

# INSPIREMD, INC.

## **FORM 8-K** (Current report filing)

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Telephone	(888) 776-6804
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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):** December 9, 2019

**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.)

**4 Menorat Hamaor St.  
Tel Aviv, Israel**  
(Address of principal executive offices)

**6744832**  
(Zip Code)

**(888) 776-6804**  
(Registrant's telephone number, including area code)

**N/A**  
(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))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of exchange on which registered</u>
Common Stock, par value \$0.0001 per share	NSPR	NYSE American
Warrants, exercisable for one share of Common Stock	NSPR.WS	NYSE American
Series B Warrants, exercisable for one share of Common Stock	NSPR.WSB	NYSE American

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

*Departure of Chief Executive Officer and Director*

On December 9, 2019, InspireMD, Inc. (the “**Company**”) entered into a General Release and Severance Agreement (the “**Separation Agreement**”) with James Barry, Ph.D., the chief executive officer, president and Class 3 director of the Company. Effective December 31, 2019 (the “**Separation Date**”), Dr. Barry’s employment with the Company and any subsidiary of the Company will cease, and Dr. Barry will resign from all positions and offices of the Company. On or before the Separation Date, Dr. Barry will tender a resignation letter to the Company’s Board of Directors (the “**Board**”). Pursuant to the Separation Agreement, Dr. Barry will be entitled to receive a severance pay in an aggregate amount of \$400,000, less applicable taxes and other withholdings, payable as follows: (a) \$200,000 will be paid in equal installments in accordance with the Company’s standard payroll practices during the period commencing on the Effective Date (as defined below) and ending on March 15, 2020, and (b) the remaining \$200,000 will be paid in equal installments in accordance with the Company’s standard payroll practices during the period commencing on July 1, 2020, or such earlier period for the purposes of Section 409A of the Internal Revenue Code (the “**Payment Resumption Date**”), and ending on the first anniversary of the Effective Date; provided, however, that if (1) a change in control occurs, (2) the Company raises at least \$5 million of gross proceeds in new capital investments on or after the Separation Date, or (3) any of the institution by or against the Company of any insolvency, receivership or bankruptcy proceeding(s) or any other proceeding(s) for the settlement of the Company’s debts or the assignment for the benefit of the Company’s creditors or the Company’s dissolution or ceasing to do business, in any case, prior to the date that the last payment has been made pursuant to this subsection (i), then any remaining amounts of severance to be paid to Dr. Barry on or before March 15, 2020 shall be paid to him on the Company’s next regularly scheduled payroll date concurrent with or next following the date on which the first event described in (1), (2) or (3) above occurs (the “**Acceleration Date**”) and, provided further, that if the Acceleration Date occurs on or after March 16, 2020, but before the Payment Resumption Date, then any remaining amounts to be paid to Executive pursuant to this subsection shall be paid to him on the Company’s next regularly scheduled payroll date concurrent with or next following the Payment Resumption Date. Dr. Barry is also entitled to receive an additional lump-sum payment of \$25,000 payable on the Company’s first regularly scheduled payroll date on or next following the Effective Date, which amount is intended to offset the costs of any executive outplacement services or similar educational programs which may be incurred by Dr. Barry on or after the Separation Date; an equity award of 165,000 restricted stock units, subject to the terms and conditions of the Company’s 2013 Long-Term Incentive Plan and its standard form of Restricted Stock Unit Award Agreement, which shall fully vest upon grant; and an additional monthly stipend of \$2,986, up to a maximum of \$53,748, payable as follows: (x) \$17,916 will be paid in three equal installments in January, February, and March of 2020, and (y) an additional \$2,986 will be paid in each month during the period commencing on the Payment Resumption Date and ending on the eighteen month anniversary of the Separation Date.

Dr. Barry may revoke his acceptance of the Separation Agreement at any time for seven days following the execution of the Agreement by giving written notice to the Company. If not revoked on or before December 17, 2019, the Separation Agreement shall be deemed to have become enforceable and on such day (the “**Effective Date**”).

Pursuant to the Separation Agreement, Dr. Barry agreed to a general release of claims in favor of the Company. Upon the Separation Date, the Amended and Restated Employment Agreement between the Company and Dr. Barry dated February 4, 2019 will automatically terminate; provided, however, that certain customary confidentiality, noncompete and nonsolicitation provisions will remain in full force and effect.

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The foregoing description of the Separation Agreement is qualified in its entirety by reference to the full text of the Separation Agreement, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated by reference herein.

*Appointment of New Chief Executive Officer and Director*

On December 9, 2019, the Company entered into an Employment Agreement with Marvin Slosman (the “**Slosman Employment Agreement**”), pursuant to which Mr. Slosman will serve as the new chief executive officer and president of the Company. Mr. Slosman’s term of employment is to begin on January 1, 2020, and to remain in effect for three years (the “**Initial Employment Term**”), unless earlier terminated, and to be automatically renewed for successive one-year terms after the Initial Employment Term. During Ms. Slosman’s tenure as chief executive officer, he will also serve as a director on the Board without any additional compensation, and the Board appointed Mr. Slosman as a Class 3 director, effective January 1, 2020, with a term expiring on the 2020 annual meeting of the stockholders of the Company.

Mr. Slosman, 55, has served as chief operating officer for MEDCURA Inc. From September 2017 to September 2019, Mr. Slosman served as a Business Consultant, overseeing international commercial strategy and market development, at Integra Life Sciences, a leading innovator in orthopedic extremity surgery, neurosurgery, and reconstructive and general surgery. From 2010 to 2014 Mr. Slosman served as President of Itamar Medical, Inc., a medical technology company focused on cardiovascular and sleep diagnostics. Mr. Slosman also served as chief executive officer of Ovalum Vascular Ltd. from 2008 to 2010. Mr. Slosman’s qualifications to serve on the Board include his significant experience in senior management positions of leading medical device companies.

As consideration for his services as Chief Executive Officer, Mr. Slosman will be entitled to receive (i) an annual base salary of \$400,000, less applicable payroll deductions and tax (“**Base Salary**”), which will be reviewed by the Board on an annual basis for increase; (ii) reimbursement of up to \$50,000 for any reasonable and customary, documented out-of-pocket relocation expenses actually incurred by Mr. Slosman in 2019 or 2020 calendar years, in connection with his relocation to Europe; (iii) annual performance bonuses in an amount up to 50% percent of the Base Salary, as may be in effect from time to time, for each calendar year during his employment with the Company based on the extent to which performance criteria/financial results for the applicable year have been met; and (iv) equity awards as of the date of the Slosman Employment Agreement that represent, in the aggregate, 5% of the Company’s issued and outstanding common stock determined on a fully diluted basis as of the date of grant (the “**Equity Awards**”), with 75% of the Equity Awards being granted as restricted stock units and with the remaining 25% of the Equity Awards being granted as stock options, with the Equity Awards subject to the terms and conditions of the Company’s 2013 Long-Term Incentive Plan (the “**LTIP**”) and of the award agreements to be entered for the Equity Awards. On or before December 31, 2020, Mr. Slosman shall become eligible to receive an additional grant of equity awards under the LTIP and the applicable award agreements up to 5% (including the Equity Awards) of the Company’s actual outstanding shares of Common Stock on the date of grant, provided that the actual amount of the grant shall be based on the achievement of certain performance/financial criteria as established by the Board after consultation with Mr. Slosman, in its reasonable discretion.

