INSPIREMD, INC.

FORM 8-K
(Current report filing)

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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 5, 2011

InspireMD, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware	333-162168	26-2123838
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

3 Menorat Hamaor St. Tel Aviv, Israel	67448
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: 972-3-691-7691

(Former name or former address, if changed since last report)

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

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4 (c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On August 5, 2011, the Board of Directors of the Company (the " Board ") appointed Paul S. Stuka as a Class I member of the Board, effective as of August 8, 2011, with a term expiring at the Company's 2012 annual meeting of stockholders. In connection with his appointment, Mr. Stuka was granted an option to purchase 100,000 shares of the Company's common stock (" Common Stock ") at an exercise price of $1.95 per share, the closing price of the Common Stock on the date of grant (the " Stuka Option "), subject to the terms and conditions of the 2011 U.S. Equity Incentive Plan, a sub-plan of the Company's 2011 Umbrella Option Plan. The Stuka Option vests and becomes exercisable in three equal annual installments beginning on the one-year anniversary of the date of grant, provided that in the event that Mr. Stuka is either (i) not reelected as a director at the Company's 2012 annual meeting of stockholders, or (ii) not nominated for reelection as a director at the Company's 2012 annual meeting of stockholders, the option vests and becomes exercisable on the date of Mr. Stuka's failure to be reelected or nominated. The Stuka Option has a term of 10 years from the date of grant. The foregoing description of the Stuka Option is qualified in its entirety by reference to the full text of the form of the nonqualified stock option agreement granting the Stuka Option, a copy of which is attached as Exhibit 10.1 to this Current Report on Form 8-K.

On August 5, 2011, the Board also appointed Eyal Weinstein as a Class II member of the Board, effective as of August 8, 2011, with a term expiring at the Company's 2013 annual meeting of stockholders. In connection with his appointment, Mr. Weinstein was granted an option to purchase 25,000 shares of Common Stock at an exercise price of $1.95 per share, the closing price of the Common Stock on the date of grant (the " Weinstein Option "), subject to the terms and conditions of the 2006 Employee Stock Option Plan, a sub-plan of the Company's 2011 Umbrella Option Plan. The Weinstein Option vests and becomes exercisable in three equal annual installments beginning on the one-year anniversary of the date of grant, provided that in the event that Mr. Weinstein is required to resign from the Board due to medical reasons, the option vests and becomes exercisable on the date of Mr. Weinstein's resignation for medical reasons. The Weinstein Option has a term of 10 years from the date of grant. The foregoing description of the Weinstein Option is qualified in its entirety by reference to the full text of the form of the nonqualified stock option agreement granting the Weinstein Option, a copy of which is attached as Exhibit 10.2 to this Current Report on Form 8-K.

On August 8, 2011, the Company also entered into Indemnity Agreements with each of Mr. Stuka and Mr. Weinstein. Pursuant to the Indemnity Agreements, the Company agreed to fully indemnify each director in connection with any proceedings or actions, subject to certain limitations, resulting from his service as a director. The foregoing description of the Indemnity Agreements is qualified in its entirety by reference to the full text of the form of Indemnity Agreement, a copy of which is attached as Exhibit 10.3 to this Current Report on Form 8-K.

Item 7.01 Regulation FD Disclosure

On August 11, 2011, the Company issued a press release announcing the appointment of Mr. Stuka and Mr. Weinstein to the Board. A copy of that press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

Number	Description of Exhibit
10.1	$1.95 Nonqualified Stock Option Agreement, dated as of August 5, 2011, by and between InspireMD, Inc. and Paul Stuka.
10.2	$1.95 Nonqualified Stock Option Agreement, dated as of August 5, 2011, by and between InspireMD, Inc. and Eyal Weinstein.
10.3	Form of Indemnity Agreement between InspireMD, Inc. and each of the directors and executive officers thereof.
99.1	Press Release of InspireMD, Inc., dated August 11, 2011.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

INSPIREMD, INC.

Date: August 11, 2011

By: _____

Name: Craig Shore
Title: Chief Financial Officer

EXHIBIT INDEX

Number	Description of Exhibit
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10.3	Form of Indemnity Agreement between InspireMD, Inc. and each of the directors and executive officers thereof.
99.1	Press Release of InspireMD, Inc., dated August 11, 2011.

NONQUALIFIED STOCK OPTION AGREEMENT

INSPIREMD, INC.
2011 UMBRELLA OPTION PLAN – U.S. APPENDIX

1. Grant of Option . Pursuant to the 2011 U.S. Equity Incentive Plan (the " ***U.S. Appendix*** "), a sub-plan to the InspireMD, Inc. 2011 UMBRELLA Option Plan (the " ***Umbrella Plan*** ") (collectively, the Umbrella Plan and U.S. Appendix being referred to herein as, the " ***Plan*** ") for employees, consultants, outside directors, and other service providers of InspireMD, Inc., a Delaware corporation (the " ***Company*** ") and its subsidiaries and affiliates (the " ***Group*** "), the Company grants to

Paul Stuka
(the " ***Participant*** "),

an option to purchase Shares of the Company as follows:

On the date hereof, the Company grants to the Participant an option (the " ***Stock Option*** ") to purchase one hundred thousand (100,000) full Shares (the " ***Optioned Shares*** ") at an Exercise Price equal to $1.95 per share. The " ***Date of Grant*** " of this Stock Option is August 8, 2011.

