

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

**FORM 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2019

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: 001-36445



NanoVibronix, Inc  
(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation  
or organization)

01-0801232

(I.R.S. Employer Identification Number)

525 Executive Blvd. Elmsford, New York

(Address of principal executive office)

10523

(Zip Code)

Registrant's telephone number, including area code: (914) 233-3004

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant has been required to submit and post such files). Yes  No

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

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

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

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common stock	NOAV	NASDAQ

The number of shares outstanding of the registrant's common stock, par value \$0.001 per share, as of May 17, 2019 was 4,114,864 shares.

NANOVIBRONIX, INC.  
Quarter Ended March 31, 2019

TABLE OF CONTENTS

	<u>Page</u>
<u>PART I. FINANCIAL INFORMATION</u>	
<u>Item 1.</u>	
<u>Financial Statements (Unaudited)</u>	1
<u>Consolidated Balance Sheets as of March 31, 2019 and December 31, 2018</u>	1
<u>Consolidated Statements of Operations for the Three Months Ended March 31, 2019 and 2018</u>	2
<u>Consolidated Statements of Stockholders' Equity for the Three Months Ended March 31, 2019 and 2018</u>	3
<u>Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2019 and 2018</u>	4
<u>Notes to Consolidated Financial Statements</u>	5
<u>Item 2.</u>	
<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	12
<u>Item 3.</u>	
<u>Quantitative and Qualitative Disclosures about Market Risk</u>	17
<u>Item 4.</u>	
<u>Controls and Procedures</u>	17
<u>PART II. OTHER INFORMATION</u>	
<u>Item 1.</u>	
<u>Legal Proceedings</u>	18
<u>Item 1A.</u>	
<u>Risk Factors</u>	18
<u>Item 2.</u>	
<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	18
<u>Item 3.</u>	
<u>Defaults Upon Senior Securities</u>	18
<u>Item 4.</u>	
<u>Mine Safety Disclosures</u>	18
<u>Item 5.</u>	
<u>Other Information</u>	18
<u>Item 6.</u>	
<u>Exhibits</u>	19
<u>Signatures</u>	20

PART I – FINANCIAL INFORMATION

Item 1. CONSOLIDATED FINANCIAL STATEMENTS

NanoVibronix Inc  
Consolidated Balance Sheets  
(Unaudited)

	March 31, 2019	December 31, 2018
<b>ASSETS:</b>		
Current assets:		
Cash and cash equivalents	\$ 184	\$ 896
Trade receivables	70	95
Other accounts receivable and prepaid expenses	57	144
Inventory	141	95
Total current assets	<u>452</u>	<u>1,230</u>
Non-current assets:		
Fixed assets, net	6	8
Severance pay fund	359	342
Total non-current assets	<u>365</u>	<u>350</u>
Total assets	<u>\$ 817</u>	<u>\$ 1,580</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY:</b>		
Current liabilities:		
Trade payables	\$ 230	\$ 193
Other accounts payable and accrued expenses	321	447
Derivative liability - warrants	151	—
Total current liabilities	<u>702</u>	<u>640</u>
Non-current liabilities:		
Accrued severance pay	498	477
Convertible notes net of discount of \$225 and derivative liabilities	86	—
Total non-current liabilities	<u>584</u>	<u>477</u>
Total liabilities	<u>1,286</u>	<u>1,117</u>
COMMITMENTS AND CONTINGENCIES		
Stockholders' equity:		
Series C Preferred stock of \$0.001 par value - Authorized: 5,000,000 shares at March 31, 2019 and December 31, 2018; Issued and outstanding: 2,733,142 at March 31, 2019 and December 31, 2018	2	2
Series D Preferred stock of \$0.001 par value - Authorized: 5,000 shares at March 31, 2019 and December 31, 2018; Issued and outstanding: 304 at March 31, 2019 and December 31, 2018	—	—
Common stock of \$0.001 par value - Authorized: 20,000,000 shares at March 31, 2019 and December 31, 2018; Issued and outstanding: 4,076,522 and 3,801,522 shares at March 31, 2019 and December 31, 2018, respectively	4	4
Additional paid in capital	34,740	32,993
Accumulated deficit	(35,215)	(32,536)
Total stockholders' equity	<u>(469)</u>	<u>463</u>
Total liabilities and stockholders' equity	<u>\$ 817</u>	<u>\$ 1,580</u>

The accompanying notes are an integral part of these consolidated financial statements