In the event Mr. Slosman voluntarily resigns without good reason, the Company may, in its sole discretion, shorten the notice period and determine the date of termination without any obligation to pay Mr. Slosman any additional compensation other than the accrued obligations and without triggering a termination of Mr. Slosman’s employment without cause. In the event the Slosman Employment Agreement expires, or the Company terminates Mr. Slosman’s employment for cause or Mr. Slosman voluntarily resigns without good reason, the Company shall have no further liability or obligation to Mr. Slosman under the Slosman Employment Agreement. Notwithstanding the foregoing, in the event that this the Slosman Employment Agreement expires as a result of the Company’s decision not to renew the Slosman Employment Agreement, the Company shall, subject to the execution and timely return by Mr. Slosman of a release of claims, pay Mr. Slosman cash payments totaling \$100,000 in the aggregate, payable in equal installments on the Company’s regular pay dates that occur during the period commencing on 60th day following his employment termination date and ending on the last day of the Restricted Period (as defined below); provided, however, that if, at any time within the period commencing on the date that is 3 months prior to the expiration of the Initial Employment Term or the then current renewal term, as applicable, and ending on the date that is 3 months following the expiration of the Slosman Employment Agreement, the Company and a third party execute a definitive, written, and binding agreement (a “**Sale Agreement**”) to enter into certain transactions described therein that, if consummated, would constitute a change in control of the Company, then Mr. Slosman’s termination shall be deemed a termination by the Company without cause or for good reason, as of the date such Sale Agreement is executed, provided further that any amounts payable to Mr. Slosman pursuant to such termination shall be reduced by any amounts previously paid to him upon expiration of the Slosman Employment Agreement, termination by the Company for cause or voluntary resignation by Mr. Slosman without good reason.

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If Mr. Slosman's employment is terminated (i) by the Company without cause or (ii) by Mr. Slosman for good reason, then the Company must pay Mr. Slosman, (a) a severance pay in an amount equal to twelve months of his then-current base salary, (b) his entire performance bonus for any calendar year for which Mr. Slosman has already worked the entire year but the bonus has yet to be paid, (c) a pro-rated performance bonus in an amount equal to the target annual performance bonus to which Mr. Slosman may have been entitled for the year in which the termination occurs that he would have received had his employment not been terminated during such year. In addition, 50% of all unvested stock options, shares of restricted stock, restricted stock units, stock appreciation rights, or similar stock-based rights granted to Mr. Slosman shall vest and, if applicable, be immediately exercisable and any risk of forfeiture included in such restricted or other stock grants previously made to Mr. Slosman shall immediately lapse, and Mr. Slosman may exercise any outstanding stock options or stock appreciation rights until the earlier of (x) the last date on which such stock options or stock appreciation rights could have been exercised pursuant to the terms of the applicable award agreement, irrespective of Mr. Slosman's termination of employment; and (y) the date that is two years following his employment termination date.

The employment agreement also contains certain standard noncompetition, non-solicitation, confidentiality, and assignment of inventions requirements for Mr. Slosman.

The foregoing summary of the Slosman Employment Agreement does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Slosman Employment Agreement, a copy of which is filed as Exhibit 10.2 to this Current Report on Form 8-K and is incorporated herein by reference.

#### **Item 8.01 Other Events.**

On December 10, 2019, the Company issued a press release announcing Dr. Barry's resignation and Mr. Slosman's appointment. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

#### **Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<b>Exhibit Number</b>	<b>Description</b>
10.1	<a href="#">General Release and Severance Agreement, dated December 9, 2019, by and between the Company and James Barry.</a>
10.2	<a href="#">Employment Agreement, dated December 9, 2019, by and between the Company and Marvin Slosman.</a>
99.1	<a href="#">Press release, dated December 10, 2019</a>

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**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: December 10, 2019

By: /s/ James Barry

Name: James Barry

Title: Chief Executive Officer

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## GENERAL RELEASE AND SEVERANCE AGREEMENT

This General Release and Severance Agreement (the "**Agreement**"), dated as of December 9, 2019, is made and entered into by and between James Barry ("**Executive**") and InspireMD, Inc. (the "**Company**").

For good and valuable consideration, the receipt of which is hereby acknowledged, in order to effect a mutually satisfactory and amicable separation of employment from the Company and to resolve and settle finally, fully and completely all matters and disputes that now or may exist between them, as set forth below, Executive and the Company agree as follows:

**1. Separation from Employment.** Effective December 31, 2019 (the "**Separation Date**"), Executive's employment with the Company shall cease, in accordance with Section 4.1 of the Employment Agreement (as defined below), based upon the mutual agreement of the parties hereto, and he shall, as of the Separation Date, relinquish all positions, offices, and authority with the Company and any Company subsidiaries and affiliates. On or before the Separation Date, Executive shall submit a letter of resignation from the Company's Board of Directors (the "**Board**"). Executive acknowledges and agrees, except for the payments and benefits described hereunder, Executive has no rights to any other wages and other compensation or remuneration of any kind due or owed from the Company, including, but not limited to, all wages, reimbursements, bonuses, advances, vacation pay (with the exception of any accrued but unused vacation time from 2019 which shall be paid to Executive), severance pay, vested or unvested equity or stock options, awards, and any other incentive-based compensation or benefits to which Executive was or may become entitled or eligible. Notwithstanding the foregoing, Executive shall be reimbursed for any expenses reasonably incurred by Executive at any time prior to the Separation Date in accordance with the Company's applicable reimbursement policies and procedures, submitted for reimbursement on or before the expiration of thirty (30) days following the Separation Date.

**2. Employment Agreement.** As of the Separation Date, that certain Amended and Restated Employment Agreement between the parties hereto and dated February 4, 2019 (the "**Employment Agreement**") shall terminate forever, and no party shall have any further obligation or liability thereunder, except that Executive acknowledges and agrees that **ARTICLE VI PROTECTIVE PROVISIONS** of the Employment Agreement, and all sections and provisions thereunder (the "**Surviving Provisions**"), shall remain in full force and effect in accordance with their terms. For the purposes of clarification, that certain Indemnity Agreement between the Executive and the Company, dated as of January 30, 2012 (the "**Indemnity Agreement**"), shall continue to remain in full force and effect in accordance with the terms of such Indemnity Agreement (including Section 13 of such Agreement) and nothing in this Agreement will be deemed to modify, alter or amend, in any manner, the provisions of the Indemnity Agreement. In addition to the rights under the Indemnification Agreement (and not in lieu of any rights under the Indemnification Agreement), the Company confirms that the Executive shall also be entitled to any rights to indemnification, defense and to be held harmless (or other similar protection) as set forth in the Certificate of Incorporation (as amended to date) and the Company's By-Laws (as amended to date) in the manner set forth therein.



**3. Consideration.** In consideration of this Agreement and the release herein becoming effective, and Executive's compliance with his obligations hereunder and with the Surviving Provisions, the Company shall, subject to the other terms and conditions provided herein, including, without limitation, Sections 4, 5 and 12, provide Executive with the following:

(i) **Severance.** The Company shall pay Executive severance payments in the aggregate amount of \$400,000, less all applicable payroll deductions and tax withholdings, payable as follows: (a) \$200,000 shall be paid in equal installments in accordance with the Company's standard payroll practices during the period commencing on the Effective Date (as defined below) and ending on March 15, 2020, and (b) the remaining \$200,000 shall be paid in equal installments in accordance with the Company's standard payroll practices during the period commencing on July 1, 2020, or such earlier period as provided in Section 12 below (the "**Payment Resumption Date**"), and ending on the first anniversary of the Effective Date; provided, however, that if (1) a Change in Control (as defined in the Employment Agreement) occurs, (2) the Company raises at least \$5 million (in gross proceeds before any expenses, discounts, commissions or other similar amounts) in new capital investments from one or more parties on or after the Separation Date, or (3) any of: the institution by or against the Company of any insolvency, receivership or bankruptcy proceeding(s) or any other proceeding(s) for the settlement of the Company's debts or the assignment for the benefit of the Company's creditors or the Company's dissolution or ceasing to do business, in any case, prior to the date that the last payment has been made pursuant to this subsection (i), then any remaining amounts to be paid to Executive on or before March 15, 2020 pursuant to this subsection shall be paid to him on the Company's next regularly scheduled payroll date concurrent with or next following the date on which the first event described in (1), (2) or (3) above occurs (the "**Acceleration Date**") and, provided further, that if the Acceleration Date occurs on or after March 16, 2020, but before the Payment Resumption Date, then any remaining amounts to be paid to Executive pursuant to this subsection shall be paid to him on the Company's next regularly scheduled payroll date concurrent with or next following the Payment Resumption Date.

