provisions hereof, the Participant hereby agrees that he or she will not acquire any Awarded Shares, and that the Company will not be obligated to issue any Awarded Shares to the Participant hereunder, if the issuance of such shares shall constitute a violation by the Participant or the Company of any provision of any law or regulation of any governmental authority. Any determination in this connection by the Company shall be final, binding, and conclusive. The rights and obligations of the Company and the rights and obligations of the Participant are subject to all Applicable Laws, rules, and regulations.

14. Participant's Acknowledgments. The Participant acknowledges that a copy of the Plan has been made available for his or her review by the Company, and represents that he or she is familiar with the terms and provisions thereof, and hereby accepts this Award subject to all the terms and provisions thereof. The Participant hereby agrees to accept as binding, conclusive, and final all decisions or interpretations of the Administrator, as appropriate, upon any questions arising under the Plan or this Agreement.

15. Law Governing. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Israel (excluding any conflict of laws rule or principle of Israeli law that might refer the governance, construction, or interpretation of this Agreement to the laws of another state).

16. No Right to Continue Service or Employment. Nothing herein shall be construed to confer upon the Participant the right to continue in the employ or to provide services to the Company or the Group, whether as an Employee, Contractor, or Outside Director, or interfere with or restrict in any way the right of the Company or the Group to discharge the Participant as an Employee, Contractor, or Outside Director at any time.

17. Legal Construction. In the event that any one or more of the terms, provisions, or agreements that are contained in this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect for any reason, the invalid, illegal, or unenforceable term, provision, or agreement shall not affect any other term, provision, or agreement that is contained in this Agreement and this Agreement shall be construed in all respects as if the invalid, illegal, or unenforceable term, provision, or agreement had never been contained herein.

18. Covenants and Agreements as Independent Agreements. Each of the covenants and agreements that is set forth in this Agreement shall be construed as a covenant and agreement independent of any other provision of this Agreement. The existence of any claim or cause of action of the Participant against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of the covenants and agreements that are set forth in this Agreement.

19. Entire Agreement. This Agreement together with the Plan supersede any and all other prior understandings and agreements, either oral or in writing, between the parties with respect to the subject matter hereof and constitute the sole and only agreements between the parties with respect to the said subject matter. All prior negotiations and agreements between the parties with respect to the subject matter hereof are merged into this Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party or by anyone acting on behalf of any party, which are not embodied in this Agreement or the Plan and that any agreement, statement or promise that is not contained in this Agreement or the Plan shall not be valid or binding or of any force or effect.

20. Parties Bound. The terms, provisions, and agreements that are contained in this Agreement shall apply to, be binding upon, and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, and permitted successors and assigns, subject to the limitation on assignment expressly set forth herein. No person shall be permitted to acquire any Awarded Shares without first executing and delivering an agreement in the form satisfactory to the Company making such person or entity subject to the restrictions on transfer contained herein.

21. Modification. No change or modification of this Agreement shall be valid or binding upon the parties unless the change or modification is in writing and signed by the parties. Notwithstanding the preceding sentence, the Company may amend the Plan to the extent permitted by the Plan.

22. Headings. The headings that are used in this Agreement are used for reference and convenience purposes only and do not constitute substantive matters to be considered in construing the terms and provisions of this Agreement.

23. Gender and Number. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

24. Notice. Any notice required or permitted to be delivered hereunder shall be deemed to be delivered only when actually received by the Company or by the Participant, as the case may be, at the addresses set forth below, or at such other addresses as they have theretofore specified by written notice delivered in accordance herewith:

- a. Notice to the Company shall be addressed and delivered as follows:

InspireMD, Inc.
800 Boylston Street, 16th Floor
Boston, MA 02199
Attn: _____
Fax: _____

b. Notice to the Participant shall be addressed and delivered as set forth on the signature page.

25. Tax Requirements. **The Participant is hereby advised to consult immediately with his or her own tax advisor regarding the tax consequences of this Agreement.** The Company or, if applicable, any Subsidiary (for purposes of this Section 25, the term “*Company*” shall be deemed to include any applicable Subsidiary), shall have the right to deduct from all amounts paid in cash or other form in connection with the Plan, any federal, state, local, or other taxes required by law to be withheld in connection with this Award. The Company may, in its sole discretion, also require the Participant receiving shares of Common Stock issued under the Plan to pay the Company the amount of any taxes that the Company is required to withhold in connection with the Participant’s income arising with respect to this Award. Such payments shall be required to be made when requested by Company and may be required to be made prior to the delivery of any certificate representing shares of Common Stock, if such certificate is requested by the Participant in accordance with Section 6.4(a) of the Plan. Such payment may be made by (i) the delivery of cash to the Company in an amount that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding obligations of the Company; (ii) if the Company, in its sole discretion, so consents in writing, the actual delivery by the Participant to the Company of shares of Common Stock that the Participant has not acquired from the Company within six (6) months prior thereto, which shares so delivered have an aggregate Fair Market Value that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding payment; (iii) if the Company, in its sole discretion, so consents in writing, the Company’s withholding of a number of shares to be delivered upon the vesting of this Award, which shares so withheld have an aggregate Fair Market Value that equals (but does not exceed) the required tax withholding payment; or (iv) any combination of (i), (ii), or (iii). The Company may, in its sole discretion, withhold any such taxes from any other cash remuneration otherwise paid by the Company to the Participant.

[*Remainder of Page Intentionally Left Blank.*
Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer, and the Participant, to evidence his or her consent and approval of all the terms hereof, has duly executed this Agreement, as of the date specified in Section 1 hereof.

COMPANY:

INSPIREMD, INC.

By: _____
Name: _____
Title: _____

PARTICIPANT:

Signature
Name: _____
Address: _____

STOCK OPTION AGREEMENT
INSPIREMD, INC.
2013 LONG-TERM INCENTIVE PLAN

1. Grant of Option. Pursuant to the InspireMD, Inc. 2013 Long-Term Incentive Plan (the “ *Plan* ”) for key Employees, key Contractors, and Outside Directors of InspireMD, Inc., a Delaware corporation (the “ *Company* ”), and its Subsidiaries (collectively, the “ *Group* ”), the Company grants to

(the “ *Participant* ”),

an option (the “ *Option* ” or “ *Stock Option* ”) to purchase a total of _____ (_____) full shares of Common Stock of the Company (the “ *Optioned Shares* ”) at an “ *Option Price* ” equal to \$_____ per share (being [**equal to / greater than**] the Fair Market Value per share of the Common Stock on the Date of Grant).