**NanoVibronix Inc**  
**Consolidated Statements of Operations (Unaudited)**

	<b>Three Months Ended March 31,</b>	
	<b>2019</b>	<b>2018</b>
Revenues	\$ 79	\$ 77
Cost of revenues	26	22
Gross profit	53	55
Operating expenses:		
Research and development	152	136
Selling and marketing	321	229
General and administrative	1,803	480
Total operating expenses	2,276	845
Loss from operations	(2,223)	(790)
Financial income (expense), net	(32)	13
Warrant modification expense	(412)	—
Loss before taxes on income	(2,667)	(777)
Income tax expense	(12)	(12)
Net loss	\$ (2,679)	\$ (789)
Basic and diluted net loss available for holders of common stock, Preferred C stock and Preferred D stock	\$ (0.40)	\$ (0.12)
Weighted average common shares outstanding:		
Basic and diluted	6,652,110	6,419,007

The accompanying notes are an integral part of these consolidated financial statements

**NanoVibronix Inc**  
**Consolidated Statement of Stockholders' Equity (Unaudited)**

	<u>Preferred C Stock</u>		<u>Preferred D Stock</u>		<u>Common Stock</u>		<u>Additional Paid - in Capital</u>	<u>Accumulated Deficit</u>	<u>Total Stockholders' Equity</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>			
Balance, December 31, 2018	2,733,142	\$ 2	304	\$ —	3,801,522	\$ 4	\$ 32,993	\$ (32,536)	\$ 463
Stock-based compensation	—	—	—	—	—	—	293	—	293
Issuance of common stock as compensation for services	—	—	—	—	275,000	—	1,042	—	1,042
Warrant modification expense	—	—	—	—	—	—	412	—	412
Net loss	—	—	—	—	—	—	—	(2,679)	(2,679)
Balance, March 31, 2019	<u>2,733,142</u>	<u>\$ 2</u>	<u>304</u>	<u>\$ —</u>	<u>4,076,522</u>	<u>\$ 4</u>	<u>\$ 34,740</u>	<u>\$ (35,215)</u>	<u>\$ (469)</u>

	<u>Preferred C Stock</u>		<u>Preferred D Stock</u>		<u>Common Stock</u>		<u>Additional Paid - in Capital</u>	<u>Accumulated Deficit</u>	<u>Total Stockholders' Equity</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>			
Balance, December 31, 2017	2,483,142	\$ 2	—	\$ —	3,935,865	\$ 4	\$ 32,010	\$ (28,382)	\$ 3,634
Stock-based compensation	—	—	—	—	—	—	109	—	109
Net loss	—	—	—	—	—	—	—	(789)	(789)
Balance, March 31, 2018	<u>2,483,142</u>	<u>\$ 2</u>	<u>—</u>	<u>\$ —</u>	<u>3,935,865</u>	<u>\$ 4</u>	<u>\$ 32,119</u>	<u>\$ (29,171)</u>	<u>\$ 2,954</u>

The accompanying notes are an integral part of these consolidated financial statements

**NanoVibronix Inc**  
**Consolidated Statements of Cash Flows (Unaudited)**

	<b>Three Months Ended March 31,</b>	
	<b>2019</b>	<b>2018</b>
<b>Cash flows from operating activities:</b>		
Net loss	\$ (2,679)	\$ (789)
<b>Adjustments to reconcile net loss to net cash used in operating activities:</b>		
Depreciation and amortization	—	2
Stock-based compensation	1,335	109
Noncash interest expense	7	—
Change in fair value of derivative liabilities	5	—
Warrant modification expense	412	—
<b>Changes in operating assets and liabilities:</b>		
Trade receivable	27	(189)
Prepaid expenses and other accounts receivable	87	—
Inventories	(46)	—
Trade payables	37	—
Other accounts payable	(126)	—
Accrued severance pay, net	4	—
Net cash used in operating activities	<u>(937)</u>	<u>(867)</u>
<b>Cash flows from investing activities:</b>		
Purchases of property plant and equipment	—	(2)
Net cash used in investing activities	<u>—</u>	<u>(2)</u>
<b>Cash flows from financing activities:</b>		
Proceeds from issuance of Convertible Promissory Note and warrants	225	—
Payments of note payable	—	—
Net cash provided by financing activities	<u>225</u>	<u>—</u>
Net decrease in cash, cash equivalents and restricted cash	(712)	(869)
Cash, cash equivalents and restricted cash at beginning of period	896	4,360
Cash, cash equivalents and restricted cash at end of period	<u>\$ 184</u>	<u>\$ 3,491</u>
<b>Supplemental non-cash financing and investing activities:</b>		
Cash paid for interest	\$ —	\$ —
Cash paid for taxes	\$ —	\$ —
Discount on convertible notes	\$ 225	\$ —

The accompanying notes are an integral part of these consolidated financial statements

**NANOVIBRONIX, INC.**  
**Notes to Consolidated Financial Statements (Unaudited)**  
**Amounts in thousands (except share and per share data)**

**NOTE 1 – DESCRIPTION OF BUSINESS**

NanoVibronix, Inc. (“the Company”), a U.S. (Delaware) corporation, commenced operations on October 20, 2003 and is a medical device company focusing on noninvasive biological response-activating devices that target wound healing and pain therapy and can be administered at home, without the assistance of medical professionals.

