

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): June 13, 2016

InspireMD, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other
jurisdiction
of incorporation)

001-35731
(Commission File Number)

26-2123838
(IRS Employer
Identification No.)

321 Columbus Avenue
Boston, MA
(Address of principal executive offices)

02116
(Zip Code)

Registrant's telephone number, including area code: (857) 305-2410

(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))
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Item 1.01 Entry into a Material Definitive Agreement.

Amendment No.3 to Loan and Security Agreement

On June 13, 2016, InspireMD, Inc. (the “*Company*”), entered into Amendment No.3 (“*Amendment No.3*”) to the Loan and Security Agreement, dated October 23, 2013, as amended on November 19, 2013 and July 23, 2014 (the “*Loan and Security Agreement*”), by and among the Company, InspireMD Ltd., the Company’s wholly-owned subsidiary (“*Subsidiary*”), and Hercules Capital, Inc. (formerly known as Hercules Technology Growth Capital, Inc., “*Hercules*”), to amend the Loan and Security Agreement to provide that, among other things, the principal payment otherwise due and payable shall be suspended for a four month period beginning May 1, 2016, provided that the Company receives unrestricted and unencumbered net cash proceeds in an amount of at least \$10 million from the sale of the Company’s equity securities with investors acceptable to Hercules on or prior to June 30, 2016. Amendment No.3 also modified the term loan maturity date under the Loan and Security Agreement to (i) April 1, 2017, if the Company does not complete such sale of its equity securities and Hercules does not waive such condition to complete such sale prior to June 30, 2016, or (ii) June 1, 2017, if the Company completes such sale of its equity securities, or if Hercules waives such condition to complete such sale of its equity securities, prior to June 30, 2016. In addition, the Company agreed to pay an increased end of term charge of \$520,000 on the earliest to occur of February 1, 2017, or when the loan is paid in full or matures. In connection with Amendment No.3, the Company and Subsidiary granted a security interest in their intellectual property to Hercules, as more fully described below. In addition, in connection with Amendment No.3, the Company issued Hercules warrants to purchase shares of the Company’s common stock, par value \$0.0001 per share (the “*Common Stock*”), as more fully described below.

Warrant Agreement

On June 13, 2016, in connection with Amendment No.3, the Company entered into a Warrant Agreement, pursuant to which the Company issued Hercules warrants to purchase up to the number of shares of Common Stock equal to \$182,399.30, divided by (i) the lowest effective price per share, determined on a common stock-equivalent basis, for which the Company’s equity securities are sold and issued by the Company in an equity financing in which the Company receives unrestricted aggregate gross cash proceeds of at least \$7.5 million, subject to adjustment from time to time in accordance with the terms of the warrant agreement, or (ii) if such equity financing shall not have been consummated on or before July 30, 2016, or if, prior to the consummation of such equity financing, there shall be a transaction involving a change of control or a dissolution, liquidation or winding-up of the Company, then the closing price of a share of Common Stock on June 13, 2016, subject to adjustment thereafter from time to time in accordance with the terms of the warrant agreement. The warrants are immediately exercisable and have a five year term. The warrants may also be exercised on a cashless basis according to the formula set forth in the warrant agreement. The exercise price of the warrants and the number of shares issuable upon exercise of the warrants are subject to adjustments for stock splits, combinations or similar events. Upon the occurrence of a transaction involving a change of control in which the consideration is either all cash or securities that are either registered for sale on an exchange or quotation system or otherwise unrestricted, the warrants, to the extent not previously exercised, may be exchanged, at the holder’s request, for the consideration the holder would have received as if it had exercised the warrants immediately prior to the change of control. For all other changes of control, the warrants will be assumed by the successor or surviving entity with similar rights to the warrants, and thereafter the warrant shall be exercisable for the same number and type of securities or other property as if the warrants had been exercised in full immediately prior to the change of control. To the extent this warrant is not previously exercised, and if the then-current fair market value of one share of Common Stock is greater than the exercise price then in effect, or, in the case of a transaction involving a change of control in which the consideration is either all cash or securities that are either registered for sale on an exchange or quotation system or otherwise unrestricted, where the value per share of Common Stock (as determined as of the closing of such transaction) to be paid to the holders thereof is greater than the exercise price then in effect, the warrant shall be deemed automatically exercised via cashless exercise as of immediately before its expiration.

The warrant agreement provides a piggyback registration rights to Hercules for the shares of Common Stock underlying the warrants.

Security Documents

On June 13, 2016, each of the Company and Subsidiary entered into an intellectual property security agreement with Hercules (collectively, the “**IP Security Agreements**”) in order to grant a security interest in and general lien upon the Company’s and Subsidiary’s intellectual property to secure the Company and Subsidiary’s obligations under the Loan and Security Agreement, as amended.

On June 13, 2016, Subsidiary and Hercules amended the Fixed Charge Debenture and the Floating Charge Debenture which were issued in connection with the Loan and Security Agreement (collectively, the “**Debentures**”) to include, among other things, the Company’s and Subsidiary’s intellectual property and Subsidiary’s accounts receivables as additional property to secure the Company’s obligations under the Debentures subject to a first priority perfected security interest granted under the Debentures.

The foregoing summaries of Amendment No.3, the warrant agreement, the IP Security Agreements and the amendments to the Debentures are not complete, and are qualified in their entirety by reference to the full text of the agreements, copies of which are to be filed as exhibits to this Current Report on Form 8-K.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information required by this Item 2.03 is contained in Item 1.01 and is incorporated by reference herein.

Item 3.02. Unregistered Sales of Equity Securities.

The information required by this Item 3.02 is contained in Item 1.01 and is incorporated by reference herein. The issuance of the Warrant was exempt from the requirements of the Securities Act of 1933, as amended, pursuant to an exemption provided by Section 4(a)(2) thereof and Rule 506(b) of Regulation D thereunder as transactions by an issuer not involving a public offering..

Item 8.01 Other Events.

On June 14, 2016, the Company issued a press release announcing the restructuring of the term loan. A copy of this press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
10.1	Amendment No.1 to Loan and Security Agreement, dated November 19, 2013, by and among InspireMD, Inc., Inspire M.D Ltd and Hercules Technology Growth Capital, Inc.
10.2	Amendment No.2 to Loan and Security Agreement, dated July 23, 2014, by and among InspireMD, Inc., Inspire M.D Ltd and Hercules Technology Growth Capital, Inc.
10.3	Amendment No.3 to Loan and Security Agreement, dated June 13, 2016, by and among InspireMD, Inc., Inspire M.D Ltd and Hercules Capital, Inc.
10.4	Amendment to Debenture of Fixed Charge, dated June 13, 2016, by and between Inspire M.D Ltd and Hercules Capital, Inc.
10.5	Amendment to Debenture of Floating Charge, dated June 13, 2016, by and between Inspire M.D Ltd and Hercules Capital, Inc.
10.6	Warrant Agreement, dated June 13, 2016, by and between InspireMD, Inc. and Hercules Capital, Inc.
10.7	Intellectual Property Security Agreement, dated as of June 13, 2016, by and among InspireMD, Inc., several banks and other financial institutions or entities from time to time parties to the Loan and Security Agreement, and Hercules Capital, Inc., as agent
10.8	Intellectual Property Security Agreement, dated as of June 13, 2016, by and among Inspire M.D. LTD, several banks and other financial institutions or entities from time to time parties to the Loan and Security Agreement, and Hercules Capital, Inc., as agent
99.1	Press release dated June 14, 2016

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: June 14, 2016

By: /s/ Craig Shore

Name: Craig Shore

Title: Chief Financial Officer



November 19, 2013

InspireMD, Inc.
800 Boylston Street, Suite 1600
Boston, MA 02199
Attn: Craig Shore

AMENDMENT NO. 1

Re: Loan and Security Agreement dated as of October 23, 2013 (as may be amended from time to time) by and between InspireMD, Inc. and Inspire M.D LTD (individually and collectively, referred to as "Borrower") and Hercules Technology Growth Capital, Inc. ("Lender") (the "Agreement")

This letter will serve as an amendment by Lender of the requirement set forth in Section 7.1(b) of the Agreement that Borrower deliver to Lender its unaudited interim and year-to-date financial statements as of the end of such calendar quarter within 30 days after the end of each calendar quarter. The reference to "30" days in such Section is hereby replaced with "45" days. Subject to the applicable grace period set forth in Section 9.2 of the Agreement, failure to do so shall result in an Event of Default under the Agreement.

The foregoing amendment is limited to the modification described herein and the Agreement shall otherwise remain unchanged in all respects.

Should you have any questions regarding this amendment No. 1, please do not hesitate to call me at (650) 289-3078.

AGREED AND ACKNOWLEDGED BY:

HERCULES TECHNOLOGY GROWTH CAPITAL, INC.

/s/ Ben Bang

Name: Ben Bang
Title: Senior Counsel

INSPIREMD, INC.

/s/ Craig Shore

Name: Craig Shore
Title: CFO

INSPIRE M.D. LTD.

/s/ Craig Shore

Name: Craig Shore
Title: CFO

400 HAMILTON AVENUE
SUITE 310
PALO ALTO, CA 94301

650.289.3060
650.473.9194
WWW.HERCULESTECH.COM



July 23, 2014

InspireMD, Inc.
800 Boylston Street, Suite 1600
Boston, MA 02199
Attn: Craig Shore

AMENDMENT NO. 2

Re: Loan and Security Agreement dated as of October 23, 2013 (as may be amended from time to time) by and between InspireMD, Inc. and Inspire M.D LTD (individually and collectively, referred to as "Borrower") and Hercules Technology Growth Capital, Inc. ("Lender") (the "Agreement")

This letter will serve as an amendment by Lender of the requirement set forth in Section 7.14 of the Agreement. Section 7.14 is hereby amended and restated as follows:

7.14 Designated Account. Maintain at all times in the Designated Account cash and cash equivalents, which shall be deemed to include (even though not held in the Designated Account) cash collected from Receivables by Inspire M.D Ltd. and InspireM.D GmbH within the previous 7 days, and cash transferred to Inspire M.D Ltd. (outside of the Designated Account) for the settlement of Permitted Indebtedness within the following 7 days, in each unrestricted and unencumbered, in an aggregate amount of at least the lesser of (a) an amount equal to one hundred percent (100.0%) of the then outstanding principal amount of the Term Loan Advance and (b) an amount equal to seventy-five percent (75.0%) of the aggregate amount of all of Borrower's worldwide cash and cash equivalents.

The foregoing amendment is limited to the modification described herein and the Agreement shall otherwise remain unchanged in all respects.

Should you have any questions regarding this amendment No. 2, please do not hesitate to call me at (650) 289-3078.

AGREED AND ACKNOWLEDGED BY:

HERCULES TECHNOLOGY GROWTH CAPITAL, INC.

/s/ Ben Bang

Name: Ben Bang

Title:

INSPIREMD, INC.

/s/ Craig Shore

Name: Craig Shore

Title: CFO

INSPIRE M.D. LTD.

/s/ Craig Shore

Name: Craig Shore

Title: CFO

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AMENDMENT NO. 3 TO LOAN AND SECURITY AGREEMENT

This **AMENDMENT NO. 3 TO LOAN AND SECURITY AGREEMENT** (this “**Amendment**”), is entered into this 13th day of June, 2016, by and among (a) **INSPIREMD, INC.**, a Delaware corporation (“**US Borrower**”), and **INSPIRE M.D LTD**, a company organized under the laws of the State of Israel (“**ISR Borrower**”) (US Borrower and ISR Borrower are hereinafter jointly and severally, individually and collectively, referred to as “**Borrower**”), (b) the several banks and other financial institutions or entities from time to time parties to the Loan Agreement (defined below; collectively, the “**Lender**”), and (c) **HERCULES CAPITAL, INC.**, f/k/a Hercules Technology Growth Capital, Inc., a Maryland corporation in its capacity as administrative agent for itself and the Lender (in such capacity, the “**Agent**”).

WHEREAS, Borrower and Lender are parties to a certain Loan and Security Agreement, dated as of October 23, 2013, as amended by a certain Amendment No. 1 dated as of November 19, 2013, and as further amended by a certain Amendment No. 2 dated as of July 23, 2014 (as the same may from time to time be further amended, modified or supplemented in accordance with its terms, the “**Loan Agreement**”); and

WHEREAS, in accordance with Section 11.3 of the Loan Agreement, Borrower and Lender desire to amend the Loan Agreement as provided herein.

NOW THEREFORE, in consideration of the mutual agreements contained in the Loan Agreement and herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. **Defined Terms**. Terms not otherwise defined herein which are defined in the Loan Agreement shall have the same respective meanings herein as therein.