(ii) **Outplacement Services.** The Company shall pay Executive an additional lump-sum payment of \$25,000, less all applicable payroll deductions and tax withholdings, on the Company's first regularly scheduled payroll date on or next following the Effective Date, which amount is intended to offset the costs of any executive outplacement services or similar educational programs incurred by Executive on or after the Separation Date.

(iii) **Equity Award.** As soon as administratively practicable following the date hereof and, in any event, no later than the Separation Date, the Company shall, subject to approval by the Board, grant Executive an award of 165,000 restricted stock units (the "**RSUs**"), subject to the terms and conditions of the Company's 2013 Long-Term Incentive Plan and its standard form of Restricted Stock Unit Award Agreement, which agreement shall provide, among other things, that (a) the RSUs shall be fully vested on the date of grant; (b) if Executive revokes this Agreement as provided in Section 5 below, the RSUs shall be, without any further action on the part of the Company or Executive, immediately and irrevocably terminated and forfeited by Executive; and (c) the RSUs shall be converted into shares of the Company's common stock in the 2020 calendar year on a date mutually agreeable to the Company and Executive but, in no event, later than January 15, 2020.

(iv) **Additional Stipend.** Subject to the other provisions of this subsection (iv), the Company shall pay Executive an additional monthly stipend of \$2,986, up to a maximum of \$53,748, less all applicable payroll deductions and tax withholdings, payable as follows: (a) \$17,916 shall be paid in three equal installments on the Company's first regularly scheduled payroll date occurring in January, February, and March of 2020, and (b) an additional \$2,986 shall be paid on the Company's first regularly scheduled payroll date occurring in each month during the period commencing on the Payment Resumption Date and ending on the eighteen (18) month anniversary of the Separation Date; provided, however, that if Executive becomes eligible for health benefits under the terms of another employer's group health plan, then he shall no longer be eligible to receive any future payments pursuant this subsection (iv), and any unpaid amounts potentially payable to Executive pursuant this subsection shall be for forfeited. In addition, each such stipend payment made to Executive pursuant to this subsection shall include an additional amount equal to the full amount of local, state, federal, or other income or employment taxes required to be withheld on such stipend payments (the "**Gross-up Payment**"). Executive acknowledges and agrees that the Gross-Up Payment shall also be subject to all applicable payroll deductions and tax withholdings.

**4. Release of Claims.** For and in consideration of the right to receive the consideration described in Section 3 of this Agreement, Executive fully and irrevocably releases and discharges the Company, including all of its affiliates, parent companies, subsidiary companies, employees, owners, directors, officers, principals, agents, insurers, and attorneys from any and all claims arising or existing on, or at any time prior to, the date this Agreement is signed by Executive. Such released claims include, without limitation, claims relating to or arising out of: (i) Executive's hiring, compensation, benefits and employment with the Company, (ii) Executive's separation from employment with the Company, and (iii) all claims known or unknown or which could or have been asserted by Executive against the Company, at law or in equity, or sounding in contract (express or implied) or tort, including (to the extent any of the foregoing or following can be waived under applicable law) claims arising under any federal, state, or local laws of any jurisdiction that prohibit age, sex, race, national origin, color, disability, religion, veteran, military status, pregnancy, sexual orientation, or any other form of discrimination, harassment, or retaliation, including, without limitation, age discrimination claims under the Age Discrimination in Employment Act; the Americans with Disabilities Act; claims under Title VII of the Civil Rights Act of 1964; the Rehabilitation Act; the Equal Pay Act; the Family and Medical Leave Act, 42 U.S.C. §1981; the Civil Rights Act of 1991; the Civil Rights Act of 1866 and/or 1871; the Sarbanes Oxley Act; the Executive Polygraph Protection Act; the Uniform Services and Employment and Re-Employment Rights Act; the Worker Adjustment Retraining Notification Act; the National Labor Relations Act and the Labor Management Relations Act; the New York State and City Human Rights Laws and any other similar or equivalent state laws; and any other federal, state, local, municipal or common law whistleblower protection claim, discrimination or anti-retaliation statute or ordinance; claims arising under the Employee Retirement Income Security Act; claims arising under the Fair Labor Standards Act; or any other statutory, contractual or common law claims. Executive does not release Executive's right to enforce the terms of this Agreement or release his rights to indemnification as required by applicable law, policy, the Indemnification Agreement, the Company's Certificate of Incorporation, as amended, or the Company's By-Laws, as amended.

**5. Review and Consultation.** Executive acknowledges that: (i) this Agreement is written in terms and sets forth conditions in a manner which he understands; (ii) he has carefully read and understands all of the terms and conditions of this Agreement; (iii) he agrees with the terms and conditions of this Agreement; and (iv) he enters into this Agreement knowingly and voluntarily. Executive acknowledges that he does not waive rights or claims that may arise after the date this Agreement is executed, that he has been given twenty-one (21) days from receipt of this Agreement in which to consider whether he wanted to sign it, that any modifications, material or otherwise made to this Agreement do not restart or affect in any manner the original twenty-one (21) day consideration period, and that the Company advises Executive to consult with an attorney before he signs this Agreement. The Company agrees, and Executive represents that he understands, that he may revoke his acceptance of this Agreement at any time for seven (7) days following his execution of the Agreement and must provide notice of such revocation by giving written notice to the Company. If not revoked by written notice received on or before the eighth (8<sup>th</sup>) day following the date of his execution of the Agreement, this Agreement shall be deemed to have become enforceable and on such eighth (8<sup>th</sup>) day (the “**Effective Date**”).

**6. Confidentiality.** Executive agrees that he will keep both the fact of this Agreement and the terms of this Agreement confidential, and will not disclose the fact of this Agreement or the terms of this Agreement to anyone other than Executive’s spouse/registered domestic partner, attorney or accountant/tax advisor, unless otherwise required to under applicable law or regulation after providing reasonable notice in writing to the Company and a reasonable opportunity to challenge any such disclosure.

**7. Governing Law/Venue.** The Parties agree that the Agreement shall be governed by and construed under the laws of the State of Delaware. In the event of any dispute regarding this Agreement, the Parties hereby irrevocably agree to submit to the exclusive jurisdiction of the federal and state courts situated in New Castle County, Delaware, and Executive agrees that he shall not challenge personal or subject matter jurisdiction in such courts. The Parties also hereby waive any right to trial by jury in connection with any litigation or disputes under or in connection with this Agreement.

**8. Voluntary.** This Agreement is executed voluntarily and without any duress or undue influence on the part or behalf of the parties hereto. The parties acknowledge that they have had ample opportunity to have this Agreement reviewed by the counsel of their choice.

**9. Acknowledgment.** Executive acknowledges and agrees that the severance payments and other consideration provided herein are consideration to which Executive is not otherwise entitled except pursuant to the terms of this Agreement and are being provided in exchange for Executive’s compliance with his obligations set forth hereunder.

**10. No Admission of Liability.** This Agreement shall not in any way be construed as an admission by the Company or Executive of any acts of wrongdoing or violation of any statute, law or legal right.

**11. Successors and Assigns.** This Agreement is binding upon and shall inure to the benefit of the parties themselves, as well as their respective representatives, successors, permitted assigns, heirs and estates.