The “ *Date of Grant* ” of this Stock Option is _____, 20___. The “ *Option Period* ” shall commence on the Date of Grant and shall expire on the date immediately preceding the tenth (10th) anniversary of the Date of Grant, unless terminated earlier in accordance with Section 4 below.

2. Subject to Plan. The Stock Option and its exercise are subject to the terms and conditions of the Plan, and the terms of the Plan shall control to the extent not otherwise inconsistent with the provisions of this Stock Option Agreement (this “ *Agreement* ”). The capitalized terms used herein that are defined in the Plan shall have the same meanings assigned to them in the Plan. The Stock Option is subject to any rules promulgated pursuant to the Plan by the Administrator and communicated to the Participant in writing.

3. Vesting; Time of Exercise. Except as specifically provided in this Agreement and subject to certain restrictions and conditions set forth in the Plan, the Optioned Shares shall be vested and the Stock Option shall be exercisable as follows:

[Insert applicable vesting schedule]

[In the event that (i) a Change in Control occurs, and (ii) this Agreement is not assumed by the surviving corporation or its parent, or the surviving corporation or its parent does not substitute its own option for this Stock Option, then immediately prior to the effective date of such Change in Control, the total Optioned Shares not previously vested shall thereupon immediately become vested and this Stock Option shall become fully exercisable, if not previously so exercisable.]

4. Term; Forfeiture.

a. Except as otherwise provided in this Agreement, to the extent the unexercised portion of the Stock Option relates to Optioned Shares which are not vested on the date of the Participant's Termination of Service, the Stock Option will be terminated on that date. The unexercised portion of the Stock Option that relates to Optioned Shares which are vested will terminate at the first of the following to occur:

- i. 5 p.m. on the date the Option Period terminates;
- ii. 5 p.m. on the date which is twenty-four (24) months following the date of the Participant's Termination of Service due to death;
- iii. 5 p.m. on the date which is twelve (12) months following the date of the Participant's Termination of Service due to the Participant's Total and Permanent Disability or Retirement with the consent of the Administrator;
- iv. 5 p.m. on the date which is sixty (60) days following the date of the Participant's Termination of Service by the Company without Cause (as defined below);
- v. immediately upon the Participant's Termination of Service by the Company for Cause;
- vi. 5 p.m. on the date which is thirty (30) days following the date of the Participant's Termination of Service for any reason not otherwise specified in this Section 4.a.; and
- vii. 5 p.m. on the date the Company causes any portion of the Stock Option to be forfeited pursuant to Section 7 hereof.

b. For the purposes hereof, "**Cause**" shall exist if the Participant (i) breaches any of the material terms or conditions of [**his / her**] employment agreement, or agreement to provide services to the Group, including, without limitation, the breach of any duty of non-disclosure or non-competition; (ii) engages in willful misconduct or acts in bad faith with respect to any company in the Group in connection with [**his / her**] employment or other agreement with the Group; or (iii) is convicted of a felony.

5. Who May Exercise. Subject to the terms and conditions set forth in Sections 3 and 4 above, during the lifetime of the Participant, the Stock Option may be exercised only by the Participant, or by the Participant's guardian or personal or legal representative. If the Participant's Termination of Service is due to [**his / her**] death prior to the dates specified in Section 4.a. hereof, and the Participant has not exercised the Stock Option as to the maximum number of vested Optioned Shares as set forth in Section 3 hereof as of the date of death, the following persons may exercise the exercisable portion of the Stock Option on behalf of the Participant at any time prior to the earliest of the dates specified in Section 4.a. hereof: the personal representative of [**his / her**] estate, or the person who acquired the right to exercise the Stock Option by bequest or inheritance or by reason of the death of the Participant; provided that the Stock Option shall remain subject to the other terms of this Agreement, the Plan, and Applicable Laws, rules, and regulations.

6. It is acknowledged by the Participant that the Stock Option and any benefit stemming therefrom shall be considered as income received as a result of employment by the Group. The Participant, will therefore be taxed according to the tax laws applicable to the Participant. Such tax shall be deducted at source by the Company at the mandatory date provided in the tax law applicable to the Participant, and the Participant hereby irrevocably authorizes and empowers the Company to deduct at source such tax(es) and transfer them to the applicable tax authority.

7. No Fractional Shares. The Stock Option may be exercised only with respect to full shares, and no fractional share of stock shall be issued.

8. Manner of Exercise. Subject to such administrative regulations as the Administrator may from time to time adopt, the Stock Option may be exercised by the delivery of written notice to the Administrator setting forth the number of shares of Common Stock with respect to which the Stock Option is to be exercised, the date of exercise thereof (the "**Exercise Date**") which shall be at least three (3) days after giving such notice unless an earlier time shall have been mutually agreed upon. On the Exercise Date, the Participant shall deliver to the Company consideration with a value equal to the total Option Price of the shares to be purchased, payable in cash or by certified check in the manner prescribed in Article 8 of the Plan.

Upon payment of all amounts due from the Participant, the Company shall cause the Common Stock then being purchased to be registered in the Participant's name (or the person exercising the Participant's Stock Option in the event of [**his / her**] death) promptly after the Exercise Date, unless the Participant, or such other person, requests, in writing, delivery of the certificates for the Common Stock, as provided in Section 8.3(c) of the Plan and in accordance with the procedures established by the Administrator. The obligation of the Company to register or deliver shares of Common Stock shall, however, be subject to the condition that if at any time the Company shall determine in its discretion that the listing, registration, or qualification of the Stock Option or the Common Stock upon any securities exchange or inter-dealer quotation system or under any state or federal law, or the consent or approval of any governmental regulatory body, is necessary as a condition of, or in connection with, the Stock Option or the issuance or purchase of shares of Common Stock thereunder, then the Stock Option may not be exercised in whole or in part unless such listing, registration, qualification, consent, or approval shall have been effected or obtained free of any conditions not reasonably acceptable to the Administrator.

If the Participant fails to pay for any of the Optioned Shares specified in such notice or fails to accept delivery thereof, that portion of the Participant's Stock Option and right to purchase such Optioned Shares may be forfeited by the Participant.

9. Nonassignability. The Stock Option is not assignable or transferable by the Participant except by will or by the laws of descent and distribution.