2. **Amendments to Loan Agreement**. Subject to the satisfaction of the conditions set forth in Section 3 of this Amendment, the Loan Agreement is hereby amended as follows:

A. **Section 1.1 (Definitions and Rules of Construction)**. The following definitions set forth in Section 1.1 of the Loan Agreement shall be amended in their entirety and replaced with the following:

“**Term Loan Maturity Date**” means (a) if the Interest Only Period Extension Event does not occur on or prior to June 30, 2016, April 1, 2017, and (b) if the Interest Only Period Extension Event occurs on or prior to June 30, 2016, June 1, 2017

“**Warrant**” means the warrant entered into in connection with the Term Loan Advance and any subsequent warrant entered into by US Borrower in favor of Lender.

B. **Section 1.1 (Definitions and Rules of Construction)**. The Loan Agreement is amended by inserting the following new definitions to appear alphabetically in Section 1.1 thereof:

“**2016 Amendment Date**” is June 13, 2016.

“**Equity Event**” means confirmation by Agent and Lender that Borrower has received, after the 2016 Amendment Date, but on or before June 30, 2016, unrestricted and unencumbered net cash proceeds in an amount of at least Ten Million Dollars (\$10,000,000.00) from the issuance and sale by US Borrower of its equity securities with investors acceptable to Lender.

“ **Interest Only Period Extension Event** ” means that (a) the Equity Event has occurred on or prior to June 30, 2016, or (b) Agent and Lender have each elected in writing in their sole discretion to suspend the principal payments otherwise due and payable on July 1, 2016 and August 1, 2016 as set forth in Section 2.1(d).

C. **Section 2.1(d) (Payment of Interest and Principal)**. The Loan Agreement is amended by deleting Section 2.1(d) thereof in its entirety and inserting in lieu thereof the following:

“(d) Payment of Interest and Principal. Borrower will pay interest on the Term Loan Advance on the first (1st) Business Day of each month, beginning on December 2, 2013. Borrower shall repay the aggregate principal balance of the Term Loan Advance that is outstanding on the day immediately preceding the Amortization Date, in equal monthly installments of principal and interest (mortgage style) beginning on the Amortization Date and continuing on the first (1st) Business Day of each month thereafter until the Secured Obligations (other than inchoate indemnity obligations) are repaid. Notwithstanding the foregoing, so long as no Event of Default has occurred and is continuing: (a) the principal payment otherwise due and payable on May 1, 2016 shall be suspended but due and payable in full no later than March 1, 2017, (b) the principal payment otherwise due and payable on June 1, 2016 shall be suspended but due and payable in full no later than April 1, 2017, (c) only if the Interest Only Period Extension Event has occurred on or prior to June 30, 2016, the principal payment otherwise due and payable on July 1, 2016 shall be suspended but due and payable in full no later than May 1, 2017, and (d) only if the Interest Only Period Extension Event has occurred on or prior to June 30, 2016, the principal payment otherwise due and payable on August 1, 2016 shall be suspended but due and payable in full no later than June 1, 2017. The entire principal balance of the Term Loan Advance and all accrued but unpaid interest hereunder, and all other Secured Obligations with respect to the Term Loan Advance, shall be due and payable on the Term Loan Maturity Date. Borrower shall make all payments under this Agreement without setoff, recoupment or deduction and regardless of any counterclaim or defense. Lender will initiate debit entries to Borrower’s account as authorized on the ACH Authorization (i) on each payment date of all periodic obligations payable to Lender under the Term Advance and (ii) out-of-pocket legal fees and costs incurred by Agent or Lender in connection with Section 11.11 of this Agreement. Once repaid, the Term Loan Advance or any portion thereof may not be reborrowed.”

D. **Section 2.5 (End of Term Charge)**. The Loan Agreement is amended by deleting the first sentence of Section 2.5 thereof in its entirety and inserting in lieu thereof the following:

“On the earliest to occur of (i) February 1, 2017, (ii) the date that Borrower prepays the outstanding Secured Obligations, or (iii) the date that the Secured Obligations otherwise become due and payable in accordance with the terms of this Agreement, Borrower shall pay Lender a charge equal to Five Hundred Twenty Thousand Dollars (\$520,000) (the “ **End of Term Charge** ”).”

E. **Section 3 (Security Interest)**. The Loan Agreement is amended by deleting Section 3.1 thereof and its entirety and inserting in lieu thereof the following:

“ **3.1** As security for the prompt and complete payment when due (whether on the payment dates or otherwise) of all the Secured Obligations, Borrower grants to Agent and to Lender a security interest in all of Borrower’s right, title, and interest in and to the following personal property whether now owned or hereafter acquired (collectively, the “ **Collateral** ”): (a) Receivables; (b) Equipment; (c) Fixtures; (d) General Intangibles; (e) Inventory; (f) Investment Property (but excluding thirty-five percent (35%) of the capital stock of any foreign Subsidiary that constitutes a Permitted Investment, but including all of the capital stock in ISR Borrower); (g) Deposit Accounts; (h) Cash (including, without limitation, all cash and liquid funds); (i) Goods; and all other tangible and intangible personal property of Borrower whether now or hereafter owned or existing, leased, consigned by or to, or acquired by, Borrower and wherever located, and any of Borrower’s property in the possession or under the control of Agent; and, to the extent not otherwise included, all Proceeds of each of the foregoing and all accessions to, substitutions and replacements for, and rents, profits and products of each of the foregoing.”

- F. **Section 12 (Agency)** . The Loan Agreement is amended by inserting therein the following new Section 12, immediately following Section 11 thereof:

“ **12. AGENCY**

12.1 Lender hereby irrevocably appoints Hercules Capital, Inc. to act on its behalf as the administrative agent for itself and the Lender (in such capacity, the “ **Agent** ”) hereunder and under the other Loan Documents and authorizes the Agent to take such actions on its behalf and to exercise such powers as are delegated to the Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto.”

3. **Conditions to Effectiveness** . Lender and Borrower agree that this Amendment shall become effective upon the satisfaction of the following conditions precedent, each in form and substance satisfactory to Lender:

- (a) Lender shall have received a fully-executed counterpart of this Amendment signed by Borrower;
- (b) As of the 2016 Amendment Date, no fact or condition exists that would (or would, with the passage of time, the giving of notice, or both) constitute an Event of Default; and
- (c) Lender shall have received payment for all fees and expenses incurred by Lender in connection with this Amendment, including, but not limited to, all legal fees and expenses.

4. **Representations and Warranties** . The Borrower hereby represents and warrants to Lender as follows:

(a) **Representations and Warranties in the Agreement** . The representations and warranties of Borrower set forth in Section 5 of the Loan Agreement are true and correct in all material respects on and as of the Effective Date with the same effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date.

(b) **Authority, Etc.** . The execution and delivery by Borrower of this Amendment and the performance by Borrower of all of its agreements and obligations under the Loan Agreement and the other Loan Documents, as amended hereby, are within the corporate authority of Borrower and have been duly authorized by all necessary corporate action on the part of Borrower. With respect to Borrower, the execution and delivery by Borrower of this Amendment does not and will not require any registration with, consent or approval of, or notice to any Person (including any governmental authority).

(c) **Enforceability of Obligations** . This Amendment, the Loan Agreement and the other Loan Documents, as amended hereby, constitute the legal, valid and binding obligations of Borrower enforceable against Borrower in accordance with their terms, except as enforceability is limited by bankruptcy, insolvency, reorganization, moratorium, general equitable principles or other laws relating to or affecting generally the enforcement of, creditors’ rights and except to the extent that availability of the remedy of specific performance or injunctive relief is subject to the discretion of the court before which any proceeding therefor may be brought.

(d) **No Default**. Before and after giving effect to this Amendment (i) no fact or condition exists that would (or would, with the passage of time, the giving of notice, or both) constitute an Event of Default, and (ii) no event that has had or could reasonably be expected to have a Material Adverse Effect has occurred and is continuing.

5. **Reaffirmations**. Except as expressly provided in this Amendment, all of the terms and conditions of the Loan Agreement and the other Loan Documents remain in full force and effect. Nothing contained in this Amendment shall in any way prejudice, impair or effect any rights or remedies of Lender under the Loan Agreement and the other Loan Documents. Except as specifically amended hereby, Borrower hereby ratifies, confirms, and reaffirms all covenants contained in the Loan Agreement and the other Loan Documents. The Loan Agreement, together with this Amendment, shall be read and construed as a single agreement. All references in the Loan Documents to the Loan Agreement or any other Loan Document shall hereafter refer to the Loan Agreement or any other Loan Document as amended hereby.

6. **Execution in Counterparts**. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but which together shall constitute one instrument.

7. **Miscellaneous**.

(a) THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF CALIFORNIA, EXCLUDING CONFLICT OF LAWS PRINCIPLES THAT WOULD CAUSE THE APPLICATION OF LAWS OF ANY OTHER JURISDICTION.

(b) The captions in this Amendment are for convenience of reference only and shall not define or limit the provisions hereof.

(c) This Amendment expresses the entire understanding of the parties with respect to the transactions contemplated hereby. No prior negotiations or discussions shall limit, modify, or otherwise affect the provisions hereof.

(d) Any determination that any provision of this Amendment or any application hereof is invalid, illegal or unenforceable in any respect and in any instance shall not affect the validity, legality, or enforceability of such provision in any other instance, or the validity, legality or enforceability of any other provisions of this Amendment.

[*Remainder of this page intentionally left blank*]

IN WITNESS WHEREOF, Agent, Borrower and Lender have duly executed and delivered this Amendment as of the day and year first above written.

BORROWER:

INSPIREMD, INC.

By: /s/ Craig Shore
Name: Craig Shore
Its: CFO

INSPIRE M.D LTD

By: /s/ Craig Shore
Name: Craig Shore
Its: CFO

Accepted in Palo Alto, California:

AGENT:

HERCULES CAPITAL, INC.

By: /s/ Ben Bang
Name: Ben Bang
Its: Associate General Counsel

LENDER:

HERCULES CAPITAL, INC.

By: /s/ Ben Bang
Name: Ben Bang
Its: Associate General Counsel

AMENDMENT TO DEBENTURE OF FIXED CHARGE

This amendment (the “**Amendment**”) to the Debenture of Fixed Charge dated October 23, 2013, as amended, modified, restated, replaced or supplemented and as may be further amended, modified, restated, replaced or supplemented from time to time in accordance with its terms (the “**Debenture**”) is made as of June 13, 2016 by and among **Inspire M.D Ltd.**, a limited liability company organised and existing under the laws of the State of Israel with its registered office at 4 Menorat Hamaor St., Tel Aviv, 6744831, Israel, company number 51-367943-1 (the “**Pledgor**”), and **Hercules Capital, Inc.**, a Maryland corporation with its registered office at 400 Hamilton Avenue, Suite 310, Palo Alto, California 94301 (the “**Lender**”) and Hercules Capital, Inc., a Maryland corporation with its registered office at 400 Hamilton Avenue, Suite 310, Palo Alto, California 94301 in its capacity as administrative agent for itself and the Lenders under the Loan Agreement (in such capacity, the “**Agent**”). All terms capitalized and not otherwise defined hereunder shall have the meanings assigned to such terms under the Debenture.

WHEREAS, the Lender, the Pledgor and the its parent company **InspireMD, Inc.** have entered into that certain loan arrangement dated as of October 23, 2013, evidenced by, among other documents, a certain Loan and Security Agreement dated as of October 23, 2013 (hereinafter, as may be amended, restated, replaced or supplemented from time to time in accordance with its terms, and together with the Loan Documents (as defined thereunder), collectively, the “**Loan Agreement**”) and in connection with that Loan Agreement, the Pledgor and the Lender wish to amend the provisions of the Debenture as set forth herein.