The " ***Option Period*** " shall commence on the Date of Grant and shall expire on the date immediately preceding the tenth (10 th) anniversary of the Date of Grant, unless terminated earlier in accordance with Section 4 below. The Stock Option is a nonqualified stock option. This nonqualified stock option agreement (this " ***Agreement*** ") and Stock Option are 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 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 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 exercisable as follows:

a. Thirty three thousand three hundred thirty four (33,334) of the total Optioned Shares shall vest and become exercisable on the first anniversary of the Date of Grant, provided that the Participant has continuously provided services to the Group as an employee, consultant, or outside director through that date.

b. Thirty three thousand three hundred thirty three (33,333) of the total Optioned Shares shall vest and become exercisable on the second anniversary of the Date of Grant, provided that the Participant has continuously provided services to the Group as an employee, consultant, or outside director through that date.

c. Thirty three thousand three hundred thirty three (33,333) of the total Optioned Shares shall vest and become exercisable on the third anniversary of the Date of Grant, provided that the Participant has continuously provided services to the Group as an employee, consultant, or outside director through that date.

d. In the event that (i) a Transaction occurs, (ii) this Agreement is not assumed by the Successor Company or the Acquiring Company, as applicable, (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.

Notwithstanding paragraphs (a), (b), and (c) above, in the event the Participant is either (i) not reelected as a director at the Company's 2012 annual meeting of stockholders, or (ii) not nominated for reelection as a director at the Company's 2012 annual meeting of stockholders, the Optioned Shares shall immediately become 100% vested and exercisable on the date of the failure to be reelected or nominated, as applicable, provided that the Participant has continuously provided services to the Group as an employee, consultant, or outside director through that date and the Stock Option has not otherwise been forfeited by the Participant.

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 Participant's Termination Date, 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 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. 5.p.m. on the date of the Participant's termination of service for Cause (as defined below);

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. ;

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 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 employment or other agreement with the Group; or (iii) is convicted of a criminal offence involving moral turpitude.

c. Notwithstanding anything herein to the contrary, if the Participant 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 Participant a termination notice, shall expire and may not be exercised, and the Shares covered by the Stock Options shall revert to the Plan.

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 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 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 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 the Exercise Notice to the Company setting forth the number of 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 Participant shall deliver to the Company consideration with a value equal to the total Exercise Price of the 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 Participant, the Company shall cause certificates for the Optioned Shares then being purchased to be delivered to the Participant (or the person exercising the Participant'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 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 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 Participant fails to pay for any of the Optioned Shares specified in such notice or fails to accept delivery thereof, then the 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 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. 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 Shares. The Participant, by his or her execution of this Agreement, agrees to execute any documents requested by the Company in connection with the issuance of the Shares.

10. Adjustment of Number of Optioned Shares and Related Matters . The number of Shares covered by the Stock Option, and the Exercise Prices thereof, shall be subject to adjustment in accordance with Section 9 of the Umbrella Plan and Articles VII and VIII of the U.S. Appendix.

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

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 Representations . Notwithstanding any of the provisions hereof, the Participant hereby agrees that he will not exercise the Stock Option granted hereby, and that the Company will not be obligated to issue any Shares to the Participant hereunder, if the exercise thereof or 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 obligations of the Company and the rights of the Participant are subject to all applicable laws, rules, and regulations.

15. 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 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 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 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 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 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; 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.

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

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 or 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 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 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 Participant to the Company of Shares, 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 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 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 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: Paul Stuka

Address: _____

_____

Inspire MD Ltd.

(2006 Employee Stock Option Plan)

Stock Option Agreement

Section 102 Capital Gain Stock Option

THIS STOCK OPTION AGREEMENT entered into as of August 9th, 2011 between Inspire MD Ltd. (the " **Company** "), and Eyal Weinstein (the " **Optionee** ").

W I T N E S S E T H :

1. The Company is a subsidiary of InspireMD Inc., a Delaware corporation listed for trade at the OTCBB. The Company, in accordance with the allotment made by InspireMD Inc's Board of Directors (the " **Board of Directors** ") by resolution on August 5, 2011, and subject to the terms and conditions of the Company's 2006 Employee Stock Option Plan, a sub-plan to the InspireMD, Inc. 2011 Umbrella Option Plan (collectively, the " **Plan** "), granted the optionee, effective as of August 8, 2011, an option (the " **Option** ") to purchase an aggregate of 25,000 shares of Common Sock (the " **Option Shares** ") of InspireMD Inc. at a per-share exercise price denominated in NIS, in an amount equivalent to US$1.95 at the representative rate of exchange last published by the Bank of Israel immediately prior to the date of payment, each such Option Share representing the right to acquire 1 share of the common stock of the Company.