10. Rights as Stockholder. The Participant will have no rights as a stockholder with respect to any of the Optioned Shares until the issuance of a certificate or certificates to the Participant, or the registration of such shares in the Participant's name, for the shares of Common Stock. The Optioned Shares shall be subject to the terms and conditions of this Agreement. Except as otherwise provided in Section 10 hereof, no adjustment shall be made for dividends or other rights for which the record date is prior to the issuance of such certificate or certificates. The Participant, by [**his / her**] execution of this Agreement, agrees to execute any documents requested by the Company in connection with the issuance of the shares of Common Stock.

11. Adjustment of Number of Optioned Shares and Related Matters. The number of shares of Common Stock covered by the Stock Option, and the Option Prices thereof, shall be subject to adjustment in accordance with Articles 11 - 13 of the Plan.

12. Voting. The Participant, as record holder of some or all of the Optioned Shares following exercise of this Stock Option, has the exclusive right to vote, or consent with respect to, such Optioned Shares until such time as the Optioned Shares are transferred in accordance with this Agreement; provided, however, that this Section shall not create any voting right where the holders of such Optioned Shares otherwise have no such right.

13. Specific Performance. The parties acknowledge that remedies at law will be inadequate remedies for breach of this Agreement and consequently agree that this Agreement shall be enforceable by specific performance. The remedy of specific performance shall be cumulative of all of the rights and remedies at law or in equity of the parties under this Agreement.

14. Participant's Acknowledgments. The Participant acknowledges that a copy of the Plan has been made available for [**his / her**] review by the Company, and represents that [**he / she**] is familiar with the terms and provisions thereof, and hereby accepts this Stock Option subject to all the terms and provisions thereof. The Participant hereby agrees to accept as binding, conclusive, and final all decisions or interpretations of the Administrator upon any questions arising under the Plan or this Agreement.

15. Law Governing. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Delaware (excluding any conflict of laws rule or principle of Israel law that might refer the governance, construction, or interpretation of this Agreement to the laws of another state).

16. No Right to Continue Service or Employment. Nothing herein shall be construed to confer upon the Participant the right to continue in the employ or to provide services to the Company or the Group, whether as an Employee, Contractor, or Outside Director, or interfere with or restrict in any way the right of the Company or the Group to discharge the Participant as an Employee, Contractor, or Outside Director at any time.

17. Legal Construction. In the event that any one or more of the terms, provisions, or agreements that are contained in this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect for any reason, the invalid, illegal, or unenforceable term, provision, or agreement shall not affect any other term, provision, or agreement that is contained in this Agreement, and this Agreement shall be construed in all respects as if the invalid, illegal, or unenforceable term, provision, or agreement had never been contained herein.

18. Covenants and Agreements as Independent Agreements. Each of the covenants and agreements that is set forth in this Agreement shall be construed as a covenant and agreement independent of any other provision of this Agreement. The existence of any claim or cause of action of the Participant against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of the covenants and agreements that are set forth in this Agreement.

19. Entire Agreement. This Agreement together with the Plan supersede any and all other prior understandings and agreements, either oral or in writing, between the parties with respect to the subject matter hereof and constitute the sole and only agreements between the parties with respect to the said subject matter. All prior negotiations and agreements between the parties with respect to the subject matter hereof are merged into this Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party or by anyone acting on behalf of any party, which are not embodied in this Agreement or the Plan and that any agreement, statement, or promise that is not contained in this Agreement or the Plan shall not be valid or binding or of any force or effect.

20. Parties Bound. The terms, provisions, and agreements that are contained in this Agreement shall apply to, be binding upon, and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, and permitted successors and assigns, subject to the limitation on assignment expressly set forth herein.

21. Modification. No change or modification of this Agreement shall be valid or binding upon the parties unless the change or modification is in writing and signed by the parties. Notwithstanding the preceding sentence, the Company may amend the Plan to the extent permitted by the Plan.

22. Headings. The headings that are used in this Agreement are used for reference and convenience purposes only and do not constitute substantive matters to be considered in construing the terms and provisions of this Agreement.

23. Gender and Number. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

24. Notice. Any notice required or permitted to be delivered hereunder shall be deemed to be delivered only when actually received by the Company or by the Participant, as the case may be, at the addresses set forth below, or at such other addresses as they have theretofore specified by written notice delivered in accordance herewith:

- a. Notice to the Company shall be addressed and delivered as follows:

InspireMD, Inc.
800 Boylston Street, 16th Floor
Boston, MA 02199
Attn: _____
Fax: _____

- b. Notice to the Participant shall be addressed and delivered as set forth on the signature page.

25. Tax Requirements. The Participant is hereby advised to consult immediately with [**his / her**] own tax advisor regarding the tax consequences of this Agreement. The Company or, if applicable, any Subsidiary (for purposes of this Section 25, the term “ **Company** ” shall be deemed to include any applicable Subsidiary), shall have the right to deduct from all amounts paid in cash or other form in connection with the Plan, any federal, state, local, or other taxes required by law to be withheld in connection with this Award. The Company may, in its sole discretion or as required under any Applicable Law, also require the Participant receiving shares of Common Stock issued under the Plan to pay the Company the amount of any taxes that the Company is required to withhold in connection with the Participant’s income arising with respect to this Award. Such payments shall be required to be made when requested by the Company and may be required to be made prior to the registration or delivery of any certificate representing shares of Common Stock. Such payment may be made by (i) the delivery of cash to the Company in an amount that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding obligations of the Company; (ii) if the Company, in its sole discretion, so consents in writing, the actual delivery by the exercising Participant to the Company of shares of Common Stock that the Participant has not acquired from the Company within six (6) months prior to the date of exercise, which shares so delivered have an aggregate Fair Market Value that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding payment; (iii) if the Company, in its sole discretion, so consents in writing, the Company’s withholding of a number of shares to be delivered upon the exercise of the Stock Option, which shares so withheld have an aggregate Fair Market Value that equals (but does not exceed) the required tax withholding payment; or (iv) any combination of (i), (ii), or (iii). The Company may, in its sole discretion, withhold any such taxes from any other cash remuneration otherwise paid by the Company to the Participant.

* * * * *

[*Remainder of Page Intentionally Left Blank*
Signature Page Follows.]

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer, and the Participant, to evidence his consent and approval of all the terms hereof, has duly executed this Agreement, as of the date specified in Section 1 hereof.

THE COMPANY:

INSPIREMD, INC.