NOW THEREFORE, the Parties agree as follows:

1. Description of Change in Terms:

A. The first paragraph of the preamble shall be replaced in its entirety with the following:

“WHEREAS, the undersigned, **Inspire M.D Ltd**, a limited liability company organised and existing under the laws of the State of Israel with its registered office at 4 Menorat Hamaor St., Tel Aviv, 6744831, Israel (hereinafter: the “**Pledgor**”), intends to receive, jointly and severally with its parent company, **InspireMD, Inc.** (hereinafter: the “**Parent**”) from several banks and other financial institutions or entities from time to time parties to the Loan Agreement (as defined below) (collectively, the “**Lender**”), including Hercules Capital, Inc., a Maryland corporation with its registered office at 400 Hamilton Avenue, Suite 310, Palo Alto, California 94301 in its capacity as administrative agent for itself and the Lenders (in such capacity, the “**Agent**”), a loan or loans, for such purpose and on such conditions as specified in the provisions of that certain Loan and Security Agreement entered into between and among the Lenders, the Pledgor and the Parent on October 23rd, 2013, as amended from time to time (hereinafter, as may be amended, restated, replaced or supplemented from time to time in accordance with its terms, and together with the Loan Documents (as defined thereunder), collectively, the “**Loan Agreement**”);”

B. Section 2 of the Debenture shall be replaced in its entirety with the following:

" 2. As collateral security for the full and punctual payment of all of the Secured Sums (whether at stated maturity, acceleration or otherwise), and without derogating from any other security, the Pledgor hereby absolutely and unconditionally charges and pledges to the Lender and its successors by way of a first ranking fixed charge and pledge, and by an assignment by way of pledge, as applicable, (A) (i) all Pledgor's rights to receive funds from its customers listed under Appendix A attached hereto (the "**Customers List**"), and (ii) each outstanding account as specified in Appendix B attached hereto (the "**Pledged Accounts**"), and (B) all Pledgor's rights, whether now existing or thereafter created (i) in and to all copyright rights, copyright applications, copyright registrations and like protections in each work of authorship and derivative work thereof, whether published or unpublished, and whether or not the same also constitutes a trade secret, now or hereafter existing, created, acquired or held ("**Copyrights**"), including without limitation as specified in Appendix C attached hereto; (ii) in and to all patents, patent applications and like protections, including without limitation improvements, divisions, continuations, renewals, reissues, extensions, and continuations-in-part of the same ("**Patents**"), including without limitation as specified in Appendix D attached hereto; (iii) in and to all trademark and service mark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Pledgor connected with and symbolized by such trademarks ("**Trademarks**"), including without limitation as specified in Appendix E attached hereto; (iv) in and to all mask works or similar rights available for the protection of semiconductor chips, now owned or hereafter acquired ("**Mask Works**"), including, without limitation as specified in Appendix F; (v) in and to all trade secrets and trade secret rights, including, without limitation, any rights to unpatented inventions, know-how, operating manuals; (vi) in and to all source code; (vii) in and to all design rights; (viii) in and to all claims for damages by way of past, present and future infringement of any of the foregoing, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the intellectual property rights identified above; and (ix) in and to all trade secrets, and any and all intellectual property rights in computer software and computer software products now or hereafter existing, created, acquired or held; (x) in and to all amendments, renewals and extensions of any of the Copyrights, Trademarks, Patents and Mask Works; in all cases whether now owned or hereafter acquired by Pledgor; (xi) in and to all licenses or other rights to use any of the Copyrights, Patents, Trademarks, or Mask Works and all license fees and royalties arising from such use to the extent permitted by such license or rights; (xii) to all proceeds and products of the foregoing, including, without limitation, all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing; and (C) all the fixed assets listed under Appendix G (the "**Equipment List**") (hereinafter (A), (B) and (C), jointly and severally, the "**Charged Property**").

It is hereby agreed and acknowledged that the description of the Charged Property, including without limitations, the Customers List, Pledged Accounts, Copyrights, Patents, Trademarks, Mask Works and Equipment List, shall be amended and updated from time to time by the Pledgor, in accordance with the provisions hereof and the provisions of the Loan Agreement."

C. The following shall be added as Section 33 of the Debenture:

" **AGENCY**

33. Lenders hereby irrevocably appoints Hercules Capital, Inc. to act on their behalf as the administrative agent for itself and the Lenders (in such capacity, the "Agent") hereunder and authorizes the Agent to take such actions on its behalf and to exercise such powers as are delegated to the Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. It is hereby noted that all rights granted herein to the Lender shall be deemed as granted to the Agent for the ratable benefit of the Lenders."

2. The above mentioned Appendixes shall be attached hereto as integral part hereof and as integral part of the Debenture.

3. Except as specifically set forth herein, none of the terms of the Debenture shall be in any way modified by this Amendment, and all such terms and conditions shall remain in full force and effect.
4. This Addendum is made in accordance with Section 29 of the Debenture, and constitutes (together with any appendix attached hereof) an integral part thereof.

- SIGNATURE PAGE FOLLOWS -

IN WITNESS WHEREOF, the parties have caused this Amendment to be signed on the date first above written.

/s/ Ben Bang
HERCULES CAPITAL, INC. [also in its capacity as Agent]
By: Ben Bang
Title: Associate General Counsel

/s/ Craig Shore
INSPIRE M.D LTD
By: Craig Shore
Title: CFO

Appendix A
Customers List

<u>Company</u>	<u>Country</u>
CMS Produtos Medicos Ltda (OLD)	Brazil
Dispomed Promet	Croatia
Medreto OU	Estonia
Dr. Osypka GmbH	Germany
Tzamal Jakobsohn Ltd	Israel
KIRLOSKAR TECHNOLOGIES (P) LTD	India
Euromed GmbH	Austria
Sigma Medical B.V.	Netherlands
Bosti Trading Ltd.	Cyprus
Dream Technology L.P.	United Kingdom
Charles de Giorgio Ltd.	Malta
Premier G. Med Cardio Ltd	Hungary
Torque Medical	South Africa
Stimcare	Czech Republic
Fortimed	Spain
Grex Medical Oy	Finland
Tecmed SRL	Romania
Vascular Perspectives Ltd	United Kingdom
Meliora Medtech AB	Sweden
Inselspital Bern	Switzerland
Hospital Fribourgeois	Switzerland
Chi Le Raincy Montfermeil	France
Groupe Hospitalier Mutualiste	France
CHUV	Switzerland
Bay Medical Pty Ltd	Australia
CENTRE HOSPITALIER D AVIGNON	France
GlobalMed a.s.	Slovakia
Universitätsmedizin Rostock	Germany
CMS Chile	Chile
CHU Besancon (not active)	France
CH Haguenau	France
PLN Szpital Uniwersytecki w Krakowie	Poland
Katedra i Klinika Kardiologii Uniwersytetu Medyc	Poland
University Hospitals Southampton NHS Foundation	United Kingdom
Vingmed AS. Norway	Norway
KAUF Klinikum Fulda gAG	Germany
Clinique Pasteur	France
SLK Kliniken Heilbronn GmbH	Germany
Centre Hospitalier de la region Annecienne	France
Charite - Universitätsmedizin Berlin - CVK	Germany
Kardiologische Praxis Prof. Dr. Silber	Germany

Institut Jacques Cartier	France
HJK Erkelenz/Am Schneller	Germany
Centre Hospitalier de LA CAVALE BLANCHE	France
CHU Jean Minjoz Besancon	France
SPZOZ, Pracownia Hemodynamiki	Poland
Waldkrankenhaus	Germany
SAS CLINIQUE GENERALE DE MARIGNANE	France
Antwerp Cardiovascular Institute, AZ Middelheim	Belgium
G.C.S. Cardio CHRA	France
Krakowskie Centrum Kardiologii	Poland
CHU Gabriel Montpied	France
Clinique Saint-Vincent	France
Sana-Herzzentrum Cottbus GmbH	Germany
Herzzentrum Dresden GmbH	Germany
Cardiology Associates of North MS/Research, LLC	United States
SIA Scanmed	Latvia
CARDIO MEDICAL D.O.O.	Slovenia
Unfallkrankenhaus Berlin	Germany
Vingmed Sweden	Sweden
polyclinique des fleurs	France
Medilex Limited	Ireland
Hopital Claude Galien ICPS	France
Sz.P. Wieslaw Mazurek	Poland
Hopital haut leveque-CHU de Bordeaux	France
CHU de Toulouse hopital de Rangueil	France
Kardia	Italy
Uniwersytecki Szpital Kliniczny	Poland
Avidal Group GMBH	Germany
JSC Medikamentu tinklas Co.	Lithuania
HELIOS Klinikum Aue	Germany
Uniwersyteckie Centrum Kliniczne	Poland
Wojskowym Instytutem Medycznym	Poland
Izasa Hospital SLU	Spain
Uniwersytetu Medycznego w Lodzi	Poland
Klinika Kardiologii i Angiologii Interwencyjnej	Poland
Charite Universitätsklinikum Berlin Campus Virch	Germany
Charite Universitätsklinikum Berlin Campus Benja	Germany
Cardiff University Hospitals	United Kingdom
Sheffield Teaching Hospitals	United Kingdom
Universitätsklinikum Magdeburg A.o.R.	Germany
Petr Jerabek	Czech Republic
Jan Winten	Belgium
Christopher MacLeod	United Kingdom
Miki Olsher	Israel
Stephane Viney	France
Viviane Barbieri	Brazil

Dominika Chudzik	Poland
Eduard Kasper	Germany
Paul Jeffers	United Kingdom
Jane Bettoni	Italy
Sieglinde Reik-Lingen	Germany
Piet van den Bosch	Netherlands
Juan Rigla	Spain
Kim Vandeweyer	Belgium
Rick Olson	United Kingdom
Pavel Minkov	Israel
Ralph Essers	Netherlands
Jens Ten Doornkaat	Germany
Giancarlo Fasulo	Italy
TIP Profiles Karolina Mendocha	Poland
Augusta-Krankenhaus VKKD	Germany
Logis-Med Sp. Zo.o.	Poland
VASMO Medical Group	Poland
Centre Hospitalier St. Joseph et st Luc 2	France
Avidal Group GMBH as Agent	Germany
Klinikum Stadt Soest	Germany
Herz- und Diabeteszentrum NRW	Germany
Manchester Royal Infirmary	United Kingdom
Austro Line d.o.o.	Monaco
I.R.C.C.S. Policlinico San Donato	Italy
Azienda ULSS 13 MIRANO Regione Veneta	Italy
Hairmyres NHS Trust OCT	United Kingdom
Sheba Medical Center	Israel
Stefano Cova	Italy
Herzkllinik Dres Harer	Germany
Sunderland Hospital	United Kingdom
CARDIO MEDICAL SALES L.P.	Lithuania
Nathalie Barthelemy	France
MCZ-Hemodynamika	Poland
Kaster Srl	Italy
Norfolk and Norwich University Hospital- OCT	United Kingdom
Morrison Hospital- OCT	United Kingdom
Papworth Hospital NHS Foundation Trust- OCT	United Kingdom
University Hospitals of South Manchester- OCT	United Kingdom
Hairmyres NHS Trust	United Kingdom
Freeman Hospital	United Kingdom
SAMODZIELNY PUBLICZNY ZOZ WOJE	Poland
Shaare Zedek Medical Center	Israel
מ"עבשירא	Israel
CROSSMED S.r.l.	Italy
Carlos Haya Hospital	Spain
LMR A.O.U. Citta delta Salute e della	Italy

LMR Ospedale Policlinico Santa Maria
Cyvital Enterprises Limited
Piotr Musialek
ULSS 13 Mirano - Presidio de Mirano - LMR
Pauls Stradins Clinical University Hospital -LMR
VIDE BULA
E-Symbion SRL
ProCardia Medical Sp. z o.o.
Carmel Medical Center
Prof. Schofer
Rothschild Hospital
CHU Grenoble
INMED Com. de Mat. Hosp. Ltda
INTUIT
TECNOMEDICAL
Somma Produtos Hospitalares LTDA
Penumbra Europe GmbH
Endovix
The Queen Elizabeth University Hospital
SUPRI Medical and Hospital Devices Ltda
WORLD MEDICAL S.A.S.
Importadora y Exportadora CAMIR LTDA
Pro Gem
Osypka AG
Barts and The London NHS Trust
Med-All International
Mediscape
Angiocor S.A.
Svelte Medical Systems, Inc.
EURO MEKO
QUALIMED
BCH
Natec Medical Ltd.
Cardiovascular Interventional Concepts (CIC)
LEVBETH MEDICAL SA DE CV
MedlineS Kft.
KEBOMED AS
Endo Tech s.r.o

Italy
Cyprus
Poland
Italy
Latvia
Brazil
Romania
Poland
Israel
Poland
France
France
Brazil
Brazil
Brazil
Brazil
Germany
Brazil
United Kingdom
Brazil
Colombia
Chile
Slovenia
Germany
United Kingdom
Germany
Malaysia
Argentina
United States
Germany
Germany
Canada
Mauritius
Brazil
Mexico
Hungary
Denmark
Czech Republic

[END OF EXHIBIT A]