2. The Company has designated the Option Shares as ' **Approved 102 Options** ' (i.e. Options granted pursuant to Section 102(b) of the Israeli Income Tax Ordinance (New Version), 5721-1961 (the " **Ordinance** ") and held in trust by a trustee for the benefit of the Optionee), and has classified them as ' **Capital Gain Options** ' that qualify for tax treatment in accordance with the provisions of Section 102(b)(2) of the Ordinance.

3. The term of the Option shall be ten (10) years from the date hereof, subject to earlier termination as provided in the Plan.

4. Unless determined otherwise by the Board of Directors, the Option Shares will vest as follows:

   8,334 options on the first anniversary of the date of the grant, 8,333 options on the second anniversary of the date of the grant and 8,333 options on the third anniversary of the date of the grant, provided, however, that the Optionee is a member of the board on such vesting dates. If the Optionee is required to resign from the board due to medical reasons, then all the options will become FV and exercisable immediately.

5. Subject to the provisions of Sections 6 and 7 below, the Option shall be exercised by giving five business days' written notice to InspireMD Inc.at its then principal office, addressed for the attention of the President of InspireMD Inc., in the form prescribed from time to time by the Company (a " **Notice of Exercise** "), stating that the Optionee is exercising the option hereunder, specifying the number of shares being purchased and accompanied by payment in full of the aggregate purchase price therefore in cash or by certified check and made in NIS in accordance with the terms of this Agreement.

6. The Option and any Option Shares allocated or issued upon exercise thereof, including all rights attaching to such shares, and other shares received subsequently following any realization of rights (including bonus shares), will be allocated or issued to a trustee nominated by the Company's Board of Directors (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 Optionee.

7. The Option and any shares received following exercise of the Option, including all rights attaching to such shares, and other shares received subsequently following any realization of rights (including bonus shares), will be held by the Trustee for a period of, and will not be exercisable by the Optionee prior to the expiration of, at least twenty four (24) months from the Grant Date of the Capital Gain Options.

8. The Optionee hereby grants the Trustee an irrevocable proxy (a " **Voting Proxy** ") to represent the Optionee at all meetings of the shareholders of InspireMD Inc, and to abstain from voting the Optionee's Option Shares at such meetings.

9. All rights attaching to any shares received following exercise of the Option, and other shares received subsequently following any realization of rights (including bonus shares), will be subject to the same taxation treatment applicable to such received shares.

10. The Trustee shall not transfer to Optionee any shares allocated or issued upon exercise of the Option prior to the full payment of the Optionee’s tax liabilities arising from or relating to this option or any shares allocated or issued upon exercise of this option.

11. The Company may, if required under any applicable law, require that an Optionee deposit with the Company, in cash, at the time of exercise, such amount as the Company deems necessary to satisfy its obligations to withhold taxes or other amounts incurred by reason of the exercise or the transfer of shares thereupon.

12. Notwithstanding anything herein to the contrary, if at any time the Board of Directors shall determine, in its discretion, that the listing or qualification of the shares of Common Stock subject to the Option on any securities exchange or under any applicable law, or the consent or approval of any governmental agency or regulatory body, is necessary or desirable as a condition to, or in connection with, the granting of an option or the issue of shares hereunder, the Option may not be exercised in whole or in part unless such listing, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Board of Directors.

13. In the event that any person or entity makes an offer to purchase all or substantially all of the issued and outstanding share capital of InspireMD Inc.or all or substantially all of the assets of InspireMD Inc., or to exchange all or substantially all of the shares of InspireMD Inc.for securities of another company, and shareholders holding more than 60% of the issued and outstanding share capital of InspireMD Inc.accept such offer, then the Optionee shall be obligated to sell or exchange, as the case may be, any shares the Optionee acquired under this Agreement, in accordance with the instructions issued by the Board, whose determination shall be final.

14. Nothing in the Plan or herein shall confer upon the Optionee any right to continue in the employ of the Company, InspireMD Inc. or any corporate entity affiliated with either of them (an " **Affiliate** "), or interfere in any way with any right of the Company, InspireMD Inc. or any Affiliate to terminate such employment at any time for any reason whatsoever without liability to the Company, InspireMD Inc. or any Affiliate.

15. The Company and the Optionee (by the Optionee's acceptance of the Option) agree that they will both be subject to and bound by all of the terms and conditions of the Plan, a copy of which is attached hereto and made a part hereof. Any capitalized term not defined herein shall have the meaning ascribed to it in the Plan. In the event of a conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall govern.

16. The Optionee (by the Optionee's acceptance of the Option) represents and agrees that he or she will comply with all applicable laws relating to the Plan and the grant and exercise of the Option and the disposition of the shares acquired upon exercise of the Option.

17. The Option is not transferable by the Optionee otherwise than by will or the laws of descent and distribution and may be exercised, during the lifetime of the Optionee, only by the Optionee or the Optionee's legal representatives.

18. This Agreement shall be binding upon and inure to the benefit of any successor or assign of the Company, InspireMD Inc. and to any heir, distributor, executor, administrator or legal representative entitled to the Optionee's rights hereunder.