By: _____
Name: _____
Title: _____

THE PARTICIPANT:

Signature
Name: _____
Address: _____

RESTRICTED STOCK AWARD AGREEMENT

INSPIREMD, INC.
2013 LONG-TERM INCENTIVE PLAN

1. Grant of Award. Pursuant to the InspireMD, Inc. 2013 Long-Term Incentive Plan (the “ *Plan* ”) for key Employees, key Contractors, and Outside Directors of InspireMD, Inc., a Delaware corporation (the “ *Company* ”), and its Subsidiaries (collectively, the “ *Group* ”),

(the “ *Participant* ”)

has been granted a Restricted Stock Award in accordance with Section 6.4 of the Plan. The number of shares of Common Stock awarded under this Restricted Stock Award Agreement (this “ *Agreement* ”) is _____ (_____) shares (the “ *Awarded Shares* ”). The “ *Date of Grant* ” of this Award is _____, 20____. [**Delete if no purchase price: The purchase price per share for the Awarded Shares is \$_____ per share (which is less than/equal to/greater than the Fair Market Value of a share of Common Stock as of the Date of Grant).**]

Subject to Plan. This Agreement is subject to the terms and conditions of the Plan, and the terms of the Plan shall control to the extent not otherwise inconsistent with the provisions of this Agreement. To the extent the terms of the Plan are inconsistent with the provisions of this Agreement, this Agreement shall control. The capitalized terms used herein that are defined in the Plan shall have the same meanings assigned to them in the Plan. This Agreement is subject to any rules promulgated pursuant to the Plan by the Administrator and communicated to the Participant in writing.

2. Vesting. Except as specifically provided in this Agreement and subject to certain restrictions and conditions set forth in the Plan, the Awarded Shares shall vest as follows:

[Insert applicable vesting schedule]

[Notwithstanding the foregoing, upon (i) the Participant’s death; (ii) the Termination Date (as defined below) if the Participant’s Termination of Service is due to his or her Total and Permanent Disability; (iii) the Termination Date if the Participant’s Termination of Service is due to his or her Retirement, or (iv) the occurrence of a Change in Control, the total Awarded Shares not previously vested shall thereupon immediately become fully vested.]

3. Forfeiture of Awarded Shares. Awarded Shares that are not vested in accordance with Section 3 shall be forfeited on the date of the Participant's Termination of Service with the Group (the "**Termination Date**"). Upon forfeiture, all of the Participant's rights with respect to the forfeited Awarded Shares shall cease and terminate, without any further obligations on the part of the Company or the Group. **[Delete if no purchase price : The Company [shall be obligated to] [may, in its sole discretion, elect to] pay the Participant, as soon as practicable after the event causing forfeiture, in cash, an amount equal to the total consideration paid by the Participant for such forfeited Awarded Shares or the Fair Market Value of such forfeited Awarded Shares as of the Termination Date, as the Administrator, in its sole discretion shall select.]**

4. Restrictions on Awarded Shares. Subject to the provisions of the Plan and the terms of this Agreement, from the Date of Grant until the date the Awarded Shares are vested in accordance with Section 3 and are no longer subject to forfeiture in accordance with Section 4 (the "**Restriction Period**"), the Participant shall not be permitted to sell, transfer, pledge, or assign any of the Awarded Shares or to grant any right thereto. Except for these limitations, the Administrator may in its sole discretion, remove any or all of the restrictions on such Awarded Shares whenever it may determine that, by reason of changes in Applicable Laws or other changes in circumstances arising after the date of this Agreement, such action is appropriate.

5. Legend. Awarded Shares electronically registered in a Participant's name shall note that such shares are Restricted Stock. If certificates for Awarded Shares are issued, the following legend shall be placed on all such certificates:

On the face of the certificate:

"Transfer of this stock is restricted in accordance with conditions printed on the reverse of this certificate."

On the reverse:

"The shares of stock evidenced by this certificate are subject to and transferable only in accordance with that certain InspireMD, Inc. 2013 Long-Term Incentive Plan, a copy of which is on file at the principal office of the Company in Boston, Massachusetts and that certain Restricted Stock Award Agreement dated as of _____, 20__, by and between the Company and _____. No transfer or pledge of the shares evidenced hereby may be made except in accordance with and subject to the provisions of said Plan and Award Agreement. By acceptance of this certificate, any holder, transferee or pledgee hereof agrees to be bound by all of the provisions of said Plan and Award Agreement."

The following legend shall be inserted on a certificate, if issued, evidencing Common Stock issued under the Plan if the shares were not issued in a transaction registered under the applicable federal and state securities laws:

"Shares of stock represented by this certificate have been acquired by the holder for investment and not for resale, transfer or distribution, have been issued pursuant to exemptions from the registration requirements of applicable state and federal securities laws, and may not be offered for sale, sold or transferred other than pursuant to effective registration under such laws, or in transactions otherwise in compliance with such laws, and upon evidence satisfactory to the Company of compliance with such laws, as to which the Company may rely upon an opinion of counsel satisfactory to the Company."

All Awarded Shares owned by the Participant shall be subject to the terms of this Agreement and shall be represented by a certificate or certificates bearing the foregoing legend.

6. It is acknowledged by the Participant that the Awarded Shares and any benefit stemming therefrom shall be considered as income received as a result of employment by the Group. The Participant, will therefore be taxed according to the tax laws applicable to the Participant. Such tax shall be deducted at source by the Company at the mandatory date provided in the tax law applicable to the Participant, and the Participant hereby irrevocably authorizes and empowers the Company to deduct at source such tax(es) and transfer them to the applicable tax authority

7. Delivery of Certificates. If requested by the Participant in accordance with Section 6.4(a) of the Plan and subject to other provisions of the Plan, the Company shall deliver certificates for the Awarded Shares free of restriction under this Agreement promptly after, and only after, the Restriction Period has expired without forfeiture pursuant to Section 4. In connection with the issuance of a certificate for Restricted Stock, the Participant shall endorse such certificate in blank or execute a stock power in a form satisfactory to the Company in blank and deliver such certificate and executed stock power to the Company.