Appendix B
Pledged Accounts

Det Trial Bal: Acct Curr & USD
6/8/2016

Curr	Account No.	Account Description	Balance (ILS)	Bal (USD)	Bal (Acct Curr)	Curr
1**.ASSETS						
10*.CURRENT ASSETS						
104.Accounts Receivable- Clients						
	100021	Tzamal Jakobsohn Ltd	243,941.71	64,338.97		
Total			243,941.71	64,338.97	0	
CHF	100068	CHUV	3,746.60	996.17	963.36	CHF
Total			3,746.60	996.17	963.36	CHF
EUR	100015	Medreto OU	1,711.52	453.98	400	EUR
	100036	Bosti Trading Ltd.	-31,014.72	-8,246.40	-7,260.51	EUR
	100054	Torque Medical	-137.76	-17.98		EUR
	100057	GreX Medical Oy	-427.17	-113.58	-100	EUR
	100058	Tecmed SRL	22,499.75	5,929.17	5,250.00	EUR
	100071	GlobalMed a.s.	30,772.13	8,093.11	7,145.00	EUR
	100097	Institut Jacques Cartier	5,094.19	1,347.06	1,185.78	EUR
	100121	G.C.S. Cardio CHRA	9,256.31	2,467.07	2,171.56	EUR
	100137	polyclinique des fleurs	-115.81	-30.79	-27.11	EUR
	100139	Hopital Claude Galien ICPS	4,210.96	1,119.64	985.78	EUR
	100142	Hopital haut leveque-CHU de Bordeaux	4,168.82	1,119.50	985.78	EUR
	100144	Kardia	67,940.45	18,064.46	15,904.78	EUR
	100146	Avidal Group GMBH	80,372.52	20,931.35	18,700.00	EUR
	100159	Izasa Hospital SLU	108,984.02	28,689.59	25,320.00	EUR
	100229	Centre Hospitalier St. Joseph et st Luc 2	2,121.10	560.55	492.89	EUR
	100230	Avidal Group GMBH as Agent	2,801.51	716.5	658.45	EUR
	100249	Kaster Srl	124,500.75	33,366.48	29,150.00	EUR
	100262	CROSSMED S.r.l.	118,126.56	30,948.36	27,360.00	EUR
	100266	Cyvital Enterprises Limited	6,806.32	1,820.58	1,600.00	EUR
	100293	MedlineS Kft.	-3,359.23	-736.02	-786.53	EUR
	100295	Endo Tech s.r.o	-59.9	-14.42		EUR
Total			554,252.32	146,468.21	129,135.87	EUR
GBP	100254	Hairmyres NHS Trust	118.43	31.49	21.59	GBP
	100255	Freeman Hospital	-3,250.20	-831.25	-600	GBP
	100297	Asteral Services Ltd	428.05	114.24	78	GBP
Total			-2,703.72	-685.52	-500.41	GBP
PLN	100227	Logis-Med Sp. Z o.o.	-7,209.62	-1,843.89	-7,250.00	PLN
Total			-7,209.62	-1,843.89	-7,250.00	PLN
USD	100050	Temp USD	-165.48	-44	-44	USD
	100129	SIA Scanmed	31,451.49	8,237.50	8,237.50	USD
	100243	CARDIO MEDICAL SALES L.P	525,895.00	134,500.00	134,500.00	USD
	100285	Penumbra Europe GmbH	132,652.31	30,615.00	30,615.00	USD
	100288	SUPRI Medical and Hospital Devices Ltda	-166.95	0		USD
	100291	Cardiovascular Interventional Concepts (CIC)	133	0		USD
	100292	LEVBETH MEDICAL SA DE CV	4,270.20	0		USD
	100294	KEBOMED AS	43,968.65	11,000.00	11,000.00	USD
	207136	provision for returns	75.22	20	20	USD
	300023	Angiocor S.A	102,527.00	27,000.00	27,000.00	USD
Total			840,640.44	211,328.50	211,328.50	USD
105.Accounts Receivable- Doubtful						
EUR	100027	Novalab France	266,498.55	70,858.43	62,387.00	EUR
	100028	Euromed Deutschland GmbH	748,246.48	198,948.81	175,163.63	EUR
	100029	Euromed GmbH	23,921.52	6,360.41	5,600.00	EUR
	100034	Slainte Solutions Ltd	62,443.71	16,602.95	14,618.00	EUR
	101111	Provision for bad debts Euro	-1,101,239.86	-292,805.07	-257,798.97	EUR
Total			-129.6	-34.47	-30.34	EUR
GBP	100190	Cardiff University Hospitals	3,016.86	802.14	550	GBP
	101112	Provision for bad debts GBP	-3,016.86	-802.14	-550	GBP
Total			0	0	0	GBP
USD	100273	E-Symbion SRL	18,924.14	5,021.00	5,021.00	USD
	101113	Provision for bad debts \$	-18,883.98	-5,021.00	-5,021.00	USD

Total	40.16	0	0 USD
TOTAL	1,632,578.29	420,567.97	USD

Appendix C
Copyrights

None.

Appendix D
Patents

<u>Description</u>	<u>Registration/ Application Number (Country)</u>	<u>Registration/ Application Date</u>
Optimized Stent Jacket	198,665 (IL)	Nov. 21, 2007; issued May 28, 2014
Optimized Stent Jacket	ZL200780043259.2 (CN)	Nov. 21, 2007; issued Jan. 2, 2013
Optimized Drug-Eluting Stent Assembly	9,132,003 (US); 14/314,777	June 24, 2014; issued Jan. 2, 2013
Optimized Stent Jacket	ZL201210454357.8 (CN)	Nov. 13, 2013; issued Dec. 9, 2015
Bifurcated Stent Assemblies	198,188 (IL)	Oct. 18, 2007; issued May 1, 2014
<i>In Vivo</i> Filter Assembly	8,043,323 (US); 11/582,354	Oct. 18, 2006; issued Oct. 25, 2011
Bifurcated Stent Assemblies	8,961,586 (US); 11/797,168	May 1, 2007; issued Feb. 24, 2015
<i>In Vivo</i> Filter Assembly	9,132,261 (US); 13/237,977	Sept. 21, 2011; issued Sept. 15, 2015
Bifurcated Stent Assemblies	ZL200780046676.2 (CN)	Issued Sept. 26, 2012
Stent Apparatuses For Treatment Via Body Lumens And Methods Of Use	2,609,687 (CA)	May 24, 2006; issued April 22, 2014
Stent Apparatuses For Treatment Via Body Lumens And Methods Of Use	2,843,097 (CA)	Feb. 20, 2014; issued Oct. 27, 2015
Stent Apparatuses For Treatment Via Body Lumens And Methods Of Use	2007/10751 (ZA)	Issued Oct. 27, 2010
Filter Assemblies	198189 (IL)	Oct. 18, 2007; issued Mar. 27, 2014

Filter Assemblies	2,666,712 (CA)	Oct. 18, 2007; issued Mar. 31, 2015
Filter Assemblies	ZL200780046659.9 (CN)	Oct. 18, 2007; issued Mar. 31, 2015
Filter Assemblies	201210119132.7 (CN)	Oct. 18, 2007
Knitted Stent Jackets	198190 (IL)	Oct. 18, 2007; issued Feb. 1, 2014
Knitted Stent Jackets	ZL200780046697.4 (CN)	Issued Oct. 10, 2012; expires Oct. 17, 2027
Knitted Stent Jackets	2,666,728 (CA)	Oct. 18, 2007; issued June 23, 2015
Knitted Stent Jackets	ZL201210320950.3 (CN)	Oct. 18, 2007; issued Dec. 2, 2015
Stent with Sheath and Metal Wire	14/315,001 (US); 2014/0309723	June 25, 2014
Stent with Sheath and Metal Wire and Methods	14/705,871 (US); 2015/0230953	May 6, 2015
Optimized Stent Jacket	12/791,008 (US); 2010/0241214	June 1, 2010
Intravascular Aneurysm Treatment Device And Methods	14/935,339 (US); 2016/0058589	Nov. 6, 2015
Optimized Stent Jacket	07827415.6 (EP); EP2088962 A4	Nov. 21, 2007
Optimized Stent Jacket	230922 (IL)	Feb. 11, 2014
Optimized Stent Jacket	2,670,724 (CA)	Nov. 21, 2007
Optimized Stent Jacket	4008/DELNP/2009 (IN)	Nov. 21, 2007
Optimized Drug-Eluting Stent Assembly	14/851,882 (US); 2015/0374519	Sept. 11, 2015
Bifurcated Stent Assemblies	3113/DELNP/2009 (IN)	Oct. 18, 2007
Stent Apparatuses For Treatment Via Body Lumens And Methods Of Use	EP 06745069.2 (EP); EP1885281 A2	May 24, 2006

Stent Apparatuses For Treatment Via Body Lumens And Methods Of Use	11/920,972 (US); 2009/0138070	Nov. 23, 2007
Stent Apparatuses For Treatment Via Body Lumens And Methods Of Use	187516 (IL)	Nov. 20, 2007
Carotid Stent Assembly and Methods for Treatment Via Body Lumens	14/500,759 (US); 2015/0032197	Sept. 29, 2014
Filter Assemblies	EP 2007 827228.3 (EP)	Oct. 18, 2007
Filter Assemblies	12/445,972 (US); 2010/0204772	Apr. 17, 2009
Filter Assemblies	2,881,557 (CA)	Feb. 6, 2015
Filter Assemblies	3114/DELNP/2009 (IN)	Oct. 18, 2007
Knitted Stent Jackets	EP 07827229.1 (EP); EP 2076212 A2	Oct. 18, 2005
Knitted Stent Jackets	12/445,980 (US); 2010/0324651	Apr. 17, 2009
Knitted Stent Jackets	3171/DELNP/2009 (IN)	Oct. 18, 2007
Knitted Stent Jackets	2,887,189 (CA)	Apr. 2, 2015
Stent Thermoforming Apparatus and Methods	14/505,310 (US); 2016/0096308	Oct. 2, 2014
Stent Thermoforming Apparatus and Methods	PCT/IB2015/057367	Sept. 24, 2015
Stent-Mesh Assembly And Methods	14/592,714 (US); 2015/0119971	Jan. 8, 2015
Stent with Sheath and Metal Wire Retainer	13/994,739 (US); 2013/0274858	Dec. 18, 2011
Deformable Tip For Stent Delivery And Methods Of Use	62/290,031 (US)	Feb. 2, 2016

[END OF EXHIBIT D]

Appendix E
Trademarks

<u>Description</u>	<u>Registration/ Application Number (Country)</u>	<u>Registration/ Application Date</u>
CARENET	013399977 (EU)	Mar. 17, 2015
CGUARD	013370978 (EU)	Mar. 26, 2015
INSPIREMD	008642118 (EU)	Apr. 26, 2010
MGUARD	008642175 (EU)	Apr. 26, 2010
MGUARD PRIME	013366141 (EU)	Mar. 12, 2015
MICRONET (Class 10) (Supplemental Registration)	4,721,716 (US); 85/659,900	Apr. 14, 2015
MNP MicroNet Protection Logo	011737699 (EU)	Sept. 9, 2013
CARENET	86/261,697 (US)	Apr. 24, 2014
CGuard	86/364,984 (US)	Aug. 13, 2014
MGUARD PRIME	86/417,711 (US)	Oct. 8, 2014
InspireMD	86/702,932 (US)	July 23, 2015
SmartFit	86/702,941 (US)	July 23, 2015
PVGuard	86/702,984 (US)	July 23, 2015
NGuard	86/702,957 (US)	July 23, 2015
AGuard	86/702,971 (US)	July 23, 2015

Appendix F
Mask Works

None.

Appendix G
Equipment List

Distributed via e-mail.

AMENDMENT TO DEBENTURE OF FLOATING CHARGE

This amendment (the “ **Amendment** ”) to the Debenture of Floating Charge dated October 23, 2013, as amended, modified, restated, replaced or supplemented and as may be further amended, modified, restated, replaced or supplemented from time to time in accordance with its terms (the “ **Debenture** ”) is made as of June 13, 2016 by and among **Inspire M.D Ltd** , a limited liability company organised and existing under the laws of the State of Israel with its registered office at 4 Menorat Hamaor St., Tel Aviv, 6744831, Israel, company number 51-367943-1 (the “ **Pledgor** ”), and **Hercules Capital, Inc.** , a Maryland corporation with its registered office at 400 Hamilton Avenue, Suite 310, Palo Alto, California 94301 (the “ **Lender** ”) and Hercules Capital, Inc., a Maryland corporation with its registered office at 400 Hamilton Avenue, Suite 310, Palo Alto, California 94301 in its capacity as administrative agent for itself and the Lenders under the Loan Agreement (in such capacity, the “ **Agent** ”). All terms capitalized and not otherwise defined hereunder shall have the meanings assigned to such terms under the Debenture.

WHEREAS , the Lender, the Pledgor and the its parent company **InspireMD, Inc.** have entered into that certain loan arrangement dated as of October 23, 2013, evidenced by, among other documents, a certain Loan and Security Agreement dated as of October 23, 2013, (hereinafter, as may be amended, restated, replaced or supplemented from time to time in accordance with its terms, and together with the Loan Documents (as defined thereunder), collectively, the “ **Loan Agreement** ”) and in connection with that Loan Agreement, the Pledgor and the Lender wish to amend the provisions of the Debenture as set forth herein.

NOW THEREFORE , the Parties agree as follows:

1. Description of Change in Terms:

A. The first paragraph of the preamble shall be replaced in its entirety with the following:

“WHEREAS, the undersigned, **Inspire M.D Ltd** , a limited liability company organised and existing under the laws of the State of Israel with its registered office at 4 Menorat Hamaor St., Tel Aviv, 6744831, Israel (hereinafter: the “ **Pledgor** ”), intends to receive, jointly and severally with its parent company, **InspireMD, Inc.** (hereinafter: the “ **Parent** ”) from several banks and other financial institutions or entities from time to time parties to the Loan Agreement (as defined below) (collectively, the “ **Lender** ”), including Hercules Capital, Inc., a Maryland corporation with its registered office at 400 Hamilton Avenue, Suite 310, Palo Alto, California 94301 in its capacity as administrative agent for itself and the Lenders (in such capacity, the “ **Agent** ”), a loan or loans, for such purpose and on such conditions as specified in the provisions of that certain Loan and Security Agreement entered into between and among the Lenders, the Pledgor and the Parent on October 23rd, 2013, as amended from time to time (hereinafter, as may be amended, restated, replaced or supplemented from time to time in accordance with its terms, and together with the Loan Documents (as defined thereunder), collectively, the “ **Loan Agreement** ”);”

B. The first paragraph of Section 2 of the Debenture shall be replaced in its entirety with the following:

“As collateral security for the full and punctual payment of all of the Secured Sums (whether at stated maturity, acceleration or otherwise), and without derogating from any other security, the Pledgor hereby absolutely and unconditionally charges in favour of the Lender and its successors by way of a first ranking floating charge all of the Pledgor's property, assets and rights, now or at any time belonging to or acquired by the Pledgor and the profits and benefits derived therefrom, including without derogating from the generality of the aforementioned, the property, assets and rights set forth below, but excluding in all cases Permitted Liens as long as they exist (as such term is defined in the Loan Agreement) (hereinafter together, the “**Assets Subject to a Floating Charge**”).”