19. This Agreement shall be governed by, and interpreted in accordance with, the laws of the State of Israel.

20. The invalidity, illegality or unenforceability of any provision herein shall not affect the validity, legality or enforceability of any other provision.

21. The Optionee (by the Optionee's acceptance of the Option) agrees that the Company may amend the Plan and the options granted to the Optionee under the Plan, subject to the limitations contained in the Plan.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

Inspire MD Ltd.	OPTIONEE
By: _____	Signature: _____
Name: Craig Shore	Name: _____
Title: Chief Financial Officer	Israel ID Card No.: _____

INDEMNITY AGREEMENT

This Indemnity Agreement, dated as of _____, is made by and between InspireMD, Inc., a Delaware corporation (the " Company "), and _____ (the " Indemnitee ").

RECITALS

A. The Company is aware that competent and experienced persons are increasingly reluctant to serve as directors, officers or agents of corporations unless they are protected by comprehensive liability insurance or indemnification, due to increased exposure to litigation costs and risks resulting from their service to such corporations, and due to the fact that the exposure frequently bears no reasonable relationship to the compensation of such directors, officers and other agents.

B. The statutes and judicial decisions regarding the duties of directors and officers are often difficult to apply, ambiguous, or conflicting, and therefore fail to provide such directors, officers and agents with adequate, reliable knowledge of legal risks to which they are exposed or information regarding the proper course of action to take.

C. Plaintiffs often seek damages in such large amounts and the costs of litigation may be so enormous (whether or not the case is meritorious), that the defense and/or settlement of such litigation is often beyond the personal resources of directors, officers and other agents.

D. The Company believes that it is unfair for its directors, officers and agents and the directors, officers and agents of its subsidiaries to assume the risk of huge judgments and other expenses which may occur in cases in which the director, officer or agent received no personal profit and in cases where the director, officer or agent was not culpable.

E. The Company recognizes that the issues in controversy in litigation against a director, officer or agent of a corporation such as the Company or its subsidiaries are often related to the knowledge, motives and intent of such director, officer or agent, that he is usually the only witness with knowledge of the essential facts and exculpating circumstances regarding such matters, and that the long period of time which usually elapses before the trial or other disposition of such litigation often extends beyond the time that the director, officer or agent can reasonably recall such matters; and may extend beyond the normal time for retirement for such director, officer or agent with the result that he, after retirement or in the event of his death, his spouse, heirs, executors or administrators, may be faced with limited ability and undue hardship in maintaining an adequate defense, which may discourage such a director, officer or agent from serving in that position.

F. Based upon their experience as business managers, the Board of Directors of the Company (the " Board ") has concluded that, to retain and attract talented and experienced individuals to serve as directors, officers and agents of the Company and its subsidiaries and to encourage such individuals to take the business risks necessary for the success of the Company and its subsidiaries, it is necessary for the Company to contractually indemnify its directors, officers and agents and the directors, officers and agents of its subsidiaries, and to assume for itself maximum liability for expenses and damages in connection with claims against such directors, officers and agents in connection with their service to the Company and its subsidiaries, and has further concluded that the failure to provide such contractual indemnification could result in great harm to the Company and its subsidiaries and the Company's stockholders.

G. Section 145 of the General Corporation Law of Delaware, under which the Company is organized (" Section 145 "), empowers the Company to indemnify its directors, officers, employees and agents by agreement and to indemnify persons who serve, at the request of the Company, as the directors, officers, employees or agents of other corporations or enterprises, and expressly provides that the indemnification provided by Section 145 is not exclusive.

H. The Company desires and has requested the Indemnitee to serve or continue to serve as a director, officer or agent of the Company and/or one or more subsidiaries of the Company free from undue concern for claims for damages arising out of or related to such services to the Company and/or one or more subsidiaries of the Company.

I. Indemnitee is willing to serve, or to continue to serve, the Company and/or one or more subsidiaries of the Company, provided that he is furnished the indemnity provided for herein.

AGREEMENT

NOW, THEREFORE, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Definitions .

(a) Agent . For the purposes of this Agreement, "agent" of the Company means any person who is or was a director, officer, employee or other agent of the Company or a subsidiary of the Company; or is or was serving at the request of, for the convenience of, or to represent the interests of the Company or a subsidiary of the Company as a director, officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise; or was a director, officer, employee or agent of a foreign or domestic corporation which was a predecessor corporation of the Company or a subsidiary of the Company, or was a director, officer, employee or agent of another enterprise at the request of, for the convenience of, or to represent the interests of such predecessor corporation.

(b) Expenses . For purposes of this Agreement, "expenses" include all out-of-pocket costs of any type or nature whatsoever (including, without limitation, all attorneys' fees and related disbursements), actually and reasonably incurred by the Indemnitee in connection with either the investigation, defense or appeal of a proceeding or establishing or enforcing a right to indemnification under this Agreement or Section 145 or otherwise; provided, however, that "expenses" shall not include any judgments.