The Company’s principal research and development activities are conducted in Israel through its wholly-owned subsidiary, NanoVibronix (Israel 2003) Ltd., a company registered in Israel, which commenced operations in October 2003.

**NOTE 2 – LIQUIDITY AND PLAN OF OPERATIONS**

The Company’s ability to continue to operate is dependent mainly on its ability to successfully market and sell its products and the receipt of additional financing until profitability is achieved. The Company currently incurs and historically has incurred losses from operations and expects to do so in the foreseeable future. As a result, the Company will not have sufficient resources to fund its operations for the next twelve months from the date of this filing. These conditions raise substantial doubt about the Company’s ability to continue as a going concern. During the next twelve months management expects that the Company will need to raise additional capital to finance its losses and negative cash flows from operations and may continue to be dependent on additional capital raising as long as its products do not reach commercial profitability. Management’s plans include the continued commercialization of the Company’s products and raising capital through the sale of additional equity securities, debt or capital inflows from strategic partnerships. There are no assurances, however, that the Company will be successful in obtaining the level of financing needed for its operations. If the Company is unsuccessful in commercializing its products and raising capital, it will need to reduce activities, curtail or cease operations. The financial statements do not include any adjustments with respect to the carrying amounts of assets and liabilities and their classification that might be necessary should the Company be unable to continue as a going concern.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of presentation and principles of consolidation*

The Company’s unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”) for the interim financial information and with instructions to Form 10-Q and Article 10 of Regulation S-X. The unaudited consolidated financial statements include the accounts of all subsidiaries in which the Company holds a controlling financial interest as of the financial statement date.

The unaudited consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. The terms “we,” “us,” “our,” and the “Company” refer to NanoVibronix, Inc. and its wholly-owned subsidiary. All intercompany accounts and transactions have been eliminated in consolidation.

*Unaudited interim financial information*

In the opinion of management, the accompanying unaudited interim consolidated financial statements reflect all adjustments, which include only normal recurring adjustments, necessary to state fairly the financial position and results of operations of the Company. These consolidated financial statements and notes thereto are unaudited and should be read in conjunction with the Company’s audited financial statements for the year ended December 31, 2018, as found in the Company’s Annual Report on Form 10-K filed with the Securities and Exchange Commission on April 15, 2019.

The balance sheet for December 31, 2018 was derived from the Company’s audited financial statements for the year ended December 31, 2018. The results of operations for the periods presented are not necessarily indicative of results that could be expected for the entire fiscal year due to seasonality and other factors. Certain information and footnote disclosures normally included in the consolidated financial statements in accordance with U.S. GAAP have been omitted in accordance with the rules and regulations of the SEC for interim reporting.

**NANOVI BRONIX, INC.**  
**Notes to Consolidated Financial Statements (Unaudited)**  
**Amounts in thousands (except share and per share data)**

*Use of estimates*

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions. The Company believe that the estimates, judgments and assumptions used are reasonable based upon information available at the time they are made. These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

*Foreign currency translation and transaction*

Non-U.S. dollar denominated transactions and balances have been re-measured to U.S. dollars. All transaction gains and losses from re-measurement of monetary balance sheet items denominated in non-U.S. dollar currencies are reflected in the statements of operations as financial income or expenses, as appropriate.

*Revenue recognition*

The Company generate revenues from the sale of our products to distributors and patients. Revenues from those products are recognized in accordance with Accounting Standards Codification (“ASC”) 606, Revenue from Contracts with Customers, in which its core principle of Accounting Standards Update (“ASU”) 2014-09 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration that is expected to be received for those goods or services. ASU 2014-09 defines a five-step process to achieve this core principle and, in doing so, it is possible more judgment and estimates may be required within the revenue recognition process than are required under existing GAAP, including identifying performance obligations in a contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation.