8. Rights of a Stockholder. Except as provided in Sections 4 and 5 above, the Participant shall have, with respect to his Awarded Shares, all of the rights of a stockholder of the Company, including the right to vote the shares, and the right to receive any dividends thereon. **[Any stock dividends paid with respect to Awarded Shares shall at all times be treated as Awarded Shares and shall be subject to all restrictions placed on Awarded Shares; any such stock dividends paid with respect to Awarded Shares shall vest as the Awarded Shares become vested.]**

9. Voting. Upon the delivery to the Participant of a certificate or certificates representing the Awarded Shares, the Participant shall be treated as the record holder of the Awarded Shares, having the exclusive right to vote, or consent with respect to, such Awarded Shares until such time as the Awarded Shares are transferred in accordance with this Agreement; provided, however, that this Section 10 shall not create any voting right where the holders of such Awarded Shares otherwise have no such right.

10. Adjustment to Number of Awarded Shares. The number of Awarded Shares shall be subject to adjustment in accordance with Articles 11-13 of the Plan.

11. Specific Performance. The parties acknowledge that remedies at law will be inadequate remedies for breach of this Agreement and consequently agree that this Agreement shall be enforceable by specific performance. The remedy of specific performance shall be cumulative of all of the rights and remedies at law or in equity of the parties under this Agreement.

12. Participant's Representations. Notwithstanding any of the provisions hereof, the Participant hereby agrees that he or she will not acquire any Awarded Shares, and that the Company will not be obligated to issue any Awarded Shares to the Participant hereunder, if the issuance of such shares shall constitute a violation by the Participant or the Company of any provision of any law or regulation of any governmental authority. Any determination in this connection by the Company shall be final, binding, and conclusive. The rights and obligations of the Company and the rights and obligations of the Participant are subject to all Applicable Laws, rules, and regulations.

13. Participant's Acknowledgments. The Participant acknowledges that a copy of the Plan has been made available for his or her review by the Company, and represents that he or she is familiar with the terms and provisions thereof, and hereby accepts this Award subject to all the terms and provisions thereof. The Participant hereby agrees to accept as binding, conclusive, and final all decisions or interpretations of the Administrator, as appropriate, upon any questions arising under the Plan or this Agreement.

14. Law Governing. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Delaware (excluding any conflict of laws rule or principle of Delaware law that might refer the governance, construction, or interpretation of this Agreement to the laws of another state).

15. No Right to Continue Service or Employment. Nothing herein shall be construed to confer upon the Participant the right to continue in the employ or to provide services to the Company or the Group, whether as an Employee, Contractor, or Outside Director, or interfere with or restrict in any way the right of the Company or the Group to discharge the Participant as an Employee, Contractor, or Outside Director at any time.

16. Legal Construction. In the event that any one or more of the terms, provisions, or agreements that are contained in this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect for any reason, the invalid, illegal, or unenforceable term, provision, or agreement shall not affect any other term, provision, or agreement that is contained in this Agreement and this Agreement shall be construed in all respects as if the invalid, illegal, or unenforceable term, provision, or agreement had never been contained herein.

17. Covenants and Agreements as Independent Agreements. Each of the covenants and agreements that is set forth in this Agreement shall be construed as a covenant and agreement independent of any other provision of this Agreement. The existence of any claim or cause of action of the Participant against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of the covenants and agreements that are set forth in this Agreement.

18. Entire Agreement. This Agreement together with the Plan supersede any and all other prior understandings and agreements, either oral or in writing, between the parties with respect to the subject matter hereof and constitute the sole and only agreements between the parties with respect to the said subject matter. All prior negotiations and agreements between the parties with respect to the subject matter hereof are merged into this Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party or by anyone acting on behalf of any party, which are not embodied in this Agreement or the Plan and that any agreement, statement or promise that is not contained in this Agreement or the Plan shall not be valid or binding or of any force or effect.

19. Parties Bound. The terms, provisions, and agreements that are contained in this Agreement shall apply to, be binding upon, and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, and permitted successors and assigns, subject to the limitation on assignment expressly set forth herein. No person shall be permitted to acquire any Awarded Shares without first executing and delivering an agreement in the form satisfactory to the Company making such person or entity subject to the restrictions on transfer contained herein.

20. Modification. No change or modification of this Agreement shall be valid or binding upon the parties unless the change or modification is in writing and signed by the parties. Notwithstanding the preceding sentence, the Company may amend the Plan to the extent permitted by the Plan.

21. Headings. The headings that are used in this Agreement are used for reference and convenience purposes only and do not constitute substantive matters to be considered in construing the terms and provisions of this Agreement.

22. Gender and Number. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

23. Notice. Any notice required or permitted to be delivered hereunder shall be deemed to be delivered only when actually received by the Company or by the Participant, as the case may be, at the addresses set forth below, or at such other addresses as they have theretofore specified by written notice delivered in accordance herewith:

- a. Notice to the Company shall be addressed and delivered as follows:

InspireMD, Inc.
800 Boylston Street, 16th Floor
Boston, MA 02199
Attn: _____
Fax: _____

- b. Notice to the Participant shall be addressed and delivered as set forth on the signature page.

24. Tax Requirements. **The Participant is hereby advised to consult immediately with his or her own tax advisor regarding the tax consequences of this Agreement.** The Company or, if applicable, any Subsidiary (for purposes of this Section 25, the term “*Company*” shall be deemed to include any applicable Subsidiary), shall have the right to deduct from all amounts paid in cash or other form in connection with the Plan, any federal, state, local, or other taxes required by law to be withheld in connection with this Award. The Company may, in its sole discretion, also require the Participant receiving shares of Common Stock issued under the Plan to pay the Company the amount of any taxes that the Company is required to withhold in connection with the Participant’s income arising with respect to this Award. Such payments shall be required to be made when requested by Company and may be required to be made prior to the delivery of any certificate representing shares of Common Stock, if such certificate is requested by the Participant in accordance with Section 6.4(a) of the Plan. Such payment may be made by (i) the delivery of cash to the Company in an amount that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding obligations of the Company; (ii) if the Company, in its sole discretion, so consents in writing, the actual delivery by the Participant to the Company of shares of Common Stock that the Participant has not acquired from the Company within six (6) months prior thereto, which shares so delivered have an aggregate Fair Market Value that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding payment; (iii) if the Company, in its sole discretion, so consents in writing, the Company’s withholding of a number of shares to be delivered upon the vesting of this Award, which shares so withheld have an aggregate Fair Market Value that equals (but does not exceed) the required tax withholding payment; or (iv) any combination of (i), (ii), or (iii). The Company may, in its sole discretion, withhold any such taxes from any other cash remuneration otherwise paid by the Company to the Participant.

[*Remainder of Page Intentionally Left Blank.*
Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer, and the Participant, to evidence his or her consent and approval of all the terms hereof, has duly executed this Agreement, as of the date specified in Section 1 hereof.