(c) Proceeding . For the purposes of this Agreement, "proceeding" means any threatened, pending, or completed action, suit or other proceeding, whether civil, criminal, administrative, or investigative.

(d) Subsidiary . For purposes of this Agreement, "subsidiary" means any corporation of which more than 50% of the outstanding voting securities is owned directly or indirectly by the Company, by the Company and one or more other subsidiaries, or by one or more other subsidiaries.

2. Agreement to Serve . The Indemnitee agrees to serve and/or continue to serve as agent of the Company, at its will (or under separate agreement, if such agreement exists), in the capacity Indemnitee currently serves as an agent of the Company, so long as he is duly appointed or elected and qualified in accordance with the applicable provisions of the Bylaws of the Company or any subsidiary of the Company or until such time as he tenders his resignation in writing; provided, however, that nothing contained in this Agreement is intended to create any right to continued employment by Indemnitee.

3. Liability Insurance .

(a) Maintenance of D&O Insurance . The Company hereby covenants and agrees that, so long as the Indemnitee shall continue to serve as an agent of the Company and thereafter so long as the Indemnitee shall be subject to any possible proceeding by reason of the fact that the Indemnitee was an agent of the Company, the Company, subject to Section 3(c) , shall promptly obtain and maintain in full force and effect directors' and officers' liability insurance (" D&O Insurance ") in reasonable amounts from established and reputable insurers.

(b) Rights and Benefits . In all policies of D&O Insurance, the Indemnitee shall be named as an insured in such a manner as to provide the Indemnitee the same rights and benefits as are accorded to the most favorably insured of the Company's directors, if the Indemnitee is a director; or of the Company's officers, if the Indemnitee is not a director of the Company but is an officer; or of the Company's key employees, if the Indemnitee is not a director or officer but is a key employee.

(c) Limitation on Required Maintenance of D&O Insurance . Notwithstanding the foregoing, the Company shall have no obligation to obtain or maintain D&O Insurance if the Company determines in good faith that such insurance is not reasonably available, the premium costs for such insurance are disproportionate to the amount of coverage provided, the coverage provided by such insurance is limited by exclusions so as to provide an insufficient benefit, or the Indemnitee is covered by similar insurance maintained by a subsidiary of the Company.

4. Mandatory Indemnification . Subject to Section 9 below, the Company shall indemnify the Indemnitee as follows:

(a) Successful Defense . To the extent the Indemnitee has been successful on the merits or otherwise in defense of any proceeding (including, without limitation, an action by or in the right of the Company) to which the Indemnitee was a party by reason of the fact that he is or was an agent of the Company at any time, against all expenses of any type whatsoever actually and reasonably incurred by him in connection with the investigation, defense or appeal of such proceeding.

(b) Third Party Actions . If the Indemnitee is a person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the Company) by reason of the fact that he is or was an agent of the Company, or by reason of anything done or not done by him in any such capacity, the Company shall indemnify the Indemnitee against any and all expenses and liabilities of any type whatsoever (including, but not limited to, judgments, fines, ERISA excise taxes and penalties, and amounts paid in settlement) actually and reasonably incurred by him in connection with the investigation, defense, settlement or appeal of such proceeding, provided the Indemnitee acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company and its stockholders, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.

(c) Derivative Actions . If the Indemnitee is a person who was or is a party or is threatened to be made a party to any proceeding by or in the right of the Company by reason of the fact that he is or was an agent of the Company, or by reason of anything done or not done by him in any such capacity, the Company shall indemnify the Indemnitee against all expenses actually and reasonably incurred by him in connection with the investigation, defense, settlement, or appeal of such proceeding, provided the Indemnitee acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company and its stockholders; except that no indemnification under this subsection 4(c) shall be made in respect to any claim, issue or matter as to which such person shall have been finally adjudged to be liable to the Company by a court of competent jurisdiction unless and only to the extent that the court in which such proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such amounts which the court shall deem proper.

(d) Actions where Indemnitee is Deceased . If the Indemnitee is a person who was or is a party or is threatened to be made a party to any proceeding by reason of the fact that he is or was an agent of the Company, or by reason of anything done or not done by him in any such capacity, and if prior to, during the pendency or after completion of such proceeding Indemnitee becomes deceased, the Company shall indemnify the Indemnitee's heirs, executors and administrators against any and all expenses and liabilities of any type whatsoever (including, but not limited to, judgments, fines, ERISA excise taxes and penalties, and amounts paid in settlement) actually and reasonably incurred to the extent Indemnitee would have been entitled to indemnification pursuant to Sections 4(a) , 4(b) , or 4(c) above were Indemnitee still alive.

(e) Notwithstanding the foregoing, the Company shall not be obligated to indemnify the Indemnitee for expenses or liabilities of any type whatsoever (including, but not limited to, judgments, fines, ERISA excise taxes and penalties, and amounts paid in settlement) for which payment is actually made to or on behalf of Indemnitee under a valid and collectible insurance policy of D&O Insurance, or under a valid and enforceable indemnity clause, by-law or agreement.