Revenues from sales to distributors are recognized at the time the products are delivered to the distributors (“sell-in”). The Company does not grant rights of return, credits, rebates, price protection, or other privileges on its products to distributors.

*Recently issued accounting pronouncements not yet adopted*

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). ASU 2016-02 requires that a lessee recognize the assets and liabilities that arise from operating leases. A lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right of use asset representing its right to use the underlying asset for the lease term. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. In transition, lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. Public business entities should apply the amendments in ASU 2016-02 for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early application is permitted for all public business entities and all nonpublic business entities upon issuance. The Company (as an EGC) that is taking advantage of the extended transition period offered to private entities would apply this for fiscal years beginning after December 15, 2019. The Company is currently evaluating the impact of adopting ASU 2016-02 on its consolidated financial statements.

**NANOVIBRONIX, INC.**  
**Notes to Consolidated Financial Statements (Unaudited)**  
**Amounts in thousands (except share and per share data)**

*Recently adopted accounting standards*

In July 2017, the FASB issued ASU No. 2017-11, “Earnings Per Share (Topic 260); Distinguishing Liabilities from Equity (Topic 480); Derivatives and Hedging (Topic 815)” (“ASU 2017-11”), which addresses the complexity of accounting for certain financial instruments with down round features. Down round features are features of certain equity-linked instruments (or embedded features) that result in the strike price being reduced on the basis of the pricing of future equity offerings. Current accounting guidance creates cost and complexity for entities that issue financial instruments (such as warrants and convertible instruments) with down round features that require fair value measurement of the entire instrument or conversion option. The Company adopted ASU 2017-11 on January 1, 2019 and as a result, the down round feature of equity instruments that were issued in the first quarter of 2019 were not considered when determining the derivative liability of those instruments.

*SEC Disclosure Update and Simplification*

In August 2018, the SEC adopted the final rule under SEC Release No. 33-10532, Disclosure Update and Simplification, amending certain disclosure requirements that were redundant, duplicative, overlapping, outdated or superseded. In addition, the amendments expanded the disclosure requirements on the analysis of stockholders' equity for interim financial statements. Under the amendments, an analysis of changes in each caption of stockholders' equity presented in the balance sheet must be provided in a note or separate statement. The analysis should present a reconciliation of the beginning balance to the ending balance of each period for which a statement of comprehensive income is required to be filed. This final rule was effective on November 5, 2018. The first presentation of the changes in shareholders' equity in accordance with the new guidance is included in this Form 10-Q for the quarter ended March 31, 2019.

**NOTE 4 – STOCKHOLDERS' EQUITY**

*Share based compensation*

During the three-month period ended March 31, 2019 and 2018 the Company recorded share-based compensation in a total amount of \$1.3 million and \$0.1 million, respectively. There were 275,000 shares of common stock issued for services in the three-month period ended March 31, 2019. Additionally, 120,000 options were issued during the three-month period ended March 31, 2019. The options were recorded at a fair value of \$265 and vest immediately.

The fair value for options granted in 2019 is estimated at the date of grant using a Black-Scholes-Merton options pricing model with the following underlying assumptions:

Price at valuation	\$	3.40
Exercise price	\$	3.40
Risk free interest		2.79%
Expected term (in years)		5
Volatility		48%

The total stock based expense recognized in the financial statements for services received from employees and non-employees is shown in the following table.

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2019</b>	<b>2018</b>
Research and development	\$ —	\$ 7
Selling and marketing	11	4
General and administrative	1,324	98
<b>Total</b>	<b>\$ 1,335</b>	<b>\$ 109</b>

As of March 31, 2019, the total unrecognized estimated compensation cost related to non-vested stock options granted prior to that date was \$488, which is expected to be recognized over a weighted average period of approximately 1.5 years.

*Warrant modification*

On February 5, 2019, the Company entered into amendments to its two-year warrants (the “Warrant Amendment”) to purchase an aggregate of 266,667 shares of common stock at an exercise price of \$3.00 per share (the “\$3.00 Warrants”) and warrants to purchase an aggregate of 420,000 shares of common stock at an exercise price of \$6.00 per share (the “\$6.00 Warrants”), issued in January and February 2015, to extend the expiration date of the warrants for two additional years. The warrants were previously extended for two years in January 2017. In addition, the Warrant Amendment amended the exercise price with respect to the \$3.00 Warrants from \$3.00 per share to \$3.35 per share. The exercise price of the \$6.00 Warrants was unchanged. Pursuant to the Warrant Amendment, warrants to purchase 266,667 shares of common stock at \$3.35 per share and warrants to purchase 266,667 shares of common stock at \$6.00 per share will expire on January 29, 2021, and warrants to purchase 140,000 shares of common stock at \$6.00 per share will expire on February 10, 2021, and warrants to purchase 13,333 shares of common stock at \$6.00 per share will expire on February 23, 2021. The Warrant Amendment is effective as of January 29, 2019. All other terms of the original warrants remain the same.