COMPANY:

INSPIREMD, INC.

By: _____
Name: _____
Title: _____

PARTICIPANT:

Signature
Name: _____
Address: _____

INSPIREMD, INC.

NONQUALIFIED STOCK OPTION AGREEMENT

1. Grant of Option. Pursuant to this nonqualified stock option agreement (this “*Agreement*”), InspireMD, Inc., a Delaware corporation (the “*Company*”), hereby grants to

(the “*Optionee*”)

an option (the “*Stock Option*”) to purchase _____ (_____) full shares (the “*Optioned Shares*”) of common stock of the Company, par value \$0.0001 per share (the “*Common Stock*”), at an “*Exercise Price*” equal to ____ per share (being the fair market value per share of the Common Stock on the Date of Grant). The “*Date of Grant*” of this Stock Option is _____, 2013. The “*Option Period*” shall commence on the Date of Grant and shall expire on the date immediately preceding the tenth (10th) anniversary of the Date of Grant, unless terminated earlier in accordance with Section 3 below. The Stock Option is a nonqualified stock option. This Stock Option is intended to comply with the provisions governing nonqualified stock options under the final Treasury Regulations issued on April 17, 2007, in order to exempt this Stock Option from application of Section 409A of the Internal Revenue Code of 1986, as amended (the “*Code*”). [**This Stock Option is granted as an inducement material to the Optionee’s entering into employment with the Company in accordance with Section 711(a) of the New York Stock Exchange Market Company Guide.**]

2. Vesting; Time of Exercise. Except as specifically provided in this Agreement, the Optioned Shares shall become vested and exercisable as provided below:

a. One-third (1/3) of the total Optioned Shares shall vest and become exercisable on the first anniversary of the Date of Grant, provided that the Optionee has continuously provided services to the Company and/or its subsidiaries and affiliates (collectively, the “*Group*”) as an employee, consultant, or outside director through that date.

b. An additional one-third (1/3) of the total Optioned Shares shall vest and become exercisable on the second anniversary of the Date of Grant, provided that the Optionee has continuously provided services to the Group as an employee, consultant, or outside director through that date.

c. The remaining one-third (1/3) of the total Optioned Shares shall vest and become exercisable on the third anniversary of the Date of Grant, provided that the Optionee has continuously provided services to the Group as an employee, consultant, or outside director through that date.

In the event that (i) a Transaction (as defined below) occurs; (ii) this Agreement is not assumed by the Successor Company (as defined below) or the Acquiring Company (as defined below), as applicable; and (iii) the Successor Company or the Acquiring Company, as applicable, does not substitute its own stock option for this Stock Option, then upon the effective date of such Transaction, the total Optioned Shares not previously vested shall thereupon immediately become fully vested and this Stock Option shall become fully exercisable, if not previously so exercisable. For purposes of this Agreement, a “*Transaction*” means any of the following events: (A) a merger or consolidation of the Company with or into any company (the “*Successor Company*”) resulting in the Successor Company being the surviving entity; or (B) an acquisition of: (x) all or substantially all of the shares of Common Stock or assets of the Company in one or more related transactions to another party, or (y) all or substantially all of the assets of the Company, in one or more related transactions to another party, in each case such acquirer of shares or assets is referred to herein as the “*Acquiring Company*.”

3. Term; Forfeiture.

a. Except as otherwise provided in this Agreement, to the extent the unexercised portion of the Stock Option relates to Optioned Shares which are not vested on the date the Optionee terminates all service (as an employee, outside director, or consultant) with the Company for any reason, the Stock Option will be terminated on that date. The unexercised portion of the Stock Option that relates to Optioned Shares which are vested will terminate at the first of the following to occur:

- i. 5 p.m. on the date the Option Period terminates;
- ii. 5 p.m. on the date which is twenty-four (24) months following the date of the Optionee's termination of service due to death;
- iii. 5 p.m. on the date which is twelve (12) months following the date of the Optionee's termination of service due to disability;
- iv. 5 p.m. on the date which is ninety (90) days following the date of the Optionee's termination of service by the Company without Cause (as defined below);
- v. immediately upon the Optionee's termination of service for Cause;
- vi. 5 p.m. on the date which is thirty (30) days following the date of the Optionee's termination of service for any reason not otherwise specified in this Section 3.a.; and
- vii. 5 p.m. on the date the Company causes any portion of the Stock Option to be forfeited pursuant to Section 6 hereof.

b. For the purposes hereof, "*Cause*" shall have the meaning ascribed to such term in any employment agreement in effect by and between the Company and the Optionee; provided, however, at any time there is no such agreement in effect, or if such agreement does not define such term, "Cause" shall exist if the Optionee (i) breaches any of the material terms or conditions of any agreement to provide services to the Group, including, without limitation, the breach of any duty of non-disclosure or non-competition; (ii) engages in willful misconduct or acts in bad faith with respect to any company in the Group; or (iii) is convicted of a criminal offence involving moral turpitude. Notwithstanding anything herein to the contrary, if the Optionee is terminated for Cause, then all Optioned Shares (including vested Optioned Shares), whether exercisable or not on the date that the Group delivers to the Optionee a termination notice, shall expire and may not be exercised.

4. Who May Exercise. Subject to the terms and conditions set forth in Sections 2 and 3 above, during the lifetime of the Optionee, the Stock Option may be exercised only by the Optionee, or by the Optionee's guardian or personal or legal representative. If Optionee dies prior to the dates specified in Section 3 hereof, and the Optionee has not exercised the Stock Option as to the maximum number of vested Optioned Shares as set forth in Section 2 hereof as of the date of death, the following persons may exercise the exercisable portion of the Stock Option on behalf of the Optionee at any time prior to the earliest of dates specified in Section 3 hereof: the personal representative of his estate, or the person who acquired the right to exercise the Stock Option by bequest or inheritance or by reason of the death of the Optionee; provided that the Stock Option shall remain subject to the other terms of this Agreement and applicable laws, rules, and regulations.

5. No Fractional Shares. The Stock Option may be exercised only with respect to full shares, and no fractional share of Common Stock shall be issued.