5. Partial Indemnification . If the Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of any expenses or liabilities of any type whatsoever (including, but not limited to, judgments, fines, ERISA excise taxes and penalties, and amounts paid in settlement) incurred by him in the investigation, defense, settlement or appeal of a proceeding, but not entitled, however, to indemnification for all of the total amount hereof, the Company shall nevertheless indemnify the Indemnitee for such total amount except as to the portion hereof to which the Indemnitee is not entitled.

6. Indemnification for Expenses of a Witness . Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of the fact that the Indemnitee is or was an agent of the Company, a witness in any proceeding to which Indemnitee is not a party, he shall be indemnified against all expenses actually and reasonably incurred by him or on his behalf in connection therewith.

7. Mandatory Advancement of Expenses . Subject to Section 9(a) below, the Company shall advance all expenses incurred by the Indemnitee in connection with the investigation, defense, settlement or appeal of any proceeding to which the Indemnitee is a party or is threatened to be made a party by reason of the fact that the Indemnitee is or was an agent of the Company. Indemnitee hereby undertakes to repay such amounts advanced only if, and to the extent that, it shall be determined ultimately that the Indemnitee is not entitled to be indemnified by the Company as authorized hereby. The advances to be made hereunder shall be paid by the Company to the Indemnitee within twenty (20) days following delivery of a written request therefor by the Indemnitee to the Company. In the event that the Company fails to pay expenses as incurred by the Indemnitee as required by this paragraph, Indemnitee may seek mandatory injunctive relief from any court having jurisdiction to require the Company to pay expenses as set forth in this paragraph. If Indemnitee seeks mandatory injunctive relief pursuant to this paragraph, it shall not be a defense to enforcement of the Company's obligations set forth in this paragraph that Indemnitee has an adequate remedy at law for damages.

8. Notice and Other Indemnification Procedures .

(a) Promptly after receipt by the Indemnitee of notice of the commencement of or the threat of commencement of any proceeding, the Indemnitee shall, if the Indemnitee believes that indemnification with respect thereto may be sought from the Company under this Agreement, notify the Company of the commencement or threat of commencement thereof.

(b) If, at the time of the receipt of a notice of the commencement of a proceeding pursuant to Section 8(a) hereof, the Company has D&O Insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

(c) In the event the Company shall be obligated to pay the expenses of any proceeding against the Indemnitee, the Company, if appropriate, shall be entitled to assume the defense of such proceeding, with counsel approved by the Indemnitee, upon the delivery to the Indemnitee of written notice of its election so to do. After delivery of such notice, approval of such counsel by the Indemnitee and the retention of such counsel by the Company, the Company will not be liable to the Indemnitee under this Agreement for any fees of counsel subsequently incurred by the Indemnitee with respect to the same proceeding, provided that (i) the Indemnitee shall have the right to employ his counsel in any such proceeding at the Indemnitee's expense; and (ii) if (A) the employment of counsel by the Indemnitee has been previously authorized by the Company, (B) the Indemnitee shall have reasonably concluded that there may be a conflict of interest between the Company and the Indemnitee in the conduct of any such defense, or (C) the Company shall not, in fact, have employed counsel to assume the defense of such proceeding, then the fees and expenses of Indemnitee's counsel shall be at the expense of the Company. The Company shall not enter into any settlement of any proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such proceeding) unless such settlement provides for the full and final release of all claims asserted against Indemnitee.

9. Exceptions . Any other provision herein to the contrary notwithstanding, the Company shall not be obligated pursuant to the terms of this Agreement:

(a) Claims Initiated by Indemnitee . To indemnify or advance expenses to the Indemnitee with respect to proceedings or claims initiated or brought voluntarily by the Indemnitee and not by way of defense, unless (i) such indemnification is expressly required to be made by law, (ii) the proceeding was authorized by the Board, (iii) such indemnification is provided by the Company, in its sole discretion, pursuant to the powers vested in the Company under the General Corporation Law of Delaware or (iv) the proceeding is brought to establish or enforce a right to indemnification under this Agreement or any other statute or law or otherwise as required under Section 145;

(b) Lack of Good Faith . To indemnify the Indemnitee for any expenses incurred by the Indemnitee with respect to any proceeding instituted by the Indemnitee to enforce or interpret this Agreement, if a court of competent jurisdiction determines that each of the material assertions made by the Indemnitee in such proceeding was not made in good faith or was frivolous; or

(c) Unauthorized Settlements . To indemnify the Indemnitee under this Agreement for any amounts paid in settlement of a proceeding unless the Company consents to such settlement, which consent shall not be unreasonably withheld.

10. Non-exclusivity . The provisions for indemnification and advancement of expenses set forth in this Agreement shall not be deemed exclusive of any other rights which the Indemnitee may have under any provision of law, the Company's Amended and Restated Certificate of Incorporation or Bylaws, the vote of the Company's stockholders or disinterested directors, other agreements, or otherwise, both as to action in his official capacity and to action in another capacity while occupying his position as an agent of the Company, and the Indemnitee's rights hereunder shall continue after the Indemnitee has ceased acting as an agent of the Company and shall inure to the benefit of the heirs, executors and administrators of the Indemnitee.