The Warrant Amendment was accounted for in warrant modification expense, which was measured at the amount equal to the incremental value reflecting the change in the fair value of the warrants before and after the Warrant Amendment. Accordingly, warrant modification expense in the amount of \$412 was recorded with a corresponding increase in the additional paid-in capital.

In estimating the warrants' fair value, the Company used the following assumptions:

Risk free interest	2.56%
Dividend yield	0%
Volatility	55.6% – 56.5%
Expected term (in years)	2

**NANOVIBRONIX, INC.**  
**Notes to Consolidated Financial Statements (Unaudited)**  
**Amounts in thousands (except share and per share data)**

**NOTE 5 – CONVERTIBLE DEBT**

On March 29, 2019, the Company completed a bridge financing, pursuant to which the Company issued to two accredited investors convertible notes on the aggregate principal amount of \$225,000 (the “Notes”) and seven-year warrants (the “Warrant”) to purchase an aggregate of 90,000 shares of the Company’s common stock or series C preferred stock at an exercise price of the *lesser* of: (a) 80% (*i.e.*, a 20% discount) of the exercise price per share of the warrants to purchase shares of the Company’s capital stock issued in the first equity financing of the Company following the date of issuance, or (b) \$4.80, with a stipulation that in no event will the exercise price be less than \$3.00 per warrant share.

The principal amount and all accrued but unpaid interest on the Notes are due and payable on the date (the “Maturity Date”) that is the earlier of the (i) 5-year anniversary of the date of issuance, or (ii) the date the Company completes an equity financing pursuant to which the Company issues and sells shares of capital stock resulting in aggregate proceeds of at least \$2,000,000 (a “Qualified Financing”). The Notes bear interest at a rate of 6% per annum, payable on the Maturity Date. To the extent not previously converted, on the Maturity Date, the investors will receive, at the option of each the investor, either (a) cash equal to the original principal amount of the Note and interest then accrued and unpaid thereon, or (b) shares of common stock or series C convertible preferred stock of the Company, at a price per share equal to the lesser of: (x) 80% of the amount equal to the quotient obtained by dividing (i) the estimated value of the Company as of the Maturity Date, as determined in good faith by the Company’s board of directors, by (ii) the aggregate number of outstanding shares of the Company’s common stock, as of the Maturity Date on a fully diluted basis, and (y) \$5.90 per share, as such amount may be adjusted for any stock split, stock dividend, reclassification or similar events affecting the capital stock of the Company. Upon consummation of a Qualified Financing, each investor may elect to have the outstanding principal and accrued but unpaid interest thereon converted into (a) shares of the same class and series of equity securities sold in such Qualified Financing, (b) shares of series C convertible preferred stock or (c) common stock, at a price per share equal to the lesser of: (a) 80% of the price per share at which such securities are sold in such Qualified Financing and (b) \$4.00 per share, as such amount may be adjusted for any stock split, stock dividend, reclassification or similar events affecting the Company’s capital stock.

In no event will the number of shares to be issued upon (i) exercise of this Warrants, (ii) conversion of the Notes exceed, in the aggregate, 9.9% of the total shares outstanding or the voting power outstanding on the date immediately preceding the date of issuance.

	<b>March 31, 2019</b>
<b>Convertible Notes:</b>	
Principal value of 6% convertible note at March 31, 2019, due March 29, 2024	\$ 225
Fair value of derivative liability of convertible notes	86
Debt discount	(225)
<b>Total long-term carrying value of convertible notes</b>	<b>\$ 86</b>

**NOTE 6 – DERIVATIVE LIABILITIES**

On March 29, 2019 (“Issuance Date”) the Company issued 90,000 warrants in conjunction with the issuance of convertible debt. The warrants have an exercise price equal to the lesser of: (a) 80% (*i.e.*, a 20% discount) of the exercise price per warrant share of the warrants to purchase shares of capital stock of the Company issued in the first Equity Financing of the Company following the Issuance Date, or (b) \$4.80, which is subject to down round adjustments. In April 2019, the warrants were modified to include that in no event will the exercise price be less than \$3.00 per warrant share.