C. The following shall be added as Section 35 of the Debenture:

" **AGENCY**

35. Lenders hereby irrevocably appoints Hercules Capital, Inc. to act on their behalf as the administrative agent for itself and the Lenders (in such capacity, the “Agent”) hereunder and authorizes the Agent to take such actions on its behalf and to exercise such powers as are delegated to the Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. It is hereby noted that all rights granted herein to the Lender shall be deemed as granted to the Agent for the ratable benefit of the Lenders.”

2. The above mentioned Appendix shall be attached hereto as integral part hereof and as integral part of the Debenture.
3. Except as specifically set forth herein, none of the terms of the Debenture shall be in any way modified by this Amendment, and all such terms and conditions shall remain in full force and effect.
4. This Addendum is made in accordance with Section 31 of the Debenture, and constitutes (together with any appendix attached hereof) an integral part thereof.

- SIGNATURE PAGE FOLLOWS -

IN WITNESS WHEREOF, the parties have caused this Amendment to be signed on the date first above written.

/s/ Ben Bang

HERCULES CAPITAL, INC. [also in its capacity as Agent]

By: Ben Bang

Title: Associate General Counsel

/s/ Craig Shore

INSPIRE M.D LTD

By: Craig Shore

Title: CFO

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAWS. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL (WHICH MAY BE COMPANY COUNSEL) REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACT, OR ANY APPLICABLE STATE SECURITIES LAWS.

WARRANT AGREEMENT

To Purchase Shares of the Common Stock of

InspireMD, Inc.

Dated as of June 13, 2016 (the "Effective Date")

WHEREAS, InspireMD, Inc., a Delaware corporation (the "Company") and Inspire M.D Ltd have entered into a certain Amendment No. 3, of even date herewith, to that certain Loan and Security Agreement dated October 23, 2013 (as amended and in effect from time to time, the "Loan Agreement") with Hercules Capital, Inc., a Maryland corporation f/k/a Hercules Technology Growth Capital, Inc. (the "Warrantholder");

WHEREAS, pursuant to the above-mentioned Amendment No. 3 and as additional consideration to the Warrantholder for, among other things, its agreements therein, the Company has agreed to issue to the Warrantholder this Warrant Agreement, evidencing the right to purchase shares of the Company's Common Stock (this "Warrant" or this "Agreement");

NOW, THEREFORE, in consideration of the Warrantholder having executed and delivered the Loan Agreement and provided the financial accommodations contemplated therein, and in consideration of the mutual covenants and agreements contained herein, the Company and Warrantholder agree as follows:

SECTION 1. GRANT OF THE RIGHT TO PURCHASE COMMON STOCK.

(a) For value received, the Company hereby grants to the Warrantholder, and the Warrantholder is entitled, upon the terms and subject to the conditions hereinafter set forth, to subscribe for and purchase, from the Company, up to the number of shares of Common Stock (as defined below) as determined pursuant to Section 1(b) below, at a purchase price per share equal to the Exercise Price (as defined below). The number and Exercise Price of such shares are subject to adjustment as provided in Section 8. As used herein, the following terms shall have the following meanings:

"Act" means the Securities Act of 1933, as amended.

"Charter" means the Company's Certificate of Incorporation or other constitutional document, as may be amended and in effect from time to time.

"Common Stock" means the Company's common stock, \$0.0001 par value per share, as presently constituted under the Charter, and any class and/or series of Company capital stock for or into which such common stock may be converted or exchanged in a reorganization, recapitalization or similar transaction.

“Exercise Price” means the lowest effective price per share, determined on a Common Stock-equivalent basis, for which Qualified Financing Securities are sold and issued by the Company in the Qualified Financing, subject to adjustment from time to time in accordance with the provisions of this Warrant; provided, that if the Qualified Financing shall not have been consummated, for any reason or no reason, on or before July 30, 2016, or if, prior to the consummation of the Qualified Financing, there shall be a Merger Event or a dissolution, liquidation or winding-up of the Company, then the “Exercise Price” from and after such date or as of immediately preceding such Merger Event, dissolution, liquidation or winding-up, as applicable, shall equal the closing price of a share of Common Stock as reported on NYSE MKT (formerly AMEX) for the Effective Date, subject to adjustment thereafter from time to time in accordance with the provisions of this Warrant.

“Liquid Sale” means the closing of a Merger Event in which the consideration received by the Company and/or its stockholders, as applicable, consists solely of cash and/or Marketable Securities.

“Marketable Securities” in connection with a Merger Event means securities meeting all of the following requirements: (i) the issuer thereof is then subject to the reporting requirements of Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and is then current in its filing of all required reports and other information under the Act and the Exchange Act; (ii) the class and series of shares or other security of the issuer that would be received by the Warrantholder in connection with the Merger Event were the Warrantholder to exercise this Warrant on or prior to the closing thereof is then traded on a national securities exchange or over-the-counter market, and (iii) following the closing of such Merger Event, Warrantholder would not be restricted from publicly re-selling all of the issuer’s shares and/or other securities that would be received by Warrantholder in such Merger Event were Warrantholder to exercise this Warrant in full on or prior to the closing of such Merger Event, except to the extent that any such restriction (x) arises solely under federal or state securities laws, rules or regulations, and (y) does not extend beyond six (6) months from the closing of such Merger Event.

“Merger Event” means any of the following: (i) a sale, lease or other transfer of all or substantially all assets of the Company, (ii) any merger or consolidation involving the Company in which the Company is not the surviving entity or in which the outstanding shares of the Company’s capital stock are otherwise converted into or exchanged for shares of capital stock or other securities or property of another entity, or (iii) any sale by holders of the outstanding voting equity securities of the Company in a single transaction or series of related transactions of shares constituting a majority of the outstanding combined voting power of the Company.

“Purchase Price” means, with respect to any exercise of this Warrant, an amount equal to the then-effective Exercise Price multiplied by the number of shares of Common Stock as to which this Warrant is then exercised.

“Qualified Financing” means the offering, sale and issuance by the Company of its equity securities to one or more purchasers in a transaction or series of related transactions the principal purpose of which is a bona fide equity financing of the Company and in which the Company receives unrestricted aggregate gross cash proceeds of at least \$7,500,000.

“Qualified Financing Securities” means the class, series and/or other designation of the Company’s equity securities sold and issued in the Qualified Financing, including, if applicable, units consisting of more than one type of security.

(b) Number of Shares. The number of shares of Common Stock for which this Warrant shall be exercisable shall equal (i) \$182,399.30, divided by (ii) the Exercise Price, subject to adjustment from time to time in accordance with the provisions of this Warrant.

SECTION 2. TERM OF THE AGREEMENT.

The term of this Agreement and the right to purchase Common Stock as granted herein shall commence on the Effective Date and, subject to Section 8(a) below, shall be exercisable for a period ending upon the fifth (5th) anniversary of the Effective Date.

SECTION 3. EXERCISE OF THE PURCHASE RIGHTS.

(a) Exercise. The purchase rights set forth in this Agreement are exercisable by the Warrantholder, in whole or in part, at any time, or from time to time, prior to the expiration of the term set forth in Section 2, by tendering to the Company at its principal office a notice of exercise in the form attached hereto as Exhibit I (the “Notice of Exercise”), duly completed and executed. Promptly upon receipt of the Notice of Exercise and the payment of the Purchase Price in accordance with the terms set forth below, and in no event later than three (3) days thereafter, the Company shall issue to the Warrantholder a certificate for the number of shares of Common Stock purchased and shall execute the acknowledgment of exercise in the form attached hereto as Exhibit II (the “Acknowledgment of Exercise”) indicating the number of shares which remain subject to future purchases under this Warrant, if any.

The Purchase Price may be paid at the Warrantholder’s election either (i) by cash or check, or (ii) by surrender of all or a portion of the Warrant for shares of Common Stock to be exercised under this Agreement and, if applicable, an amended Agreement setting forth the remaining number of shares purchasable hereunder, as determined below (“Net Issuance”). If the Warrantholder elects the Net Issuance method, the Company will issue shares of Common Stock in accordance with the following formula:

$$X = \frac{Y(A-B)}{A}$$

- Where:
- X = the number of shares of Common Stock to be issued to the Warrantholder .
 - Y = the number of shares of Common Stock requested to be exercised under this Agreement.
 - A = the then-current fair market value of one (1) share of Common Stock at the time of exercise.
 - B = the then-effective Exercise Price.

For purposes of the above calculation, the current fair market value of shares of Common Stock shall mean with respect to each share of Common Stock:

(i) at all times when the Common Stock shall be traded on a national securities exchange, inter-dealer quotation system or over-the-counter bulletin board service, the average of the closing prices over a five (5) day period ending three days before the day the current fair market value of the securities is being determined;

(ii) if the exercise is in connection with a Merger Event, the fair market value of a share of Common Stock shall be deemed to be the per share value received by the holders of the outstanding shares of Common Stock pursuant to such Merger Event as determined in accordance with the definitive transaction documents executed among the parties in connection therewith; or

(iii) in cases other than as described in the foregoing clauses (i) and (ii), the current fair market value of a share of Common Stock shall be determined in good faith by the Company's Board of Directors.

Upon partial exercise by either cash or, upon request by the Warrantholder and surrender of all or a portion of this Warrant, Net Issuance, prior to the expiration or earlier termination hereof, the Company shall promptly issue an amended Agreement representing the remaining number of shares purchasable hereunder. All other terms and conditions of such amended Agreement shall be identical to those contained herein, including, but not limited to the Effective Date hereof.

(b) Exercise Prior to Expiration. To the extent this Warrant is not previously exercised as to all shares subject hereto, and if the then-current fair market value of one share of Common Stock is greater than the Exercise Price then in effect, or, in the case of a Liquid Sale, where the value per share of Common Stock (as determined as of the closing of such Liquid Sale in accordance with the definitive agreements executed by the parties in connection with such Merger Event) to be paid to the holders thereof is greater than the Exercise Price then in effect, this Agreement shall be deemed automatically exercised on a Net Issuance basis pursuant to Section 3(a) (even if not surrendered) as of immediately before its expiration determined in accordance with Section 2. For purposes of such automatic exercise, the fair market value of one share of Common Stock upon such expiration shall be determined pursuant to Section 3(a). To the extent this Warrant or any portion hereof is deemed automatically exercised pursuant to this Section 3(b), the Company agrees to promptly notify the Warrantholder of the number of shares of Common Stock if any, the Warrantholder is to receive by reason of such automatic exercise, and to issue a certificate to Warrantholder evidencing such shares.

SECTION 4. RESERVATION OF SHARES.

During the term of this Agreement, the Company will at all times have authorized and reserved a sufficient number of shares of its Common Stock to provide for the exercise of the rights to purchase Common Stock as provided for herein.

SECTION 5. NO FRACTIONAL SHARES OR SCRIP.

No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Agreement, but in lieu of such fractional shares the Company shall make a cash payment therefor upon the basis of the Exercise Price then in effect.

SECTION 6. NO RIGHTS AS SHAREHOLDER/STOCKHOLDER.

Without limitation of any provision hereof, Warrantholder agrees that this Agreement does not entitle the Warrantholder to any voting rights or other rights as a shareholder/stockholder of the Company prior to the exercise of any of the purchase rights set forth in this Agreement.

SECTION 7. WARRANTHOLDER REGISTRY.

The Company shall maintain a registry showing the name and address of the registered holder of this Agreement. Warrantholder's initial address, for purposes of such registry, is set forth in Section 12(g) below. Warrantholder may change such address by giving written notice of such changed address to the Company.

SECTION 8. ADJUSTMENT RIGHTS.