11. Enforcement . Any right to indemnification or advances granted by this Agreement to Indemnitee shall be enforceable by or on behalf of Indemnitee in any court of competent jurisdiction if (i) the claim for indemnification or advances is denied, in whole or in part, or (ii) no disposition of such claim is made within ninety (90) days of request therefor. Indemnitee, in such enforcement action, if successful in whole or in part, shall be entitled to be paid also the expense of prosecuting his claim. It shall be a defense to any action for which a claim for indemnification is made under this Agreement (other than an action brought to enforce a claim for expenses pursuant to Section 7 hereof, provided that the required undertaking has been tendered to the Company) that Indemnitee is not entitled to indemnification because of the limitations set forth in Sections 4 and 9 hereof. Neither the failure of the Company (including its Board or its stockholders) to have made a determination prior to the commencement of such enforcement action that indemnification of Indemnitee is proper in the circumstances, nor an actual determination by the Company (including its Board or its stockholders) that such indemnification is improper, shall be a defense to the action or create a presumption that Indemnitee is not entitled to indemnification under this Agreement or otherwise.

12. Subrogation . In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all documents required and shall do all acts that may be necessary to secure such rights and to enable the Company effectively to bring suit to enforce such rights.

13. Survival of Rights .

(a) All agreements and obligations of the Company contained herein shall continue during the period Indemnitee is an agent of the Company and shall continue thereafter so long as Indemnitee shall be subject to any possible claim or proceeding by reason of the fact that Indemnitee was serving in the capacity referred to herein.

(b) The Company shall require any successor to the Company (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

14. Interpretation of Agreement . It is understood that the parties hereto intend this Agreement to be interpreted and enforced so as to provide indemnification to the Indemnitee to the fullest extent permitted by law including those circumstances in which indemnification would otherwise be discretionary.

15. Severability . If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever, (i) the validity, legality and enforceability of the remaining provisions of the Agreement (including without limitation, all portions of any paragraphs of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby, and (ii) to the fullest extent possible, the provisions of this Agreement (including, without limitation, all portions of any paragraph of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable and to give effect to Section 14 hereof.

16. Modification and Waiver . No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

17. Notice . All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed duly given (i) if delivered by hand and receipted for by the party addressee or (ii) if mailed by certified or registered mail with postage prepaid, on the third business day after the mailing date. Addresses for notice to either party are as shown on the signature page of this Agreement, or as subsequently modified by written notice.

18. Governing Law . This Agreement shall be governed exclusively by and construed according to the laws of the State of Delaware as applied to contracts between Delaware residents entered into and to be performed entirely within Delaware.

The parties hereto have entered into this Indemnity Agreement effective as of the date first above written.

COMPANY:

INSPIREMD, INC.

By: _____

Title: _____

Address:

INDEMNITEE:

By: _____

Address:

SIGNATURE PAGE TO INDEMNITY AGREEMENT

InspireMD Elects Two New Board Members

Paul S. Stuka, Managing Member, Osiris Partners and Former State Street and Fidelity Management Executive, and Eyal Weinstein, CPA, Executive and Board Member in Israel, to Strengthen Board

Tel-Aviv, August 11, 2011 -- InspireMD, Inc. (OTC BB: NSPR) ("Inspire" or the "Company"), the developer of the MGuard™ mesh protective stent system, today announced the election of two proven leaders to the Company's board of directors. Paul S. Stuka, Managing Member of Osiris Partners and a 30-year investment industry veteran, and Eyal Weinstein, a certified public accountant, former executive of several Israeli firms sold to larger companies and a director on the boards of several publicly traded companies, were both elected to InspireMD's Board of Directors. Both will be independent, non-executive directors.

Prior to forming Osiris Partners, Mr. Stuka was a Managing Director of Longwood Partners, managing small cap institutional accounts. In 1995, Mr. Stuka joined State Street Research and Management as manager of its Market Neutral and Mid Cap Growth Funds. From 1986 to 1994, Mr. Stuka served as the general partner of Stuka Associates, where he managed a U.S.-based investment partnership. Mr. Stuka began his career in 1980 as an analyst at Fidelity Management and Research. As an analyst, Mr. Stuka followed a wide array of industries including healthcare, energy, transportation, and lodging & gaming. Early in his career he became the assistant portfolio manager for three Fidelity Funds, including the Select Healthcare Fund which was recognized as the top performing fund in the U.S. for the five-year period ending December 31, 1985. In 1984 he became the original manager of the Fidelity OTC Fund, which was the second-best performing U.S. mutual fund for 1985, appreciating 69%. At the time of his departure in June, 1986, the Fund had appreciated over 115% in 18 months and assets approached $1 billion. During his career, Mr. Stuka has been featured in articles in *The Wall Street Journal* , *Barron's* , *The New York Times* , and *BusinessWeek* .