**12. Code Section 409A; Specified Employee.** Executive acknowledges that, as of the date hereof, he is a “specified employee”, as such term is defined under Section 409A(a)(2)(B) of the Internal Revenue Code of 1986, as amended, and the regulations and other authoritative guidance issued thereunder (“**Section 409A**”), and, as such, the payments and other benefits described in Section 3 above (other than any such payments or benefits permitted by Section 409A to be paid within six (6) months of Executive’s termination of employment) have been structured in a way so that such payments and benefits shall not be paid or provided to Executive until the Company’s first regularly scheduled payroll date coincident with or next following the earlier of the date (i) that is one day following the six-month anniversary of the Separation Date and (ii) of Executive’s death (with such period being referred to herein as, the “**Delay Period**”). Any payment or benefits that would have otherwise been paid or provided to Executive during the Delay Period, whether in a lump-sum or installments, shall be paid or provided to Executive (or, in the event of Executive’s death, to the personal representative of his estate or his beneficiary) in a lump-sum with the first payment to be paid hereunder to Executive following the Delay Period.

**13. Sole Agreement and Severability.** Except as set forth herein, this Agreement is the sole, entire and complete agreement of the parties relating in any way to the subject matter hereof. No statements, promises or representations have been made by any party to any other party, or relied upon, and no consideration has been offered, promised, expected or held out other than as expressly set forth herein, provided only that the release of claims in any prior agreement or release shall remain in full force and effect. The covenants contained in this Agreement are intended by the parties hereto as separate and divisible provisions, and in the event that any or all of the covenants expressed herein shall be determined by a court of competent jurisdiction to be invalid or unenforceable, the remaining parts, terms or provisions of this Agreement shall not be affected and such provisions shall remain in full force and effect.

SIGNATURE PAGE FOLLOWS

PLEASE READ CAREFULLY. THIS GENERAL RELEASE AND SEVERANCE AGREEMENT INCLUDES A RELEASE OF ANY AND ALL CLAIMS, KNOWN OR UNKNOWN, AGAINST INSPIREMD, INC.

INSPIREMD, INC.

JAMES BARRY

By: /s/ Paul Stuka  
Title: Chairman  
Date: December 9, 2019

/s/ James Barry  
Date: December 9, 2019



**EMPLOYMENT AGREEMENT**

**THIS EMPLOYMENT AGREEMENT** (this “*Agreement*”) is dated as of December 9, 2019 and is entered into by and between Marvin Slosman (the “*Executive*”) and InspireMD, Inc. (the “*Company*”). The Company and the Executive shall be referred to herein as the “*Parties*.”

**RECITALS**

**WHEREAS**, the Company desires to employ the Executive as its Chief Executive Officer, and the Executive desires to be employed by the Company as its Chief Executive Officer;

**WHEREAS**, the Company and the Executive desire to state in writing the terms and conditions of their agreement and understandings with respect to the employment of the Executive; and

**NOW, THEREFORE**, in consideration of the mutual promises and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Parties hereby agree as follows:

**ARTICLE I.**

**SERVICES TO BE PROVIDED BY EXECUTIVE**

A. **Position and Responsibilities.** The Executive shall serve in the position of Chief Executive Officer, and shall perform services for the Company as requested or as needed to perform the Executive’s job. The duties of the Executive shall be those duties which can reasonably be expected to be performed by a person in such position. At all times, the Executive shall be subject to the direction and supervision of the Board of Directors of the Company (the “*Board*”). The Company shall cause the Executive to serve as a member of the Board, without any additional compensation, as long as the Executive continues to serve as its Chief Executive Officer.

B. **Performance.** During the Executive’s employment with the Company, the Executive shall devote such of the Executive’s time, energy, skill and reasonable best efforts on a full time basis and as is necessary to the performance of the Executive’s duties hereunder in a manner that will faithfully and diligently further the business and interests of the Company, and shall exercise reasonable best efforts to perform the Executive’s duties in a diligent, trustworthy, good faith and business-like manner, all for the purpose of advancing the business of the Company. The Executive shall at all times act in a manner consistent with the Executive’s position.

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**ARTICLE II.**  
**COMPENSATION FOR SERVICES**

As compensation for all services the Executive shall perform under this Agreement, the Company shall pay the Executive, and the Executive shall accept as full compensation, the following:

A. **Base Salary.** The Company shall pay the Executive a monthly salary of no less than \$33,333.33 monthly (\$400,000 annualized), less applicable payroll deductions and tax withholdings (the "**Base Salary**"), for all services rendered by the Executive under this Agreement; The Company shall pay the Base Salary in accordance with the normal payroll policies of the Company. The Executive's Base Salary will be reviewed by the Board on an annual basis for increase.

B. **Relocation Expenses.** The Company shall reimburse the Executive up to \$50,000 for any reasonable and customary, documented out-of-pocket relocation expenses actually incurred by the Executive, whether in the 2019 or 2020 calendar years, in connection with the Executive's relocation to Europe (collectively, the "**Relocation Expenses**"), payable in compliance with the Company's expense reimbursement policies as may be in effect from time to time, provided that any Relocation Expenses incurred in 2019 shall not be paid to the Executive until the 2020 calendar year. The Executive agrees that he shall relocate to a city in Europe that is mutually agreeable to the Executive and the Company (the "**Relocation Area**") as soon as practicable, but, in no event, later than six (6) months following the Commencement Date (as defined below). In addition, the Company shall provide the Executive with assistance reasonably requested by him in connection with obtaining any necessary work permits, visas, and any other administrative authorizations required to allow the Executive to work in the Relocation Area. The Executive acknowledges and agrees that any reimbursements provided under this Article II, Section B, shall be included in the Executive's taxable income and be subject to applicable payroll deductions and tax withholdings. Notwithstanding the forgoing, in the event the Executive's employment with the Company is terminated by the Company for Cause (defined below) or by the Executive without Good Reason (defined below), in either case, prior to January 1, 2021, the Executive shall repay to the Company all amounts reimbursed for such Relocation Expenses and for any costs or expenses incurred by the Company in connection with obtaining any work permits, visas, or other work authorizations pursuant to this Article II, Section B, less any amounts originally withheld or deducted from such reimbursements.

C. **Performance Bonus.** The Executive shall be entitled to receive annual bonuses in an amount up to 50% percent of the Base Salary, less applicable payroll deductions and tax withholdings (each, a "**Performance Bonus**") as may be in effect from time to time, for each calendar year during his employment with the Company based on the extent to which performance criteria/financial results for the applicable year have been met, which bonuses are expected to be paid on or before March 15 of the calendar year following the calendar year to which the Performance Bonus relates. In each case, the Annual Bonus shall be payable in accordance with the annual bonus plan covering the Company's executives (the "**Bonus Plan**"). Except as set forth in Article III, to be eligible to receive a Performance Bonus for a calendar year, the Executive must remain employed through the payment date of such Performance Bonus. All performance/financial criteria shall be established reasonably and in good faith by the Board on an annual basis. The evaluation of the Company's performance, as measured by the applicable performance criteria and the awarding of any bonuses shall be determined reasonably and in good faith by the Board.