A summary of quantitative information with respect to valuation methodology and significant unobservable inputs used for the Company’s common stock purchase warrants that are categorized within Level 3 of the fair value hierarchy for the three months ended March 31, 2019 is as follows:

	<b>Three Months Ended March 31, 2019</b>
Stock price	\$ 4.05
Exercise price	\$ 4.80
Contractual term (in years)	7
Volatility (annual)	57.8%
Risk-free rate	2.23 %
Dividend yield (per share)	0%

The foregoing assumptions are reviewed quarterly and are subject to change based primarily on management’s assessment of the probability of the events described occurring. Accordingly, changes to these assessments could materially affect the valuations.

**NANOVI BRONIX, INC.**  
**Notes to Consolidated Financial Statements (Unaudited)**  
**Amounts in thousands (except share and per share data)**

*Financial Liabilities Measured at Fair Value on a Recurring Basis*

Financial liabilities measured at fair value on a recurring basis are summarized below and disclosed on the balance sheet under Derivative liability – warrants and derivative liabilities:

	Fair value measured at March 31, 2019			Fair value at March 31, 2019
	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Derivative liability - warrants	\$ —	\$ —	\$ 151	\$ 151
Embedded conversion feature derivative liability	\$ —	\$ —	\$ 86	\$ 86
<b>Total</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 237</b>	<b>\$ 237</b>

The fair value accounting standards define fair value as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is determined based upon assumptions that market participants would use in pricing an asset or liability. Fair value measurements are rated on a three-tier hierarchy as follows:

- Level 1 inputs: Quoted prices (unadjusted) for identical assets or liabilities in active markets;
- Level 2 inputs: Inputs, other than quoted prices included in Level 1, that are observable either directly or indirectly; and
- Level 3 inputs: Unobservable inputs for which there is little or no market data, which require the reporting entity to develop its own assumptions.

There were no transfers between Level 1, 2 or 3 during the three months ended March 31, 2019.

The following table presents changes in Level 3 liabilities measured at fair value for the three months ended March 31, 2019:

	Derivative Liability - -Warrants	Embedded Conversion Feature Derivative Liability	Total Derivative Liabilities
Balance - January 1, 2019	\$ —	\$ —	\$ —
Liabilities	149	83	232
Change in fair value of warrant liability	2	3	5
Balance – March 31, 2019	<u>\$ 151</u>	<u>\$ 86</u>	<u>\$ 237</u>

**NOTE 7 – LOSS PER SHARE APPLICABLE TO COMMON SHAREHOLDER**

Basic net loss per common share (“Basic EPS”) is computed by dividing net loss available to common shareholders by the weighted average number of common shares outstanding during the period. All outstanding share options and warrants for the three months ended March 31, 2019 and 2018 have been excluded from the calculation of the diluted net loss per share because all such securities are anti-dilutive for all periods presented.

The following table summarizes the Company’s securities, in common share equivalents, which have been excluded from the calculation of dilutive loss per share as their effect would be anti-dilutive:

	March 31, 2019	December 31, 2018
Series D Preferred Shares	303,782	303,782
Stock Options - employee and non-employee	854,756	734,756
Warrants	266,667	266,667
Total	<u>1,425,205</u>	<u>1,305,205</u>

**NANOVIBRONIX, INC.**  
**Notes to Consolidated Financial Statements (Unaudited)**  
**Amounts in thousands (except share and per share data)**

The diluted loss per share equals basic loss per share in the three months ended March 31, 2019 and 2018 because the Company had a net loss and the impact of the assumed exercise of stock options and the vesting of restricted stock would have been anti-dilutive.

**NOTE 8 – GEOGRAPHIC INFORMATION AND MAJOR CUSTOMER DATA**

Summary information about geographic areas:

The Company manages its business on the basis of one reportable segment and derives revenues from selling its products directly to patients as well as through distributor agreements. The following is a summary of revenues within geographic areas:

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2019</b>	<b>2018</b>
United States	\$ 68	\$ 67
Europe	10	3
Israel	1	4
India	—	3
	\$ 79	\$ 77

During the three-month period ended March 31, 2019 and 2018, revenues from distributors accounted for 82% and 8% of total revenues, respectively.

The Company's long-lived assets are all located in Israel.

**NOTE 9 – COMMITMENTS AND CONTINGENCIES**

*Leases*

The Company leases office facilities and motor vehicles under operating leases, which expire on various dates, the latest of which is 2020.

<b>Year ended December 31,</b>	<b>Operating leases</b>
2019	\$ 32
2020	29
Total	\$ 61

**NANOVIBRONIX, INC.**  
**Notes to Consolidated Financial Statements (Unaudited)**  
**Amounts in thousands (except share and per share data)**

The Company leases motor vehicles under cancelable lease agreements. The Company has an option to be released from this lease agreement, which may result in penalties in a maximum amount of approximately \$5.