6. Manner of Exercise. Subject to such administrative regulations as the Company may from time to time adopt, the Stock Option may be exercised by the delivery of an exercise notice to the Company, in such form and substance as may be prescribed by the Company, setting forth the number of Optioned Shares with respect to which the Stock Option is to be exercised, the date of exercise thereof (the "**Exercise Date**") which shall be at least three (3) days after giving such notice unless an earlier time shall have been mutually agreed upon. On the Exercise Date, the Optionee shall deliver to the Company consideration with a value equal to the total Exercise Price of the Optioned Shares to be purchased, payable as follows: cash, cashier's check, or certified check payable to the order of the Company.

Upon payment of all amounts due from the Optionee, the Company shall cause certificates for the Optioned Shares then being purchased to be delivered to the Optionee (or the person exercising the Optionee's Stock Option in the event of his death) at its principal business office promptly after the Exercise Date. The obligation of the Company to deliver such Optioned Shares shall, however, be subject to the condition that if at any time the Company shall determine in its discretion that the listing, registration, or qualification of the Stock Option or the Optioned Shares upon any securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory body, is necessary as a condition of, or in connection with, the Stock Option or the issuance or purchase of the Optioned Shares thereunder, then the Stock Option may not be exercised in whole or in part unless such listing, registration, qualification, consent, or approval shall have been effected or obtained free of any conditions not reasonably acceptable to the Company.

If the Optionee fails to pay for any of the Optioned Shares specified in such notice or fails to accept delivery thereof, then the Company may cause the Stock Option and the right to purchase such Optioned Shares to be forfeited by the Optionee.

7. Nonassignability. The Stock Option is not assignable or transferable by the Optionee except by will or by the laws of descent and distribution.

8. Rights as Stockholder. The Optionee will have no rights as a stockholder with respect to the Optioned Shares until the issuance of a certificate or certificates to the Optionee or the registration of such shares in the Optionee's name. The Optioned Shares shall be subject to the terms and conditions of this Agreement. Except as otherwise provided in Section 9 hereof, no adjustment shall be made for dividends or other rights for which the record date is prior to the issuance of such Optioned Shares. The Optionee, by his execution of this Agreement, agrees to execute any documents requested by the Company in connection with the issuance of the Optioned Shares.

9. Adjustment of Number of Optioned Shares and Related Matters. The number of Optioned Shares covered by the Stock Option, and the exercise price, shall be subject to adjustment as follows:

a. In the event that the shares of Common Stock of the Company are subdivided or combined into a greater or smaller number of shares, or if the shares of Common Stock of the Company are exchanged for other securities of the Company, by reason of a reclassification, recapitalization, consolidation, reorganization, dividend or other distribution (whether in the form of cash, stock, or other property), stock split, spin-off, combination or exchange of shares, repurchase of shares, change in corporate structure or otherwise, then the Optionee shall be entitled, upon exercise of the Stock Option and subject to the conditions herein stated, to purchase such number of shares of Common Stock or such other securities of the Company as were exchangeable for the number of shares of Common Stock of the Company which the Optionee would have been entitled to purchase had the Optionee exercised the Stock Option immediately prior to such an event, and appropriate adjustments shall be made in the exercise price per share to reflect such subdivision, combination, or exchange.

b. Subject to paragraph (c) below, in the event of a Transaction, while unexercised Optioned Shares remain, the Company determines in good faith that adjustment is required in order to preserve the benefits or potential benefits to the Optionee, the Company may at its sole discretion (i) cause the Stock Option to be substituted with the corresponding and adjusted number of options to purchase shares of the surviving entity (or an affiliated entity of the surviving entity) - of the same class and the same substitution rate as the shares received by the holders of shares of Common Stock of the Company in exchange for their Common Stock, or (ii) in the event holders of the shares of Common Stock received cash as consideration for their shares in the Transaction, cause the Stock Option to be cancelled in exchange for a cash payment equal to the cash the Optionee would have received had he exercised the Stock Option immediately prior to the Transaction, as adjusted for the payment of the appropriate exercise price. In the case of such substitution, appropriate adjustments shall be made in the quantity and exercise price to reflect such action, and all other material terms and conditions of the Agreement shall remain in force.

c. In the event of a Transaction, the Successor Company or the Acquiring Company shall have the right, among other alternatives, to substitute the Stock Option for its own securities (the “*Substitute Shares*”) or to retain this Agreement with no change. In the event the Successor Company or the Acquiring Company chooses to substitute the Stock Option for Substitute Shares, appropriate equitable adjustments shall be made in the purchase price per share of the Substitute Shares, and all other terms and conditions of the Agreement shall remain in force.

The Company shall determine the specific adjustments to be made under this Section 9, and its determination shall be conclusive. Notwithstanding anything herein to the contrary, no such adjustment shall be made or authorized to the extent that such adjustment would cause the Stock Option or this Agreement to violate Section 409A of the Code. Such adjustments shall be made in accordance with the rules of any securities exchange, stock market, or stock quotation system to which the Company is subject.

10. Nonqualified Stock Option. The Stock Option shall not be treated as an “incentive stock option” under Section 422 of the Code.

11. Voting. The Optionee, as record holder of some or all of the Optioned Shares following exercise of this Stock Option, has the exclusive right to vote, or consent with respect to, such Optioned Shares until such time as the Optioned Shares are transferred in accordance with this Agreement; provided, however, that this Section shall not create any voting right where the holders of such Optioned Shares otherwise have no such right.

12. Specific Performance. The parties acknowledge that remedies at law will be inadequate remedies for breach of this Agreement and consequently agree that this Agreement shall be enforceable by specific performance. The remedy of specific performance shall be cumulative of all of the rights and remedies at law or in equity of the parties under this Agreement.

13. Optionee's Representations. Notwithstanding any of the provisions hereof, the Optionee hereby agrees that he will not exercise the Stock Option granted hereby, and that the Company will not be obligated to issue any shares of Common Stock to the Optionee hereunder, if the exercise thereof or the issuance of such shares shall constitute a violation by the Optionee or the Company of any provision of any law or regulation of any governmental authority. Any determination in this connection by the Company shall be final, binding, and conclusive. The rights and obligations of the Company and the rights and obligations of the Optionee are subject to all applicable laws, rules, and regulations.