**D. Equity Compensation.** The Company shall grant equity awards as of the date hereof to the Executive that represent, in the aggregate, 5% of the Company's issued and outstanding common stock ("**Common Stock**") determined on a fully diluted basis as of the date of grant (the "**Equity Awards**"), with 75% of the Equity Awards being granted as restricted stock units (the "**RSUs**") and with the remaining 25% of the Equity Awards being granted as stock options (the "**Options**"). The Equity Awards shall be subject to the terms and conditions of the Company's 2013 Long-Term Incentive Plan (the "**LTIP**") and of the award agreements attached hereto as Exhibit A and Exhibit B, which agreements shall provide, among other things, that:

(i) The Options shall be granted with an exercise price equal to the fair market value of the Common Stock on the date of grant, determined in accordance with the terms of the LTIP;

(ii) the Equity Awards shall vest in three (3) substantially equal installments on each of the first, second, and third anniversary of the date of grant, provided the Executive is employed by the Company through the applicable vesting date;

(iii) all unvested Equity Awards shall become one hundred percent (100%) fully vested on the closing date of a Change in Control (as defined in the LTIP), provided the Executive is employed by the Company on such date;

(iv) fifty percent (50%) of any unvested Equity Awards shall become fully vested on the date that the Executive's employment is terminated by the Company without Cause or by the Executive for Good Reason; and

(v) vested RSUs, determined after applying the provisions for Article III below, shall be settled and converted into shares of Common Stock on the first to occur of the following: (a) a Change in Control, as defined by the LTIP, or (b) the termination of the Executive's employment with the Company for any reason other than by the Company for Cause.

E. **Additional Equity.** On or before December 31, 2020, the Executive shall be eligible to receive an additional grant of equity awards under the LTIP and the applicable award agreement up to 5% (including the Equity Awards) of the Company's actual outstanding shares of Common Stock on the date of grant, provided that the actual amount of the grant shall be based on the achievement of certain performance/financial criteria as established by the Board after consultation with the Executive, in its reasonable discretion.

F. **Other Expenses.** The Company agrees that, during the Executive's employment, it shall promptly reimburse the Executive for out-of-pocket expenses reasonably incurred in connection with the Executive's performance of the Executive's services hereunder, upon the presentation by the Executive of an itemized accounting of such expenditures, with supporting receipts, provided that the Executive submits such expenses for reimbursement in compliance with the Company's expense reimbursement policies. Reimbursement shall be in compliance with the Company's expense reimbursement policies.

G. **Paid Time Off.** The Executive shall be eligible for paid time off in accordance with the Company's policy, as in effect from time to time.

H. **Automobile Allowance.** During the period commencing on the date of the Executive's relocation to the Relocation Area, as provided in Article II, Section B above, and ending on the earlier of (a) the expiration of this Agreement or (b) the Executive's relocation back to the United States, the Company shall pay the Executive an automobile allowance of €1,000 per month, less any required federal, provincial, state, local, or other applicable taxes and withholdings, which allowance the Executive shall use to purchase or lease (and to operate) an automobile that, in light of the Executive's position with the Company, is reasonable for use in the performance of his professional duties responsibilities. The allowance provided in this Article II, Section H (x) is intended to cover the monthly costs associated with the leasing or purchasing (and operating) of such an automobile (including, without limitation, fuel costs, insurance and liability coverage, registration, tolls, fees, repairs, maintenance, and any other expenses incurred in connection with the Executive's acquisition, lease, or use of such automobile) and (y) shall be paid to the Executive on the Company's first regularly scheduled payroll date of each calendar month that the Executive is entitled to the allowance pursuant to this Article II, Section H. Other than the automobile allowance provided herein, the Company shall not have any additional obligations or liabilities to the Executive or any other person or entity with respect to any claims arising from the Executive's acquisition, lease, or use of such automobile.

I. **Other Benefits.** The Executive is entitled to participate in any group health insurance plan, option or similar incentive compensation plan, 401(k) plan, disability plan, group life plan, and any other benefit or welfare program or policy that is made generally available, from time to time, to other employees of the Company, on a basis consistent with such participation and subject to the terms of the plan documents, as such plans may be modified, amended, terminated, or replaced from time to time for employees (collectively, the "**Benefit Plans**").

J. **Indemnification and Insurance.** The Company shall provide Executive with an Agreement to defend and indemnify Executive to the maximum amount permitted by law. The Company shall also ensure that Executive is covered under a Directors and Officers Liability Policy sufficient to protect Executive from claims arising from his role as an officer or director of the Company.

### **ARTICLE III. TERM; TERMINATION**

A. **Term of Employment.** The Agreement's stated term and employment relationship created hereunder will begin on January 1, 2020 (the "**Commencement Date**") and will remain in effect for three (3) years, unless earlier terminated in accordance with this Article III (the "**Initial Employment Term**"). This Agreement shall be automatically renewed for successive one (1) year terms after the Initial Employment Term (each one-year period, a "**Renewal Term**"), unless terminated by either party upon written notice provided not less than two (2) months before the end of the Initial Employment Term or any Renewal Term, or unless earlier terminated in accordance with this Article III. The Executive shall resign as a member of the Board upon termination if requested by the Company.

**B. Termination.** Either party may terminate the Executive's employment at any time upon written notice; provided that the Company and the Executive will be required to provide the other at least thirty (30) days' advance written notice of a termination without Cause or the Executive's voluntary resignation without Good Reason, respectively. The date of the Executive's termination shall be the date stated in the notice of termination. Upon termination of the Executive's employment, the Company shall pay the Executive (i) any unpaid Base Salary accrued through the date of termination, (ii) any accrued and unpaid paid time off or similar pay to which the Executive is entitled as a matter of law or Company policy, (iii) any amounts due to the Executive under the terms of the Benefit Plans, and (iv) any unreimbursed expenses properly incurred prior to the date of termination (the "**Accrued Obligations**").

(i) **Expiration of the Agreement; Termination for Cause or Voluntary Resignation.** In the event the Executive voluntarily resigns without Good Reason, the Company may, in its sole discretion, shorten the notice period and determine the date of termination without any obligation to pay the Executive any additional compensation other than the Accrued Obligations and without triggering a termination of the Executive's employment without Cause. In the event the Agreement expires, or the Company terminates the Executive's employment for Cause or the Executive voluntarily resigns without Good Reason, the Company shall have no further liability or obligation to the Executive under this Agreement. Notwithstanding the foregoing, in the event that this Agreement expires as a result of the Company's decision not to renew the Agreement, the Company shall, subject to the execution and timely return by the Executive of a release of claims in the form to be delivered by the Company, which release shall, by its terms, be irrevocable no later than the sixtieth (60<sup>th</sup>) day following his employment termination date, pay the Executive cash payments totaling \$100,000 in the aggregate, less applicable payroll deductions and tax withholdings, payable in equal installments on the Company's regular pay dates that occur during the period commencing on sixtieth (60<sup>th</sup>) day following his employment termination date and ending on the last day of the Restricted Period (as defined below); provided, however, that if, at any time within the period commencing on the date that is three (3) months prior to the expiration of the Initial Employment Term or the then current Renewal Term, as applicable, and ending on the date that is three (3) months following the expiration of the Agreement, the Company and a third party execute a definitive, written, and binding agreement (a "**Sale Agreement**") to enter into certain transactions described therein that, if consummated, would constitute a Change in Control (as defined below), then the Executive's termination shall be deemed a termination pursuant to Article III, Section B(ii) as of the date such Sale Agreement is executed, provided further that any amounts payable to the Executive pursuant to Article III, Section B(ii) shall be reduced by any amounts previously paid to him pursuant to this subsection (i). Notwithstanding anything herein to the contrary, if the Executive violates any of the restrictions contained in Article IV below, then any unpaid amounts pursuant to this subsection (i) shall be forfeited by the Executive, and the Executive shall not receive any additional payments pursuant to this subsection. The Accrued Obligations shall be payable in a lump sum within the time period required by applicable law, and in no event later than thirty (30) days following his employment termination date. For purposes of this Agreement, "**Cause**" means termination because of: (a) the Executive's refusal to perform the duties of the Executive's position in a manner causing material detriment to the Company; (b) the Executive's willful misconduct with regard to the Company or its business, assets or executives (including, without limitation, his fraud, embezzlement, intentional misrepresentation, misappropriation, conversion or other act of dishonesty with regard to the Company); (c) the Executive's commission of an act or acts constituting a felony or any crime involving fraud or dishonesty as determined in good faith by the Company; (d) the Executive's breach of a fiduciary duty owed to the Company; (e) any material breach of this Agreement or other agreement with the Company; or (f) any injury, illness or incapacity which shall wholly or continuously disable the Executive from performing the essential functions of the Executive's position for any successive or intermittent period of twelve (12) months. In each such event listed above, if the circumstances are curable, the Company shall give the Executive written notice thereof which shall specify in reasonable detail the circumstances constituting Cause, and there shall be no Cause with respect to any such circumstances if cured by the Executive within thirty (30) days after such notice.