Rent and related expenses were \$12 and \$7 for the years ended March 31, 2019 and 2018, respectively.

**NOTE 10 – SUBSEQUENT EVENTS**

Between April and May 2019, the Company completed multiple bridge financings, pursuant to which the Company issued to two accredited investors convertible notes on the aggregate principal amount of \$250,000 and seven-year warrants to purchase an aggregate of 100,000 shares of the Company's common stock or series C preferred stock at an exercise price of the *lesser* of: (a) 80% (*i.e.*, a 20% discount) of the exercise price per share of the warrants to purchase shares of the Company's capital stock issued in the first equity financing of the Company following the date of issuance, or (b) \$4.80, with a stipulation that in no event will the exercise price be less than \$3.00 per warrant share.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion and analysis of financial condition and results of operations in conjunction with our consolidated financial statements and the related notes thereto included elsewhere in this Quarterly Report on Form 10-Q.*

*Unless the context requires otherwise, references in this Form 10-Q to the "Company," "NanoVibronix," "we," "our" and "us" refer to NanoVibronix, Inc., a Delaware corporation, and its subsidiaries.*

### Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains "forward-looking statements," which include information relating to future events, future financial performance, financial projections, strategies, expectations, competitive environment and regulation. Words such as "may," "should," "could," "would," "predicts," "potential," "continue," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates," and similar expressions, as well as statements in future tense, identify forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results and may not be accurate indications of when such performance or results will be achieved. Forward-looking statements are based on information we have when those statements are made or management's good faith belief as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Important factors that could cause such differences include, but are not limited to:

- Our ability to continue as a going concern.
- The timing of clinical studies and eventual U.S. Food and Drug Administration approval of WoundShield™ and our other product candidates.
- Regulatory actions that could adversely affect the price of or demand for our approved products.
- Market acceptance of existing and new products.
- Favorable or unfavorable decisions about our products from government regulators, insurance companies or other third-party payers.
- Our ability to regain compliance with the continued listing requirements of the Nasdaq Capital Market and the risk that our common stock will be delisted if we cannot do so.
- Our intellectual property portfolio.
- Our ability to recruit and retain qualified regulatory and research and development personnel.
- Unforeseen changes in healthcare reimbursement for any of our approved products.
- Lack of financial resources to adequately support our operations.
- Difficulties in maintaining commercial scale manufacturing capacity and capability.
- Our ability to generate internal growth.

- Changes in our relationship with key collaborators.
- Changes in the market valuation or earnings of our competitors or companies viewed as similar to us.
- Our failure to comply with regulatory guidelines.
- Uncertainty in industry demand and patient wellness behavior.
- General economic conditions and market conditions in the medical device industry.
- Future sales of large blocks of our common stock, which may adversely impact our stock price.
- Depth of the trading market in our common stock.

The foregoing does not represent an exhaustive list of matters that may be covered by the forward-looking statements contained herein or risk factors that we are faced with that may cause our actual results to differ from those anticipated in our forward-looking statements. For a discussion of these and other risks that relate to our business and financial performance, you should carefully review the risks and uncertainties described under the heading “Item 1A. Risk Factors” and elsewhere in this Quarterly Report on Form 10-Q and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018, and those described from time to time in our future reports filed with the Securities and Exchange Commission. Moreover, new risks regularly emerge and it is not possible for us to predict or articulate all risks we face, nor can we assess the impact of all risks on our business or the extent to which any risk, or combination of risks, may cause actual results to differ from those contained in any forward-looking statements. All forward-looking statements included in this Form 10-Q are based on information available to us on the date of this prospectus. Except to the extent required by applicable laws or rules, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

## Overview

We are a medical device company focusing on noninvasive biological response-activating devices that target wound healing and pain therapy and can be administered at home, without the assistance of medical professionals. Our WoundShield, PainShield and UroShield products are backed by novel technology which relates to ultrasound delivery through surface acoustic waves.

## Implications of being an Emerging Growth Company

We are an “emerging growth company,” as defined in Section 2(a) of the Securities Act of 1933, or the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. As such, we are eligible to take advantage of certain exemptions from various reporting requirements applicable to other public companies that are not “emerging growth companies” including, but not limited to:

- being permitted to present only two years of audited financial statements and only two years of related disclosure in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this prospectus;
- being permitted to provide less extensive narrative disclosure than other public companies including not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002 and reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements and registration statements;
- being permitted to utilize exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved;

- being permitted to defer complying with certain changes in accounting standards; and
- being permitted to use test-the-waters communications with qualified institutional buyers and institutional accredited investors.