Mr. Weinstein is an accountant, a CPA and a proven senior executive. During the last decade he has served as a director for B.O.S. Better Online Solutions, a Nasdaq-listed company, a member of the Investment Committee of Phoenix Insurance Company Ltd. and a director for several other private companies. He is currently Chief Executive Officer of LEOREX LTD., a company developing and marketing Dermo Cosmetic products. From 2001 to 2007, Mr. Weinstein worked as Manager-Partner of C.I.G., an economic and accounting consultancy, consulting for leading Israeli banks, including Leumi Bank, Hapoalim Bank, Discount Bank and Bank Hamizrachi. From 2000 to 2001, he was Manager-Partner of Exseed, a venture capital fund which invested in early-stage companies. Beginning in 1996, Mr. Weinstein was a partner and founder in the establishment of three high-tech companies that were ultimately sold, two to Microsoft Corporation. Previously, Mr. Weinstein served as an accountant, first for Aberdam and Weiskopf C.P.A in Haifa, Israel and subsequently for Kost-Lev-Ari, Israel's Ernst & Young operation.

Asher Holzer, co-founder and President of InspireMD, commented, "The board of directors welcomes Mr. Stuka, a recognized leader in investing and particularly healthcare investing, and Mr. Weinstein, a recognized financial and business leader in Israel, to our board. InspireMD is committed to building a world-class organization, and this includes excellence in corporate governance, as we prepare for a listing on a major exchange as soon as possible. Adding these experienced, business-focused and well-respected professionals to our board is a significant and positive step in that direction. Our board now includes a majority of non-executive, independent directors, a milestone we consider important as we focus on creating sustainable shareholder value."

Mr. Stuka added, "I believe InspireMD's mesh protective stent system addresses a currently unmet need for the treatment of Acute MI, and has the potential to become a unique offering in a fast-growing and underserved segment of an otherwise saturated market. I look forward to working with management to leverage this exciting intellectual property to ultimately create shareholder value."

Mr. Weinstein commented, "Throughout my career, I have focused on working with innovative and exciting Israeli companies, and I am excited to continue that effort with InspireMD. I believe InspireMD has the potential to emerge as a globally recognized leader in the interventional cardiology industry, and I look forward to providing guidance and advice in that effort."

With this announcement, InspireMD, Inc.'s Board of Directors includes five members. In addition to Mr. Weinstein and Mr. Stuka, Sol J. Barer, a 30-year biotechnology industry veteran and the founder and former Chairman, President, COO and CEO of Celgene was elected to the Company's Board of Directors in July, 2011. These three non-executive, independent directors join Dr. Holzer and Ofir Paz, the Company's co-founders.

Mr. Paz, CEO of InspireMD, concluded, "The expanded board and the expertise of its members will help drive the company to the next level. We look forward to benefiting from their counsel and believe this expanded board will enable us to meet the goal of becoming a significant player in the interventional cardiology market."

About InspireMD Inc.

InspireMD is an innovative medical device company focusing on the development and commercialization of its proprietary stent system technology, MGuard ™ . InspireMD intends to pursue applications of this technology in coronary, carotid and peripheral artery procedures. InspireMD's common stock is listed on the OTC BB under the ticker symbol "NSPR". For more information, visit www.inspiremd.com.

Forward-looking Statements:

This press release contains "forward-looking statements." Such statements may be preceded by the words "intends," "may," "will," "plans," "expects," "anticipates," "projects," "predicts," "estimates," "aims," "believes," "hopes," "potential" or similar words. Forward-looking statements are not guarantees of future performance, are based on certain assumptions and are subject to various known and unknown risks and uncertainties, many of which are beyond the Company's control, and cannot be predicted or quantified and consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, without limitation, risks and uncertainties associated with (i) market acceptance of our existing and new products, (ii) negative clinical trial results or lengthy product delays in key markets, (iii) an inability to secure regulatory approvals for the sale of our products, (iv) intense competition in the medical device industry from much larger, multi-national companies, (v) product liability claims, (vi) our limited manufacturing capabilities and reliance on subcontractors for assistance, (vii) insufficient or inadequate reimbursement by governmental and other third party payers for our products, (viii) our efforts to successfully obtain and maintain intellectual property protection covering our products, which may not be successful, (ix) legislative or regulatory reform of the healthcare system in both the U.S. and foreign jurisdictions, (x) our reliance on single suppliers for certain product components, (xi) the fact that we will need to raise additional capital to meet our business requirements in the future and that such capital raising may be costly, dilutive or difficult to obtain and (xi) the fact that we conduct business in multiple foreign jurisdictions, exposing us to foreign currency exchange rate fluctuations, logistical and communications challenges, burdens and costs of compliance with foreign laws and political and economic instability in each jurisdiction. More detailed information about the Company and the risk factors that may affect the realization of forward-looking statements is set forth in the Company's filings with the Securities and Exchange Commission, including the Company's Current Report on Form 8-K filed with the SEC on April 6, 2011. Investors and security holders are urged to read these documents free of charge on the SEC's web site at www.sec.gov. The Company assumes no obligation to publicly update or revise its forward-looking statements as a result of new information, future events or otherwise.

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