(ii) **Termination Without Cause or for Good Reason.** In the event the Executive's employment is terminated by the Company without Cause or by the Executive for Good Reason, the Executive shall receive, subject to the execution and timely return by the Executive of a release of claims in the form to be delivered by the Company, which release shall, by its terms, be irrevocable no later than the sixtieth (60<sup>th</sup>) day following this employment termination date, the following (a) severance pay in an amount equal to the Executive's Base Salary for twelve (12) months, paid on the Company's first regular pay date on or after the sixtieth (60<sup>th</sup>) day following his employment termination date; (b) Executive's entire Performance Bonus for any calendar year for which Executive has already worked the entire year but the bonus has yet to be paid, payable at the same time as such bonuses are payable to other executives under the Bonus Plan; (c) the pro rata amount of the Performance Bonus, paid at 100%, for the calendar year in which his termination of employment occurs (based on the number of business days he was actually employed by the Company during the calendar year in which his termination of employment occurs and assuming full achievement of all applicable goals under the Bonus Plan) that he would have received had his employment not been terminated during such year, payable at the same time as such bonuses are payable to other executives under the Bonus Plan; (d) fifty percent (50%) of all unvested stock options, shares of restricted stock, restricted stock units, stock appreciation rights, or similar stock-based rights granted to the Executive shall vest and, if applicable, be immediately exercisable and any risk of forfeiture included in such restricted or other stock grants previously made to the Executive shall immediately lapse; and (e) in addition, the Executive may exercise any outstanding stock options or stock appreciation rights until the earlier of (x) the last date on which such stock options or stock appreciation rights could have been exercised pursuant to the terms of the applicable award agreement, irrespective of the Executive's termination of employment; and (y) the date that is two (2) years following his employment termination date. For purposes of this Agreement, "**Good Reason**" means termination because of: (a) a materially adverse diminution in the Executive's role, responsibilities or the compensation set forth herein without the Executive's consent; or (b) any material breach of this Agreement or other agreement with the Executive. In each such event listed above, the Executive shall give the Company written notice thereof which shall specify in reasonable detail the circumstances constituting Good Reason, and there shall be no Good Reason with respect to any such circumstances if cured by the Company within thirty (30) days after such notice.

**ARTICLE IV.**  
**RESTRICTIVE COVENANTS**

**A. Confidentiality.**

(i) **Confidential Information.** During the Executive's employment with the Company, the Company shall grant the Executive otherwise prohibited access to its trade secrets and confidential information which is not known to the Company's competitors or within the Company's industry generally, which was developed by the Company over a long period of time and/or at its substantial expense, and which is of great competitive value to the Company, and access to the Company's customers and clients. For purposes of this Article IV, the "**Company**" shall also include its parents, subsidiaries and affiliates. For purposes of this Agreement, "**Confidential Information**" includes any trade secrets or confidential or proprietary information of the Company, including, but not limited to, the following: methods of operation, products, inventions, services, processes, equipment, know-how, technology, technical data, policies, strategies, designs, formulas, developmental or experimental work, improvements, discoveries, research, plans for research or future products and services, corporate transactions, database schemas or tables, software, development tools or techniques, training procedures, training techniques, training manuals, business information, marketing and sales methods, plans and strategies, competitors, markets, market surveys, techniques, production processes, infrastructure, business plans, distribution and installation plans, processes and strategies, methodologies, budgets, financial data and information, customer and client information, prices and costs, fees, customer and client lists and profiles, employee, customer and client nonpublic personal information, supplier lists, business records, product construction, product specifications, audit processes, pricing strategies, business strategies, marketing and promotional practices, management methods and information, plans, reports, recommendations and conclusions, information regarding the skills and compensation of employees and contractors of the Company, and other business information disclosed to the Executive by the Company, either directly or indirectly, in writing, orally, or by drawings or observation. "**Confidential Information**" does not include, and there shall be no obligation hereunder with respect to, information that (a) is generally available to the public on the date of this Agreement or (b) becomes generally available to the public other than as a result of a disclosure not otherwise permissible hereunder.

(ii) **No Unauthorized Use or Disclosure.** The Executive acknowledges and agrees that Confidential Information is proprietary to and a trade secret of the Company and, as such, is a special and unique asset of the Company, and that any disclosure or unauthorized use of any Confidential Information by the Executive will cause irreparable harm and loss to the Company. The Executive understands and acknowledges that each and every component of the Confidential Information (a) has been developed by the Company at significant effort and expense and is sufficiently secret to derive economic value from not being generally known to other parties, and (b) constitutes a protectable business interest of the Company. The Executive acknowledges and agrees that the Company owns the Confidential Information. The Executive agrees not to dispute, contest, or deny any such ownership rights either during or after the Executive's employment with the Company. The Executive agrees to preserve and protect the confidentiality of all Confidential Information. The Executive agrees that the Executive shall not during the period of the Executive's employment with the Company and thereafter, directly or indirectly, disclose to any unauthorized person or use for the Executive's own account any Confidential Information without the Company's consent. Throughout the Executive's employment with the Company thereafter: (a) the Executive shall hold all Confidential Information in the strictest confidence, take all reasonable precautions to prevent its inadvertent disclosure to any unauthorized person, and follow all Company policies protecting the Confidential Information; and (b) the Executive shall not, directly or indirectly, utilize, disclose or make available to any other person or entity, any of the Confidential Information, other than in the proper performance of the Executive's duties.

(iii) **Return of Property and Information.** Upon the termination of the Executive's employment for any reason, the Executive shall immediately return and deliver to the Company any and all Confidential Information, software, devices, cell phones, personal data assistants, credit cards, data, reports, proposals, lists, correspondence, materials, equipment, computers, hard drives, papers, books, records, documents, memoranda, manuals, e-mail, electronic or magnetic recordings or data, including all copies thereof, which belong to the Company or relate to the Company's business and which are in the Executive's possession, custody or control, whether prepared by the Executive or others. If at any time after termination of the Executive's employment the Executive determines that the Executive has any Confidential Information in the Executive's possession or control, the Executive shall immediately return to the Company all such Confidential Information in the Executive's possession or control, including all copies and portions thereof.

B. **Restrictive Covenants.** In consideration for (i) the Company's promise to provide Confidential Information to the Executive, (ii) the substantial economic investment made by the Company in the Confidential Information and goodwill of the Company, and/or the business opportunities disclosed or entrusted to the Executive, (iii) access to the Company's customers and clients, and (iv) the Company's employment of the Executive pursuant to this Agreement and the compensation and other benefits provided by the Company to the Executive, to protect the Company's Confidential Information and business goodwill of the Company, the Executive agrees to the following restrictive covenants:

(i) **Non-Competition.** The Executive, on his own behalf, individually or as a principal, partner, stockholder, manager, agent, consultant, contractor, employee, lender, investor, or as a director or officer of any corporation or association, or in any other manner or capacity whatsoever, agrees that during the Term and for a period of twelve (12) months following the Executive's termination (for whatever reason) (the "**Restricted Period**"), he shall not, whether directly or indirectly, without the express written approval of the Company, own, establish, manage, engage in, operate, control, work for, consult with, render services for, do business with, maintain any interest in (proprietary, financial, or otherwise), or participate in the ownership, establishment, management, operation, or control of, any Competing Business in the Restricted Area. For purposes of this Agreement, "**Competing Business**" means any business, individual, partnership, firm, corporation, or other entity that engages in any business or service which the Company provided during the Executive's employment. Based on the scope and nature of the Company's business, the type and scope of the confidential information that will be provided to the Executive, the "**Restricted Area**" includes the United States of America and any state, country or territory for which the Executive had business contact on behalf of, or responsibility for, the Company during the twelve (12) month period prior to the termination of the Executive's employment. However, the Executive may own, directly or indirectly, solely as an investment, securities of any business traded on any national securities exchange; *provided* that the Executive is not a controlling person of, or the member of a group that controls such business; *provided further* that the Executive does not, directly or indirectly, own two percent (2%) or more of any class of securities of such business.