The Exercise Price and the number of shares of Common Stock purchasable hereunder are subject to adjustment from time to time, as follows:

(a) Merger Event. In connection with a Merger Event that is a Liquid Sale, this Warrant shall terminate upon the closing of such Liquid Sale to the extent not previously exercised. In connection with a Merger Event that is not a Liquid Sale, the Company shall cause the successor or surviving entity to assume this Warrant and the obligations of the Company hereunder on the closing thereof, and thereafter this Warrant shall be exercisable for the same number and type of securities or other property as the Warrantholder would have received in consideration for the shares of the Class issuable hereunder had it exercised this Warrant in full as of immediately prior to such closing, at an aggregate Exercise Price no greater than the aggregate Exercise Price in effect as of immediately prior to such closing, and subject to further adjustment from time to time in accordance with the provisions of this Warrant. Notwithstanding the first sentence of this Section 8(a), in connection with any Liquid Sale and upon Warrantholder's written election to the Company, the Company shall cause this Warrant to be exchanged, on and as of the closing thereof, without a requirement of formal exercise, for the consideration that Warrantholder would have received (less the Purchase Price) had Warrantholder elected to exercise this Warrant in full as of immediately prior to the closing of such Liquid Sale. The provisions of this Section 8(a) shall similarly apply to successive Merger Events.

(b) Reclassification of Shares. Except for Merger Events subject to Section 8(a), if the Company at any time shall, by combination, reclassification, exchange or subdivision of securities or otherwise, change any of the securities as to which purchase rights under this Agreement exist into the same or a different number of securities of any other class or classes of securities, this Agreement shall thereafter represent the right to acquire such number and kind of securities as would have been issuable as the result of such change with respect to the securities which were subject to the purchase rights under this Agreement immediately prior to such combination, reclassification, exchange, subdivision or other change. The provisions of this Section 8(b) shall similarly apply to successive combination, reclassification, exchange, subdivision or other change.

(c) Subdivision or Combination of Shares. If the Company at any time shall combine or subdivide its Common Stock, (i) in the case of a subdivision, the Exercise Price shall be proportionately decreased and the number of shares for which this Warrant is exercisable shall be proportionately increased, or (ii) in the case of a combination, the Exercise Price shall be proportionately increased and the number of shares for which this Warrant is exercisable shall be proportionately decreased.

(d) Stock Dividends. If the Company at any time while this Agreement is outstanding and unexpired shall:

(i) pay a dividend with respect to the outstanding shares of Common Stock payable in additional shares of Common Stock, then the Exercise Price shall be adjusted, to that price determined by multiplying the Exercise Price in effect immediately prior to such date of determination by a fraction (A) the numerator of which shall be the total number of shares of Common Stock outstanding immediately prior to such dividend or distribution, and (B) the denominator of which shall be the total number of shares of Common Stock outstanding immediately after such dividend or distribution, and the number of shares of Common Stock for which this Warrant is exercisable shall be proportionately increased; or

(ii) make any other dividend or distribution on or with respect to Common Stock, except any dividend or distribution (A) in cash, or (B) specifically provided for in any other clause of this Section 8, then, in each such case, provision shall be made by the Company such that the Warrantholder shall receive upon exercise or conversion of this Warrant a proportionate share of any such distribution as though it were the holder of the Common Stock (or other stock for which the Common Stock is convertible) as of the record date fixed for the determination of the shareholders of the Company entitled to receive such distribution.

(e) Notice of Certain Events. If: (i) the Company shall declare any dividend or distribution upon its outstanding Common Stock, payable in stock, cash, property or other securities (provided that Warrantholder in its capacity as lender under the Loan Agreement consents to such dividend); (ii) the Company shall offer for subscription pro rata to the holders of its Common Stock any additional shares of stock of any class or other rights; (iii) there shall be any Merger Event; or (iv) there shall be any voluntary dissolution, liquidation or winding up of the Company; then, in connection with each such event, the Company shall give the Warrantholder notice thereof at the same time and in the same manner as it gives notice thereof to the holders of outstanding Common Stock.

SECTION 9. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE COMPANY.

(a) Reservation of Common Stock. The Company covenants and agrees that all shares of Common Stock, if any, that may be issued upon the exercise of the rights represented by this Warrant will, upon issuance, be validly issued and outstanding, fully paid and non-assessable. The Company further covenants and agrees that the Company will, at all times during the term hereof, have authorized and reserved, free from preemptive rights, a sufficient number of shares of Common Stock to provide for the exercise of the rights represented by this Warrant. If at any time during the term hereof the number of authorized but unissued shares of Common Stock shall not be sufficient to permit exercise of this Warrant in full, the Company will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes.

(b) Due Authority. The execution and delivery by the Company of this Agreement and the performance of all obligations of the Company hereunder, including the issuance to Warrantholder of the right to acquire the shares of Common Stock, have been duly authorized by all necessary corporate action on the part of the Company. This Agreement: (1) does not violate the Company's Charter or current bylaws; (2) does not contravene any law or governmental rule, regulation or order applicable to it; and (3) except as could not reasonably be expected to have a Material Adverse Effect (as defined in the Loan Agreement), does not and will not contravene any provision of, or constitute a default under, any indenture, mortgage, contract or other instrument to which it is a party or by which it is bound. This Agreement constitutes a legal, valid and binding agreement of the Company, enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally (including, without limitation, fraudulent conveyance laws) and by general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(c) Consents and Approvals. No consent or approval of, giving of notice to, registration with, or taking of any other action in respect of any state, federal or other governmental authority or agency is required with respect to the execution, delivery and performance by the Company of its obligations under this Agreement, except for the filing of notices pursuant to Regulation D under the Act and any filing required by applicable state securities law, which filings will be effective by the time required thereby.

(d) [Intentionally Omitted].

(e) [Intentionally Omitted].

(f) Exempt Transaction. Subject to the accuracy of the Warrantholder's representations in Section 10, the issuance of the Common Stock upon exercise of this Agreement will constitute a transaction exempt from (i) the registration requirements of Section 5 of the Act, in reliance upon Section 4(2) thereof, and (ii) the qualification requirements of the applicable state securities laws.

(g) Registration Rights. The Company covenants and agrees with Warrantholder that if the Company, at any time and from time to time on or after the Effective Date and on or before the expiration or earlier termination of this Warrant, proposes to register under the Act any shares of Common Stock held by one or more stockholders of the Company for resale by such stockholders, whether on a Form S-3 registration statement or otherwise, the Company shall give written notice thereof to Warrantholder and permit Warrantholder to include any or all of the shares of Common Stock issuable upon exercise of this Warrant (and any or all shares previously issued to Warrantholder upon any prior exercise(s) hereof) in such registration on a *pari passu* basis with such other stockholder(s) and on the same terms and conditions applicable to such other stockholder(s).

(h) Information Rights. At all times (if any) prior to the earlier to occur of (x) the date on which all shares of Common Stock issued on exercise of this Warrant have been sold, or (y) the expiration or earlier termination of this Warrant, when the Company shall not be required to file reports pursuant to Section 13 or 15(d) of the Exchange Act or shall not have timely filed all such required reports, Warrantholder shall be entitled to the information rights contained in Section 7.1(b) – (f) of the Loan Agreement, and in any such event Section 7.1(b) – (f) of the Loan Agreement is hereby incorporated into this Agreement by this reference as though fully set forth herein, provided, however, that the Company shall not be required to deliver a Compliance Certificate once all Indebtedness (as defined in the Loan Agreement) owed by the Company to Warrantholder has been repaid.

(i) Rule 144 Compliance. The Company shall, at all times prior to the earlier to occur of (x) the date of sale or other disposition by Warrantholder of this Warrant or all shares of Common Stock issued on exercise of this Warrant, (y) the registration pursuant to subsection (g) above of the shares issued on exercise of this Warrant, or (z) the expiration or earlier termination of this Warrant if the Warrant has not been exercised in full or in part on such date, use all commercially reasonable efforts to timely file all reports required under the 1934 Act and otherwise timely take all actions necessary to permit the Warrantholder to sell or otherwise dispose of this Warrant and the shares of Common Stock issued on exercise hereof pursuant to Rule 144 promulgated under the Act as amended and in effect from time to time, provided that the foregoing shall not apply in the event of a Merger Event following which the successor or surviving entity is not subject to the reporting requirements of the 1934 Act. If the Warrantholder proposes to sell Common Stock issuable upon the exercise of this Agreement in compliance with Rule 144, then, upon Warrantholder's written request to the Company, the Company shall furnish to the Warrantholder, within five (5) business days after receipt of such request, a written statement confirming the Company's compliance with the filing and other requirements of such Rule.

SECTION 10. REPRESENTATIONS AND COVENANTS OF THE WARRANTHOLDER.

This Agreement has been entered into by the Company in reliance upon the following representations and covenants of the Warrantholder:

(a) Investment Purpose. This Warrant and the shares issued on exercise hereof will be acquired for investment and not with a view to the sale or distribution of any part thereof in violation of applicable federal and state securities laws, and the Warrantholder has no present intention of selling or engaging in any public distribution of the same except pursuant to a registration or exemption.

(b) Private Issue. The Warrantholder understands (i) that the Common Stock issuable upon exercise of this Agreement is not, as of the Effective Date, registered under the Act or qualified under applicable state securities laws, and (ii) that the Company's reliance on exemption from such registration is predicated on the representations set forth in this Section 10.

(c) Financial Risk. The Warrantholder has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment, and has the ability to bear the economic risks of its investment.

(d) Accredited Investor. Warrantholder is an "accredited investor" within the meaning of Rule 501 of Regulation D promulgated under the Act, as presently in effect.

(e) No Short Sales. Warrantholder has not at any time on or prior to the Effective Date engaged in any short sales or equivalent transactions in the Common Stock. Warrantholder agrees that at all times from and after the Effective Date and on or before the expiration or earlier termination of this Warrant, it shall not engage in any short sales or equivalent transactions in the Common Stock.

SECTION 11. TRANSFERS.

Subject to compliance with applicable federal and state securities laws, this Agreement and all rights hereunder are transferable, in whole or in part, without charge to the holder hereof (except for transfer taxes) upon surrender of this Agreement properly endorsed. Each taker and holder of this Agreement, by taking or holding the same, consents and agrees that this Agreement, when endorsed in blank, shall be deemed negotiable, and that the holder hereof, when this Agreement shall have been so endorsed and its transfer recorded on the Company's books, shall be treated by the Company and all other persons dealing with this Agreement as the absolute owner hereof for any purpose and as the person entitled to exercise the rights represented by this Agreement. The transfer of this Agreement shall be recorded on the books of the Company upon receipt by the Company of a notice of transfer in the form attached hereto as Exhibit III (the "Transfer Notice"), at its principal offices and the payment to the Company of all transfer taxes and other governmental charges imposed on such transfer. Until the Company receives such Transfer Notice, the Company may treat the registered owner hereof as the owner for all purposes.

SECTION 12. MISCELLANEOUS.

(a) Effective Date. The provisions of this Agreement shall be construed and shall be given effect in all respects as if it had been executed and delivered by the Company on the date hereof. This Agreement shall be binding upon any successors or assigns of the Company.

(b) Remedies. In the event of any default hereunder, the non-defaulting party may proceed to protect and enforce its rights either by suit in equity and/or by action at law, including but not limited to an action for damages as a result of any such default, and/or an action for specific performance for any default where Warrantholder will not have an adequate remedy at law and where damages will not be readily ascertainable.

(c) No Impairment of Rights. The Company will not, by amendment of its Charter or through any other means, avoid or seek to avoid the observance or performance of any of the terms of this Agreement, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate in order to protect the rights of the Warrantholder against impairment.

(d) [Intentionally Omitted]

(e) Attorneys' Fees. In any litigation, arbitration or court proceeding between the Company and the Warrantholder relating hereto, the prevailing party shall be entitled to attorneys' fees and expenses and all costs of proceedings incurred in enforcing this Agreement. For the purposes of this Section 12(e), attorneys' fees shall include without limitation fees incurred in connection with the following: (i) contempt proceedings; (ii) discovery; (iii) any motion, proceeding or other activity of any kind in connection with an insolvency proceeding; (iv) garnishment, levy, and debtor and third party examinations; and (v) post-judgment motions and proceedings of any kind, including without limitation any activity taken to collect or enforce any judgment.

(f) Severability. In the event any one or more of the provisions of this Agreement shall for any reason be held invalid, illegal or unenforceable, the remaining provisions of this Agreement shall be unimpaired, and the invalid, illegal or unenforceable provision shall be replaced by a mutually acceptable valid, legal and enforceable provision, which comes closest to the intention of the parties underlying the invalid, illegal or unenforceable provision.

(g) Notices. Except as otherwise provided herein, any notice, demand, request, consent, approval, declaration, service of process or other communication that is required, contemplated, or permitted under this Agreement or with respect to the subject matter hereof shall be in writing, and shall be deemed to have been validly served, given, delivered, and received upon the earlier of: (a) personal delivery to the party to be notified, (b) when sent by confirmed telex, electronic transmission or facsimile if sent during normal business hours of the recipient, if not, then on the next business day, (c) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt, and shall be addressed to the party to be notified as follows:

If to Warrantholder:

HERCULES CAPITAL, INC.
Legal Department
Attention: Chief Legal Officer and Bryan Jadot
400 Hamilton Avenue, Suite 310
Palo Alto, CA 94301
Facsimile: 650-473-9194
Telephone: 650-289-3060

If to the Company:

INSPIREMD, INC.
Attention: Chief Financial Officer
800 Boylston Street
Suite 16041
Boston, MA 02199
Facsimile:
Telephone: 716-849-6810

or to such other address as each party may designate for itself by like notice.