14. Investment Representations. Notwithstanding anything herein to the contrary, the Optionee hereby represents and warrants to the Company, that:

a. This Stock Option and the Optioned Shares are being acquired for investment purposes only for the Optionee's own account and not with a view to or in connection with any distribution, re-offer, resale or other disposition not in compliance with the Securities Act of 1933 (the "*Securities Act*") and applicable state securities laws;

b. The Optionee, alone or together with the Optionee's representatives, possesses such expertise, knowledge and sophistication in financial and business matters generally, and in the type of transactions in which the Company proposes to engage in particular, that the Optionee is capable of evaluating the merits and economic risks of acquiring this Stock Option and the Optioned Shares;

c. The Optionee has had access to all of the information with respect to this Stock Option and the Optioned Shares that the Optionee deems necessary to make a complete evaluation thereof, and has had the opportunity to question the Company concerning the Stock Option and Optioned Shares;

d. The decision of the Optionee to acquire the Stock Option for investment has been, and any subsequent decision to acquire any Optioned Shares will be, based solely upon an evaluation made by the Optionee;

e. The Optionee understands that the Stock Option and Optioned Shares constitute "restricted securities" under the Securities Act and have not been registered under the Securities Act in reliance upon a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of the Optionee's investment intent as expressed herein. The Optionee further understands that the Stock Option and Optioned Shares must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available;

f. The Optionee acknowledges and understands that the Company is under no obligation to register the Stock Option or the Optioned Shares and that the certificates evidencing the Optioned Shares will be imprinted with a legend which prohibits the transfer of such Shares unless they are registered or such registration is not required in the opinion of counsel satisfactory to the Company and any other legend required under applicable state securities laws; and

g. The Optionee is, and at the time of exercise will be, an "accredited investor," as such term is defined in Section 501 of Regulation D promulgated under the Securities Act.

15. Optionee's Acknowledgments. The Optionee hereby agrees to accept as binding, conclusive, and final all decisions or interpretations of the Company, upon any questions arising under this Agreement.

16. Law Governing. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Delaware (excluding any conflict of laws rule or principle of Delaware law that might refer the governance, construction, or interpretation of this Agreement to the laws of another state).

17. No Right to Continue Service or Employment. Nothing herein shall be construed to confer upon the Optionee the right to continue in the employ or to provide services to the Company or the Group, whether as an employee or as a consultant or as an outside director, or interfere with or restrict in any way the right of the Company or the Group to discharge the Optionee at any time.

18. Legal Construction. In the event that any one or more of the terms, provisions, or agreements that are contained in this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect for any reason, the invalid, illegal, or unenforceable term, provision, or agreement shall not affect any other term, provision, or agreement that is contained in this Agreement and this Agreement shall be construed in all respects as if the invalid, illegal, or unenforceable term, provision, or agreement had never been contained herein.

19. Covenants and Agreements as Independent Agreements. Each of the covenants and agreements that is set forth in this Agreement shall be construed as a covenant and agreement independent of any other provision of this Agreement. The existence of any claim or cause of action of the Optionee against the Company, whether predicated on this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of the covenants and agreements that are set forth in this Agreement.

20. Entire Agreement. This Agreement supersedes any and all other prior understandings and agreements, either oral or in writing, between the parties with respect to the subject matter hereof and constitute the sole and only agreements between the parties with respect to the said subject matter. All prior negotiations and agreements between the parties with respect to the subject matter hereof are merged into this Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any party or by anyone acting on behalf of any party, which are not embodied in this Agreement and that any agreement, statement or promise that is not contained in this Agreement shall not be valid or binding or of any force or effect.

21. Parties Bound. The terms, provisions, and agreements that are contained in this Agreement shall apply to, be binding upon, and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, and permitted successors and assigns, subject to the limitation on assignment expressly set forth herein.

22. Modification. No change or modification of this Agreement shall be valid or binding upon the parties unless the change or modification is in writing and signed by the parties; provided, however, that the Company may change or modify this Agreement without the Optionee's consent or signature if the Company determines, in its sole discretion, that such change or modification is necessary for purposes of compliance with or exemption from the requirements of Section 409A of the Code or any regulations or other guidance issued thereunder.

23. Headings. The headings that are used in this Agreement are used for reference and convenience purposes only and do not constitute substantive matters to be considered in construing the terms and provisions of this Agreement.

24. Gender and Number. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, and vice versa, unless the context requires otherwise.

25. Notice. Any notice required or permitted to be delivered hereunder shall be deemed to be delivered only when actually received by the Company or by the Optionee, as the case may be, at the addresses set forth below, or at such other addresses as they have theretofore specified by written notice delivered in accordance herewith:

a. Notice to the Company shall be addressed and delivered as follows:

InspireMD, Inc.
4 Menorat Hamaor St.
Tel Aviv, Israel 67448
Attn: Craig Shore
Facsimile: 972-3-691-7692

b. Notice to the Optionee shall be addressed and delivered as set forth on the signature page.

26. Tax Requirements. The Optionee is hereby advised to consult immediately with his own tax advisor regarding the tax consequences of this Agreement. The Company or, if applicable, any subsidiary (for purposes of this Section 26, the term “**Company**” shall be deemed to include any applicable subsidiary), shall have the right to deduct from all amounts paid in cash or other form, any Federal, state, local, or other taxes required by law to be withheld in connection with this Agreement. The Company may, in its sole discretion, also require the Optionee receiving Optioned Shares to pay the Company the amount of any taxes that the Company is required to withhold in connection with the Optionee’s income arising with respect to the Stock Option. Such payments shall be required to be made when requested by Company and may be required to be made prior to the delivery of any Optioned Shares. Such payment may be made (i) by the delivery of cash to the Company in an amount that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding obligations of the Company; (ii) if the Company, in its sole discretion, so consents in writing, the actual delivery by the exercising Optionee to the Company of shares of the Company’s common stock, which shares so delivered have an aggregate fair market value that equals or exceeds (to avoid the issuance of fractional shares under (iii) below) the required tax withholding payment; (iii) if the Company, in its sole discretion, so consents in writing, the Company’s withholding of a number of Optioned Shares to be delivered upon the exercise of this Stock Option, which shares so withheld have an aggregate fair market value that equals (but does not exceed) the required tax withholding payment; or (iv) any combination of (i), (ii), or (iii). The Company may, in its sole discretion, withhold any such taxes from any other cash remuneration otherwise paid by the Company to the Optionee.

* * * * *

[*Remainder of Page Intentionally Left Blank*
Signature Page Follows.]

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer, and the Optionee, to evidence his consent and approval of all the terms hereof, has duly executed this Agreement, as of the date specified in Section 1 hereof.

COMPANY:

InspireMD, Inc.

By: _____

Name: _____

Title: _____

OPTIONEE:

Signature

Name: _____

Address: _____