(ii) **Non-Solicitation.** The Executive agrees that during the Restricted Period, other than in connection with the Executive's duties under this Agreement, the Executive shall not, and shall not use any Confidential Information to, directly or indirectly, either as a principal, manager, agent, employee, consultant, officer, director, stockholder, partner, investor or lender or in any other capacity, and whether personally or through other persons:

(a) Solicit business from, attempt to conduct business with, or conduct business with any client, customer, or prospective client or customer of the Company with whom the Company conducted business or solicited within the final twelve (12) months prior to the Executive's termination, and who or which: (A) the Executive contacted, called on, serviced, did business with, or had contact with during the Executive's employment or that the Executive attempted to contact, call on, service, or do business with during the Executive's employment; or (B) that the Executive became acquainted with or dealt with, for any reason, as a result of the Executive's employment. This restriction applies only to business that is in the scope of services or products provided by the Company; or

(b) Hire, solicit for employment, induce or encourage to leave the employment of the Company, or otherwise cease their employment or other relationship with the Company, on behalf of itself or any other individual or entity, any employee, independent contractor or any former employee or independent contractor of the Company whose employment or contractor relationship ceased less than twelve (12) months earlier.

(iii) **Non-Disparagement.** During the Executive's employment with the Company and any time thereafter, the Executive shall not make, publish, or otherwise transmit any false, disparaging or defamatory statements, whether written or oral, regarding the Company and any of its employees, executives, agents, investors, procedures, investments, products, policies, or services.

C. **No Interference.** Notwithstanding any other provision of this Agreement, (i) the Executive may disclose Confidential Information when required to do so by a court of competent jurisdiction, by any governmental agency having authority over the Executive or the business of the Company or by any administrative body or legislative body (including a committee thereof) with jurisdiction to order the Executive to divulge, disclose or make accessible such information; and (ii) nothing in this Agreement is intended to interfere with the Executive's right to (a) report possible violations of state or federal law or regulation to any governmental or law enforcement agency or entity; (b) make other disclosures that are protected under the whistleblower provisions of state or federal law or regulation; (c) file a claim or charge with the Equal Employment Opportunity Commission ("**EEOC**"), any state human rights commission, or any other governmental agency or entity; or (d) testify, assist, or participate in an investigation, hearing, or proceeding conducted by the EEOC, any state human rights commission, any other governmental or law enforcement agency or entity, or any court. For purposes of clarity, in making or initiating any such reports or disclosures or engaging in any of the conduct outlined in subsection (ii) above, the Executive may disclose Confidential Information to the extent necessary to such governmental or law enforcement agency or entity or such court, need not seek prior authorization from the Company, and is not required to notify the Company of any such reports, disclosures or conduct.

**D. Defend Trade Secrets Act.** The Executive is hereby notified in accordance with the Defend Trade Secrets Act of 2016 that the Executive will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If the Executive files a lawsuit for retaliation against the Company for reporting a suspected violation of law, the Executive may disclose the Company's trade secrets to the Executive's attorney and use the trade secret information in the court proceeding if the Executive files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order.

**E. Tolling.** If the Executive violates any of the restrictions contained in this Article IV, the Restricted Period shall be suspended and shall not run in favor of the Executive from the time of the commencement of any violation until the time when the Executive cures the violation to the satisfaction of the Company.

**F. Remedies.** The Executive acknowledges that the restrictions contained in Article IV of this Agreement, in view of the nature of the Company's business and the Executive's position with the Company, are reasonable and necessary to protect the Company's legitimate business interests and that any violation of Article IV of this Agreement would result in irreparable injury to the Company. In the event of a breach by the Executive of Article IV of this Agreement, then the Company shall be entitled to a temporary restraining order and injunctive relief restraining the Executive from the commission of any breach. Such remedies shall not be deemed the exclusive remedies for a breach or threatened breach of this Article IV but shall be in addition to all remedies available at law or in equity, including the recovery of damages from the Executive, the Executive's agents, any future employer of the Executive, and any person that conspires or aids and abets the Executive in a breach or threatened breach of this Agreement.

**G. Reasonableness.** The Executive hereby represents to the Company that the Executive has read and understands, and agrees to be bound by, the terms of this Article IV. The Executive acknowledges that the scope and duration of the covenants contained in this Article IV are fair and reasonable in light of (i) the nature and wide geographic scope of the operations of the Company's business; (ii) the Executive's level of control over and contact with the Company's business; and (iii) the amount of compensation, trade secrets and Confidential Information that the Executive is receiving in connection with the Executive's employment by the Company.

**H. Reformation.** If any of the aforesaid restrictions are found by a court of competent jurisdiction to be unreasonable, or overly broad as to geographic area or time, or otherwise unenforceable, the Parties intend for the restrictions herein set forth to be modified by the court making such determination so as to be reasonable and enforceable and, as so modified, to be fully enforced. By agreeing to this contractual modification prospectively at this time, the Company and the Executive intend to make this provision enforceable under the law or laws of all applicable jurisdictions so that the entire agreement not to compete and this Agreement as prospectively modified shall remain in full force and effect and shall not be rendered void or illegal.



I. **No Previous Restrictive Agreements**. The Executive represents that, except as disclosed to the Company, the Executive is not bound by the terms of any agreement with any previous employer or other party to refrain from using or disclosing any trade secret or confidential or proprietary information in the course of the Executive's employment with the Company or to refrain from competing, directly or indirectly, with the business of such previous employer or any other party. The Executive further represents that the Executive's performance of all the terms of this Agreement and the Executive's work duties for the Company do not and will not breach any agreement to keep in confidence proprietary information, knowledge or data acquired by the Executive in confidence or in trust prior to the Executive's employment with the Company. The Executive shall not disclose to the Company or induce the Company to use any confidential or proprietary information or material belonging to any previous employer or others.

**ARTICLE V.**  
**MISCELLANEOUS PROVISIONS**

A. **Governing Law**. The Parties agree that the Agreement shall be governed by and construed under the laws of the State of Delaware. In the event of any dispute regarding this Agreement, the Parties hereby irrevocably agree to submit to the exclusive jurisdiction of the federal and state courts situated in New Castle County, Delaware, and the Executive agrees that he shall not challenge personal or subject matter jurisdiction in such courts. The Parties also hereby waive any right to trial by jury in connection with any litigation or disputes under or in connection with this Agreement.

B. **Headings**. The paragraph headings contained in this Agreement are for convenience only and shall in no way or manner be construed as a part of this Agreement.

C. **Severability**. In the event that any court of competent jurisdiction holds any provision in this Agreement to be invalid, illegal or unenforceable in any respect, the remaining provisions shall not be affected or invalidated and shall remain in full force and effect.

D. **Reformation**. In the event any court of competent jurisdiction holds any restriction in this Agreement to be unreasonable and/or unenforceable as written, the court may reform this Agreement to make it enforceable, and this Agreement shall remain in full force and effect as reformed by the court.