(h) Entire Agreement; Amendments. This Agreement constitutes the entire agreement and understanding of the parties hereto in respect of the subject matter hereof, and supersedes and replaces in their entirety any prior proposals, term sheets, letters, negotiations or other documents or agreements, whether written or oral, with respect to the subject matter hereof. None of the terms of this Agreement may be amended except by an instrument executed by each of the parties hereto.

(i) Headings. The various headings in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any provisions hereof.

(j) Advice of Counsel. Each of the parties represents to each other party hereto that it has discussed (or had an opportunity to discuss) with its counsel this Agreement and, specifically, the provisions of Sections 12(n), 12(o), 12(p), 12(q) and 12(r).

(k) No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

(l) No Waiver. No omission or delay by Warrantholder at any time to enforce any right or remedy reserved to it, or to require performance of any of the terms, covenants or provisions hereof by Warrantholder at any time designated, shall be a waiver of any such right or remedy to which Warrantholder is entitled, nor shall it in any way affect the right of Warrantholder to enforce such provisions thereafter during the term of this Agreement.

(m) Survival. All agreements, representations and warranties contained in this Agreement or in any document delivered pursuant hereto shall be for the benefit of Warrantholder and shall survive the execution and delivery of this Agreement and the expiration or other termination of this Agreement.

(n) Governing Law. This Agreement has been negotiated and delivered to Warrantholder in the State of California, and shall be deemed to have been accepted by Warrantholder in the State of California. Delivery of Common Stock to Warrantholder by the Company under this Agreement is due in the State of California. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California, excluding conflict of laws principles that would cause the application of laws of any other jurisdiction.

(o) Consent to Jurisdiction and Venue. All judicial proceedings arising in or under or related to this Agreement may be brought in any state or federal court of competent jurisdiction located in the State of California. By execution and delivery of this Agreement, each party hereto generally and unconditionally: (a) consents to personal jurisdiction in Santa Clara County, State of California; (b) waives any objection as to jurisdiction or venue in Santa Clara County, State of California; (c) agrees not to assert any defense based on lack of jurisdiction or venue in the aforesaid courts; and (d) irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement. Service of process on any party hereto in any action arising out of or relating to this Agreement shall be effective if given in accordance with the requirements for notice set forth in Section 12(g), and shall be deemed effective and received as set forth in Section 12(g). Nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of either party to bring proceedings in the courts of any other jurisdiction.

(p) Mutual Waiver of Jury Trial. Because disputes arising in connection with complex financial transactions are most quickly and economically resolved by an experienced and expert person and the parties wish applicable state and federal laws to apply (rather than arbitration rules), the parties desire that their disputes arising under or in connection with this Warrant be resolved by a judge applying such applicable laws. EACH OF THE COMPANY AND WARRANTHOLDER SPECIFICALLY WAIVES ANY RIGHT IT MAY HAVE TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, CROSS-CLAIM, COUNTERCLAIM, THIRD PARTY CLAIM OR ANY OTHER CLAIM (COLLECTIVELY, "CLAIMS") ASSERTED BY THE COMPANY AGAINST WARRANTHOLDER OR ITS ASSIGNEE OR BY WARRANTHOLDER OR ITS ASSIGNEE AGAINST THE COMPANY RELATING TO THIS WARRANT. This waiver extends to all such Claims, including Claims that involve persons or entities other the Company and Warrantholder; Claims that arise out of or are in any way connected to the relationship between the Company and Warrantholder; and any Claims for damages, breach of contract, specific performance, or any equitable or legal relief of any kind, arising out of this Agreement.

(q) Arbitration. If the Mutual Waiver of Jury Trial set forth in Section 12(p) is ineffective or unenforceable, the parties agree that all Claims shall be submitted to binding arbitration in accordance with the commercial arbitration rules of JAMS (the "Rules"), such arbitration to occur before one arbitrator, which arbitrator shall be a retired California state judge or a retired Federal court judge. Such proceeding shall be conducted in Santa Clara County, State of California, with California rules of evidence and discovery applicable to such arbitration. The decision of the arbitrator shall be binding on the parties, and shall be final and nonappealable to the maximum extent permitted by law. Any judgment rendered by the arbitrator may be entered in a court of competent jurisdiction and enforced by the prevailing party as a final judgment of such court.

(r) Pre-arbitration Relief. In the event Claims are to be resolved by arbitration, either party may seek from a court of competent jurisdiction identified in Section 12(o), any prejudgment order, writ or other relief and have such prejudgment order, writ or other relief enforced to the fullest extent permitted by law notwithstanding that all Claims are otherwise subject to resolution by binding arbitration.

(s) Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts, and by different parties hereto in separate counterparts, each of which when so delivered shall be deemed an original, but all of which counterparts shall constitute but one and the same instrument.

(t) Specific Performance. The parties hereto hereby declare that it is impossible to measure in money the damages which will accrue to Warrantholder by reason of the Company's failure to perform any of the obligations under this Agreement and agree that the terms of this Agreement shall be specifically enforceable by Warrantholder. If Warrantholder institutes any action or proceeding to specifically enforce the provisions hereof, any person against whom such action or proceeding is brought hereby waives the claim or defense therein that Warrantholder has an adequate remedy at law, and such person shall not offer in any such action or proceeding the claim or defense that such remedy at law exists.

(u) Lost, Stolen, Mutilated or Destroyed Warrant. If this Warrant is lost, stolen, mutilated or destroyed, the Company may, on such terms as to indemnity or otherwise as it may reasonably impose (which shall, in the case of a mutilated Warrant, include the surrender thereof), issue a new Warrant of like denomination and tenor as this Warrant so lost, stolen, mutilated or destroyed. Any such new Warrant shall constitute an original contractual obligation of the Company, whether or not the allegedly lost, stolen, mutilated or destroyed Warrant shall be at any time enforceable by anyone.

(v) Legends. To the extent required by applicable laws, this Warrant and the shares of Common Stock issuable hereunder (and the securities issuable, directly or indirectly, upon conversion of such shares of Common Stock, if any) may be imprinted with a restricted securities legend in substantially the following form:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO RULE 144 OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

[Remainder of page left blank intentionally; signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Warrant Agreement to be executed by their respective officers thereunto duly authorized as of the Effective Date.

COMPANY :

INSPIREMD, INC.

By: /s/ Craig Shore
Name: Craig Shore
Its: CFO

WARRANTHOLDER:

HERCULES CAPITAL, INC.

By: /s/ Ben Bang
Name: Ben Bang
Its: Associate General Counsel

EXHIBIT I

NOTICE OF EXERCISE

To: [_____]

- (1) The undersigned Warrantholder hereby elects to purchase [_____] shares of the Common Stock of [_____] pursuant to the terms of the Agreement dated the [___] day of [_____, ____] (the "Agreement") between [_____] and the Warrantholder, and tenders herewith payment of the Purchase Price in full, together with all applicable transfer taxes, if any. [NET ISSUANCE: elects pursuant to Section 3(a) of the Agreement to effect a Net Issuance.]
- (2) Please issue a certificate or certificates representing said shares of Common Stock in the name of the undersigned or in such other name as is specified below.

(Name)

(Address)

WARRANTHOLDER:

HERCULES CAPITAL, INC.

By: _____

Name:

Title:

EXHIBIT II

1. ACKNOWLEDGMENT OF EXERCISE

The undersigned [_____], hereby acknowledge receipt of the "Notice of Exercise" from Hercules Capital, Inc., to purchase [_____] shares of the Common Stock of [_____], pursuant to the terms of the Agreement, and further acknowledges that [_____] shares remain subject to purchase under the terms of the Agreement.

COMPANY:

[_____]

By:

Title:

Date:

EXHIBIT III

TRANSFER NOTICE

(To transfer or assign the foregoing Agreement execute this form and supply required information. Do not use this form to purchase shares.)

FOR VALUE RECEIVED, the foregoing Agreement and all rights evidenced thereby are hereby transferred and assigned to

(Please Print)

whose address is _____

Dated: _____

Holder's Signature: _____

Holder's Address: _____

Signature Guaranteed: _____

NOTE: The signature to this Transfer Notice must correspond with the name as it appears on the face of the Agreement, without alteration or enlargement or any change whatever. Officers of corporations and those acting in a fiduciary or other representative capacity should file proper evidence of authority to assign the foregoing Agreement.

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (“**Agreement**”) is entered into as of June 13, 2016 by and among (a) **INSPIREMD, INC.**, a Delaware corporation whose address is 800 Boylston Street, Suite 16041, Boston, Massachusetts 02199 (“**Grantor**”), (b) the several banks and other financial institutions or entities from time to time parties to the Loan Agreement (defined below; collectively, the “**Lender**”), and (c) **HERCULES CAPITAL, INC.**, a Maryland corporation in its capacity as administrative agent for itself and the Lender (in such capacity, the “**Agent**”).

RECITALS

A. Lender has agreed to make certain advances of money and to extend certain financial accommodations to Grantor (the “**Loans**”) in the amounts and manner set forth in that certain Loan and Security Agreement by and among Agent, Lender, **INSPIRE M.D LTD**, a company organized under the laws of the State of Israel, and Grantor dated as of even date hereof (as the same may be amended, modified or supplemented from time to time, the “**Loan Agreement**”; capitalized terms used herein are used as defined in the Loan Agreement). Lender is willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall grant to Agent a security interest in its Copyrights, Trademarks, Patents, and Mask Works (as each term is described below) to secure the obligations of Grantor to Agent and Lender.

B. Pursuant to the terms of the Loan Agreement, Grantor has granted to Agent a security interest in all of Grantor's right, title and interest, whether presently existing or hereafter acquired, in, to and under all of the Collateral.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound, as collateral security for the prompt and complete payment when due of its obligations to Agent and Lender, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

1. Grant of Security Interest. To secure its obligations to Agent and Lender, Grantor grants and pledges to Agent a security interest in all of Grantor's right, title and interest in, to and under its intellectual property (all of which shall collectively be called the “**Intellectual Property Collateral**”), including, without limitation, the following:

(a) Any and all copyright rights, copyright applications, copyright registrations and like protections in each work of authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret, now or hereafter existing, created, acquired or held, including without limitation those set forth on Exhibit A attached hereto (collectively, the “**Copyrights**”);

(b) Any and all trade secrets, and any and all intellectual property rights in computer software and computer software products now or hereafter existing, created, acquired or held;

(c) Any and all design rights that may be available to Grantor now or hereafter existing, created, acquired or held;

(d) All patents, patent applications and like protections including, without limitation, improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same, including without limitation the patents and patent applications set forth on Exhibit B attached hereto (collectively, the “**Patents**”);

(e) Any trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Grantor connected with and symbolized by such trademarks, including without limitation those set forth on Exhibit C attached hereto (collectively, the “**Trademarks**”);

(f) All mask works or similar rights available for the protection of semiconductor chips, now owned or hereafter acquired, including, without limitation those set forth on Exhibit D attached hereto (collectively, the “**Mask Works**”);

(g) Any and all claims for damages by way of past, present and future infringements of any of the rights included above, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the intellectual property rights identified above;

(h) All licenses or other rights to use any of the Copyrights, Patents, Trademarks, or Mask Works and all license fees and royalties arising from such use to the extent permitted by such license or rights;

(i) All amendments, extensions, renewals and extensions of any of the Copyrights, Trademarks, Patents, or Mask Works; and

(j) All proceeds and products of the foregoing, including without limitation all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing.

2. Recordation. Grantor authorizes the Commissioner for Patents, the Commissioner for Trademarks and the Register of Copyrights and any other government officials to record and register this Agreement upon request by Agent.

3. Loan Documents. This Agreement has been entered into pursuant to and in conjunction with the Loan Agreement, which is hereby incorporated by reference. The provisions of the Loan Agreement shall supersede and control over any conflicting or inconsistent provision herein. The rights and remedies of Agent with respect to the Intellectual Property Collateral are as provided by the Loan Agreement and related documents, and nothing in this Agreement shall be deemed to limit such rights and remedies.

4. Execution in Counterparts. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or in electronic (i.e., "pdf" or "tif" format) shall be effective as delivery of a manually executed counterpart of this Agreement.

5. Successors and Assigns. This Agreement will be binding on and shall inure to the benefit of the parties hereto and their respective successors and assigns.

6. Governing Law. This Agreement and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the laws of the United States and the State of California, without giving effect to any choice or conflict of law provision or rule (whether of the State of California or any other jurisdiction).

[Signature page follows.]

IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

GRANTOR:

INSPIREMD, INC.

By: /s/ Craig Shore

Name: Craig Shore

Title: CFO

AGENT:

HERCULES CAPITAL, INC.

By: /s/ Ben Bang

Name: Ben Bang

Title: Associate General Counsel

LENDER:

HERCULES CAPITAL, INC.