E. **Entire Agreement**. This Agreement constitutes the entire agreement between the Parties, and fully supersedes any and all prior agreements, understanding or representations between the Parties pertaining to or concerning the subject matter of this Agreement, including, without limitation, the Executive's employment with the Company. No oral statements or prior written material not specifically incorporated in this Agreement shall be of any force and effect, and no changes in or additions to this Agreement shall be recognized, unless incorporated in this Agreement by written amendment, such amendment to become effective on the date stipulated in it. Any amendment to this Agreement must be signed by all parties to this Agreement. The Executive acknowledges and represents that in executing this Agreement, the Executive did not rely, and has not relied, on any communications, promises, statements, inducements, or representation(s), oral or written, by the Company, except as expressly contained in this Agreement. The Parties represent that they relied on their own judgment in entering into this Agreement.

F. **Waiver.** No waiver of any breach of this Agreement shall be construed to be a waiver as to succeeding breaches. The failure of either of the Parties to insist in any one or more instances upon performance of any terms or conditions of this Agreement shall not be construed as a waiver of future performance of any such term, covenant or condition but the obligations of either of the Parties with respect thereto shall continue in full force and effect. The breach by one of the Parties to this Agreement shall not preclude equitable relief or the obligations of the other.

G. **Modification.** The provisions of this Agreement may be amended, modified or waived only with the prior written consent of the Company and the Executive, and no course of conduct or failure or delay in enforcing the provisions of this Agreement shall be construed as a waiver of such provisions or affect the validity, binding effect or enforceability of this Agreement or any provision hereof.

H. **Assignment.** This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, successors and permitted assigns. The Executive may not assign this Agreement to a third party. The Company may assign its rights, together with its obligations hereunder, to any affiliate and/or subsidiary of the Company or any successor thereto or any purchaser of substantially all of the assets of the Company.

**I. Code Section 409A.**

(i) To the extent (a) any payments to which the Executive becomes entitled under this Agreement, or any agreement or plan referenced herein, in connection with the Executive's termination of employment with the Company constitute deferred compensation subject to Section 409A of the Code; (b) the Executive is deemed at the time of his separation from service to be a "specified employee" under Section 409A of the Code; and (c) at the time of the Executive's separation from service the Company is publicly traded (as defined in Section 409A of Code), then such payments (other than any payments permitted by Section 409A of the Code to be paid within six (6) months of the Executive's separation from service) shall not be made until the earlier of (x) the first day of the seventh month following the Executive's separation from service or (y) the date of the Executive's death following such separation from service. Upon the expiration of the applicable deferral period described in the immediately preceding sentence, any payments which would have otherwise been made during that period (whether in a single sum or in installments) in the absence of this Article V, Section I shall be paid to the Executive or the Executive's beneficiary in one lump sum, plus interest thereon at the Delayed Payment Interest Rate computed from the date on which each such delayed payment otherwise would have been made to the Executive until the date of payment. For purposes of the foregoing, the "**Delayed Payment Interest Rate**" shall mean the national average annual rate of interest payable on jumbo six-month bank certificates of deposit, as quoted in the business section of the most recently published Sunday edition of The New York Times preceding the Executive's separation from service.

(ii) To the extent any benefits provided under Article II, Sections B or F or Article III, Section B(ii) above are otherwise taxable to the Executive, such benefits shall, for purposes of Section 409A of the Code, be provided as separate in-kind payments of those benefits, and the provision of in-kind benefits during one calendar year shall not affect the in-kind benefits to be provided in any other calendar year.

(iii) In the case of any amounts payable to the Executive under this Agreement, or under any plan of the Company, that may be treated as payable in the form of "a series of installment payments," as defined in Treas. Reg. §1.409A-2(b)(2)(iii), the Executive's right to receive such payments shall be treated as a right to receive a series of separate payments for purposes of Treas. Reg. §1.409A-2(b)(2)(iii).

(iv) It is intended that this Agreement comply with or be exempt from the provisions of Section 409A of the Code and the Treasury Regulations and guidance of general applicability issued thereunder, and in furtherance of this intent, this Agreement shall be interpreted, operated, and administered in a manner consistent with such intent.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK. SIGNATURE PAGE FOLLOWS.]

IN WITNESS WHEREOF, the Company and the Executive have caused this Agreement to be executed on the date first set forth above, to be effective as of that date.

**EXECUTIVE:**

*/s/ Marvin Slosman*

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Marvin Slosman

**COMPANY:**

*/s/ Paul Stuka*

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By: Paul Stuka, Chairman

Signature Page to Employment Agreement

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## InspireMD Announces Planned Leadership Transition

*Life sciences industry veteran Marvin Slosman appointed Chief Executive Officer*

*Appointment adds significant medical technology commercialization experience to the InspireMD team*

**Tel Aviv, Israel — December 10, 2019** – InspireMD, Inc. (NYSE American: NSPR), the developer of the CGuard™ Embolic Prevention System (EPS) for the prevention of stroke caused by carotid artery disease (CAD), today announced that James Barry, Ph.D. is stepping down as President and Chief Executive Officer to pursue other opportunities. The company’s Board of Directors has appointed life sciences industry veteran Marvin Slosman as new Chief Executive Officer, effective January 1, 2020. Mr. Slosman will also replace Dr. Barry on the company’s Board of Directors.

“Together with my fellow Board members, I would like to welcome Marvin to the InspireMD team and look forward to his leadership and guidance as the company enters its next phase of growth,” said Paul Stuka, InspireMD’s Chairman of the Board of Directors. “We believe Marvin is a proven leader with significant medical technology experience and is the perfect fit to further advance development of CGuard™ EPS through development in the U.S. while continuing to expand our commercial presence abroad.”

“We made many important advancements in the business as well as the ongoing development and commercialization of CGuard™ during Jim’s tenure. I would like to thank him for his tireless work and many contributions to get us to this point and wish him the best as he begins the next chapter in his professional career,” Mr. Stuka concluded.

“Throughout my career in medical technology I have had the privilege of contributing to the development and commercialization of many life changing innovations, and I believe CGuard™ EPS fits well within this category,” said Mr. Slosman. “There exists a significant and growing body of clinical evidence demonstrating the superiority of CGuard™ relative to most other carotid artery disease treatment options, and we believe we have significant opportunity in front of us to greatly expand the availability of this technology to physicians and patients. We will continue to work vigorously toward this goal.”

“I would like to thank the Board for the opportunity to serve as Chief Executive Officer, as well as the entire InspireMD team, without whom we could not have achieved important corporate and clinical milestones,” said Dr. Barry. “I believe in the potential of CGuard™ EPS, which incorporates the company’s proprietary MicroNet technology, to help so many patients globally who suffer from carotid artery disease. We have established a solid foundation from which to drive future growth and success.”

Mr. Slosman joins InspireMD from Integra LifeSciences, a leading innovator in orthopedic extremity surgery, neurosurgery, and reconstructive and general surgery. At Integra he served as Business Consultant overseeing commercial strategy and market development for the Integra’s international business. Before that, he served as President of ITAMAR Medical, a developer of cardiovascular and sleep diagnostic technologies. Prior to ITAMAR, Mr. Slosman served as Chief Executive Officer of Ovalum, Ltd., a privately held medical device company focused on arterial conditions. Earlier in his career, Mr. Slosman served as Chief Executive Officer of Phormax Medical, Inc., Senior Executive Vice President and Chief Commercial Officer at Emerge Interactive in addition to senior commercial leadership positions at Johnson & Johnson, GE Healthcare and Baxter.

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## **About InspireMD, Inc.**

InspireMD seeks to utilize its proprietary MicroNet® technology to make its products the industry standard for carotid stenting by providing outstanding acute results and durable stroke free long-term outcomes.

InspireMD's common stock is quoted on the NYSE American under the ticker symbol NSPR and certain warrants are quoted on the NYSE American under the ticker symbol NSPR.WS and NSPR.WSB.

## **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.

## **Investor Contacts:**

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