By: /s/ Ben Bang

Name: Ben Bang

Title: Associate General Counsel

EXHIBIT A

Copyrights

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
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None.

EXHIBIT B

Patents

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
--------------------	---	---

None.

EXHIBIT C

Trademarks

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
--------------------	---	---

None.

EXHIBIT D

Mask Works

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
--------------------	---	---

None.

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (“**Agreement**”) is entered into as of June 13, 2016 by and among (a) **INSPIRE M.D LTD**, a company organized under the laws of the State of Israel whose address is 4 Menorat Hamaor St., Tel Aviv, Israel 67448 (“**Grantor**”), (b) the several banks and other financial institutions or entities from time to time parties to the Loan Agreement (defined below; collectively, the “**Lender**”), and (c) **HERCULES CAPITAL, INC.**, a Maryland corporation in its capacity as administrative agent for itself and the Lender (in such capacity, the “**Agent**”).

RECITALS

A. Lender has agreed to make certain advances of money and to extend certain financial accommodations to Grantor (the “**Loans**”) in the amounts and manner set forth in that certain Loan and Security Agreement by and among Agent, Lender, **INSPIREMD, INC.**, a Delaware corporation, and Grantor dated as of even date hereof (as the same may be amended, modified or supplemented from time to time, the “**Loan Agreement**”; capitalized terms used herein are used as defined in the Loan Agreement). Lender is willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall grant to Agent a security interest in its Copyrights, Trademarks, Patents, and Mask Works (as each term is described below) to secure the obligations of Grantor to Agent and Lender.

B. Pursuant to the terms of the Loan Agreement, Grantor has granted to Agent a security interest in all of Grantor's right, title and interest, whether presently existing or hereafter acquired, in, to and under all of the Collateral.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound, as collateral security for the prompt and complete payment when due of its obligations to Agent and Lender, Grantor hereby represents, warrants, covenants and agrees as follows:

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(a) Any and all copyright rights, copyright applications, copyright registrations and like protections in each work of authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret, now or hereafter existing, created, acquired or held, including without limitation those set forth on Exhibit A attached hereto (collectively, the “**Copyrights**”);

(b) Any and all trade secrets, and any and all intellectual property rights in computer software and computer software products now or hereafter existing, created, acquired or held;

(c) Any and all design rights that may be available to Grantor now or hereafter existing, created, acquired or held;

(d) All patents, patent applications and like protections including, without limitation, improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same, including without limitation the patents and patent applications set forth on Exhibit B attached hereto (collectively, the “**Patents**”);

(e) Any trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Grantor connected with and symbolized by such trademarks, including without limitation those set forth on Exhibit C attached hereto (collectively, the “**Trademarks**”);

(f) All mask works or similar rights available for the protection of semiconductor chips, now owned or hereafter acquired, including, without limitation those set forth on Exhibit D attached hereto (collectively, the “**Mask Works**”);

(g) Any and all claims for damages by way of past, present and future infringements of any of the rights included above, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the intellectual property rights identified above;

(h) All licenses or other rights to use any of the Copyrights, Patents, Trademarks, or Mask Works and all license fees and royalties arising from such use to the extent permitted by such license or rights;

(i) All amendments, extensions, renewals and extensions of any of the Copyrights, Trademarks, Patents, or Mask Works; and

(j) All proceeds and products of the foregoing, including without limitation all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing.

2. Recordation. Grantor authorizes the Commissioner for Patents, the Commissioner for Trademarks and the Register of Copyrights and any other government officials to record and register this Agreement upon request by Agent.

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5. Successors and Assigns. This Agreement will be binding on and shall inure to the benefit of the parties hereto and their respective successors and assigns.

6. Governing Law. This Agreement and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the laws of the United States and the State of California, without giving effect to any choice or conflict of law provision or rule (whether of the State of California or any other jurisdiction).

[Signature page follows.]

IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

GRANTOR:

INSPIRE M.D LTD

By: /s/ Craig Shore

Name: Craig Shore

Title: CFO

AGENT:

HERCULES CAPITAL, INC.

By: /s/ Ben Bang

Name: Ben Bang

Title: Associate General Counsel

LENDER:

HERCULES CAPITAL, INC.

By: /s/ Ben Bang

Name: Ben Bang

Title: Associate General Counsel

EXHIBIT A

Copyrights

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
None	N/A	N/A

EXHIBIT B

Patents

<u>Description</u>	<u>Registration/ Application Number (Country)</u>	<u>Registration/ Application Date</u>
Optimized Stent Jacket	198,665 (IL)	Nov. 21, 2007; issued May 28, 2014
Optimized Stent Jacket	ZL200780043259.2 (CN)	Nov. 21, 2007; issued Jan. 2, 2013
Optimized Drug-Eluting Stent Assembly	9,132,003 (US); 14/314,777	June 24, 2014; issued Jan. 2, 2013
Optimized Stent Jacket	ZL201210454357.8 (CN)	Nov. 13, 2013; issued Dec. 9, 2015
Bifurcated Stent Assemblies	198,188 (IL)	Oct. 18, 2007; issued May 1, 2014
<i>In Vivo</i> Filter Assembly	8,043,323 (US); 11/582,354	Oct. 18, 2006; issued Oct. 25, 2011
Bifurcated Stent Assemblies	8,961,586 (US); 11/797,168	May 1, 2007; issued Feb. 24, 2015
<i>In Vivo</i> Filter Assembly	9,132,261 (US); 13/237,977	Sept. 21, 2011; issued Sept. 15, 2015
Bifurcated Stent Assemblies	ZL200780046676.2 (CN)	Issued Sept. 26, 2012
Stent Apparatuses For Treatment Via Body Lumens And Methods Of Use	2,609,687 (CA)	May 24, 2006; issued April 22, 2014
Stent Apparatuses For Treatment Via Body Lumens And Methods Of Use	2,843,097 (CA)	Feb. 20, 2014; issued Oct. 27, 2015

Stent Apparatuses For Treatment Via Body Lumens And Methods Of Use	2007/10751 (ZA)	Issued Oct. 27, 2010
Filter Assemblies	198189 (IL)	Oct. 18, 2007; issued Mar. 27, 2014
Filter Assemblies	2,666,712 (CA)	Oct. 18, 2007; issued Mar. 31, 2015
Filter Assemblies	ZL200780046659.9 (CN)	Oct. 18, 2007; issued Mar. 31, 2015
Filter Assemblies	201210119132.7 (CN)	Oct. 18, 2007
Knitted Stent Jackets	198190 (IL)	Oct. 18, 2007; issued Feb. 1, 2014
Knitted Stent Jackets	ZL200780046697.4 (CN)	Issued Oct. 10, 2012; expires Oct. 17, 2027
Knitted Stent Jackets	2,666,728 (CA)	Oct. 18, 2007; issued June 23, 2015
Knitted Stent Jackets	ZL201210320950.3 (CN)	Oct. 18, 2007; issued Dec. 2, 2015
Stent with Sheath and Metal Wire	14/315,001 (US); 2014/0309723	June 25, 2014
Stent with Sheath and Metal Wire and Methods	14/705,871 (US); 2015/0230953	May 6, 2015
Optimized Stent Jacket	12/791,008 (US); 2010/0241214	June 1, 2010
Intravascular Aneurysm Treatment Device And Methods	14/935,339 (US); 2016/0058589	Nov. 6, 2015
Optimized Stent Jacket	07827415.6 (EP); EP2088962 A4	Nov. 21, 2007
Optimized Stent Jacket	230922 (IL)	Feb. 11, 2014
Optimized Stent Jacket	2,670,724 (CA)	Nov. 21, 2007

Optimized Stent Jacket	4008/DELNP/2009 (IN)	Nov. 21, 2007
Optimized Drug-Eluting Stent Assembly	14/851,882 (US); 2015/0374519	Sept. 11, 2015
Bifurcated Stent Assemblies	3113/DELNP/2009 (IN)	Oct. 18, 2007
Stent Apparatuses For Treatment Via Body Lumens And Methods Of Use	EP 06745069.2 (EP); EP1885281 A2	May 24, 2006
Stent Apparatuses For Treatment Via Body Lumens And Methods Of Use	11/920,972 (US); 2009/0138070	Nov. 23, 2007
Stent Apparatuses For Treatment Via Body Lumens And Methods Of Use	187516 (IL)	Nov. 20, 2007
Carotid Stent Assembly and Methods for Treatment Via Body Lumens	14/500,759 (US); 2015/0032197	Sept. 29, 2014
Filter Assemblies	EP 2007 827228.3 (EP)	Oct. 18, 2007
Filter Assemblies	12/445,972 (US); 2010/0204772	Apr. 17, 2009
Filter Assemblies	2,881,557 (CA)	Feb. 6, 2015
Filter Assemblies	3114/DELNP/2009 (IN)	Oct. 18, 2007
Knitted Stent Jackets	EP 07827229.1 (EP); EP 2076212 A2	Oct. 18, 2005
Knitted Stent Jackets	12/445,980 (US); 2010/0324651	Apr. 17, 2009
Knitted Stent Jackets	3171/DELNP/2009 (IN)	Oct. 18, 2007
Knitted Stent Jackets	2,887,189 (CA)	Apr. 2, 2015
Stent Thermoforming Apparatus and Methods	14/505,310 (US); 2016/0096308	Oct. 2, 2014
Stent Thermoforming Apparatus and Methods	PCT/IB2015/057367	Sept. 24, 2015
Stent-Mesh Assembly And Methods	14/592,714 (US); 2015/0119971	Jan. 8, 2015
Stent with Sheath and Metal Wire Retainer	13/994,739 (US); 2013/0274858	Dec. 18, 2011
Deformable Tip For Stent Delivery And Methods Of Use	62/290,031 (US)	Feb. 2, 2016

EXHIBIT C

Trademarks

<u>Description</u>	<u>Registration/ Application Number (Country)</u>	<u>Registration/ Application Date</u>
CARENET	013399977 (EU)	Mar. 17, 2015
CGUARD	013370978 (EU)	Mar. 26, 2015
INSPIREMD	008642118 (EU)	Apr. 26, 2010
MGUARD	008642175 (EU)	Apr. 26, 2010
MGUARD PRIME	013366141 (EU)	Mar. 12, 2015
MICRONET (Class 10) (Supplemental Registration)	4,721,716 (US); 85/659,900	Apr. 14, 2015
MNP MicroNet Protection Logo	011737699 (EU)	Sept. 9, 2013
CARENET	86/261,697 (US)	Apr. 24, 2014
CGuard	86/364,984 (US)	Aug. 13, 2014
MGUARD PRIME	86/417,711 (US)	Oct. 8, 2014
InspireMD	86/702,932 (US)	July 23, 2015
SmartFit	86/702,941 (US)	July 23, 2015
PVGuard	86/702,984 (US)	July 23, 2015
NGuard	86/702,957 (US)	July 23, 2015
AGuard	86/702,971 (US)	July 23, 2015

EXHIBIT D

Mask Works

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
None	N/A	N/A



InspireMD Announces Amendment to Loan & Security Agreement with Hercules Capital

Principal Payments Deferred, Assisting Cash Management Programs

BOSTON, MA – June 14, 2016 – InspireMD, Inc. (NYSE MKT: NSPR) (“InspireMD” or the “Company”), a leader in embolic prevention systems (EPS), neurovascular devices and thrombus management technologies, today announced that it has completed a restructuring of its existing debt.

The Company restructured its term loan with lenders and Hercules Capital (“Hercules” or “Lenders”), which has an outstanding balance of approximately \$3.6 million, effective immediately. Under the terms of the No. 3 Amendment to Loan and Security Agreement and subject to the satisfaction of certain interest only period extension conditions, all parties have agreed to a deferral of payment of principal for a four month period beginning May 1st, 2016. The Company will be subject to certain additional covenants, and will pay a financing fee to the Lenders, that are in line with transactions of this type.

About InspireMD, Inc.

InspireMD seeks to utilize its proprietary MicroNet™ technology to make its products the industry standard for embolic protection and to provide a superior solution to the key clinical issues of current stenting in patients with a high risk of distal embolization, no reflow and major adverse cardiac events.

InspireMD intends to pursue applications of this MicroNet™ technology in coronary, carotid (CGuard™), neurovascular, and peripheral artery procedures. InspireMD's common stock is quoted on the NYSE MKT under the ticker symbol NSPR.

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, multinational companies, (v) product liability claims, (vi) product malfunctions, (vii) our limited manufacturing capabilities and reliance on subcontractors for assistance, (viii) insufficient or inadequate reimbursement by governmental and other third party payers for our products, (ix) our efforts to successfully obtain and maintain intellectual property protection covering our products, which may not be successful, (x) legislative or regulatory reform of the healthcare system in both the U.S. and foreign jurisdictions, (xi) our reliance on single suppliers for certain product components, (xii) 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 (xiii) 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 (SEC), including the Company's Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q. Investors and security holders are urged to read these documents free of charge on the SEC's web site at <http://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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