We intend to take advantage of these and other exemptions available to “emerging growth companies.” We could remain an “emerging growth company” until the earliest of (a) the last day of our fiscal year following the fifth anniversary of the closing of this offering, (b) the last day of the first fiscal year in which our annual gross revenues exceed \$1.07 billion, (c) the last day of our fiscal year in which we are deemed to be a “large accelerated filer” as defined in Rule 12b-2 under the Securities Exchange Act of 1934, or Exchange Act (which would occur if the market value of our equity securities that is held by non-affiliates exceeds \$700 million as of the last business day of our most recently completed second fiscal quarter), or (d) the date on which we have issued more than \$1 billion in nonconvertible debt during the preceding three-year period.

The JOBS Act permits an “emerging growth company” like us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. This means that an “emerging growth company” can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to delay such adoption of new or revised accounting standards.

#### **Recent Events**

Our common stock is currently listed for trading on the NASDAQ Capital Market.

On September 14, 2018, we received a letter from the Listing Qualifications Staff (the “Staff”) of The Nasdaq Stock Market LLC notifying the Company that it was no longer in compliance with the minimum stockholders’ equity requirement for continued listing on the NASDAQ Capital Market. On October 26, 2018, November 23, 2018 and January 9, 2019, we submitted a plan and supporting documentation to regain compliance with the minimum stockholders’ equity requirement and was granted an extension through March 13, 2019 to comply with this requirement.

The Staff notified us by letter dated March 14, 2019 that it determined that we did not meet the terms of the extension because we were unable to complete an equity financing and evidence compliance with the minimum \$2.5 million stockholders’ equity requirement for continued listing on the NASDAQ Capital Market by March 13, 2019, and our common stock would be subject to delisting from the NASDAQ Capital Market unless the Company timely requests a hearing before the Nasdaq Hearings Panel (the “Panel”).

We timely requested a hearing before the Panel, which request stayed any delisting action by the Staff. The hearing occurred on May 2, 2019. At the hearing, we presented our plan to evidence compliance with the minimum stockholders’ equity requirement for continued listing on the NASDAQ Capital Market, and request an extension of time within which to do so. As of the date of this Report, we have not received a decision from the Panel.

#### **Critical Accounting Policies**

A critical accounting policy is one that is both important to the portrayal of our financial condition and results of operation and requires management’s most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. Our critical accounting policies are more fully described in both (i) “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” and (ii) Note 2 of the Notes to the Consolidated Financial Statements included in our Annual Report on Form 10-K/A for the fiscal year ended December 31, 2018. There have not been any material changes to such critical accounting policies since December 31, 2018.

The currency of the primary economic environment in which our operations are conducted is the U.S. dollar (“\$” or “dollar”). Accordingly, our functional currency is the dollar.

## Results of Operations

### *Three Months Ended March 31, 2019 Compared to Three Months Ended March 31, 2018*

*Revenues.* For the three months ended March 31, 2019 and 2018, our revenues were approximately \$79,000 and \$77,000, respectively, an increase of approximately 3%, or \$2,000, between the periods. The increase was mainly attributable to increased sales to distributors in the three months ended March 31, 2019. Our revenues may fluctuate as we add new consumers or when existing distributors or consumers make large purchases of our products during one period and no purchases during another period. Our revenues may fluctuate from quarter-to-quarter and any growth or decrease in revenues by quarter may not be linear or consistent.

For the three months ended March 31, 2019, the percentage of revenues attributable to our products was: PainShield - 91% and UroShield - 9%. For the three months ended March 31, 2018, the percentage of revenues attributable to our products was: PainShield - 81% and UroShield - 19%. For the three months ended March 31, 2019 and 2018, the percentage of revenues attributable to our disposable products was 7% and 21%, respectively. For the three months ended March 31, 2019 and 2018, the portion of our revenues that was derived from distributors was 82% and 8%, respectively.

*Gross Profit.* For the three months ended March 31, 2019 and 2018, gross profit was approximately \$53,000 and \$55,000, respectively, a decrease of approximately 4%, or \$2,000, mainly due to the increased sales to distributors that typically are sold at a lower margins than sales that are direct to consumer.

Gross profit as a percentage of revenues was approximately 67% and 71% for the three months ended March 31, 2019 and 2018, respectively. The decrease in gross profit as a percentage is mainly due to the aforementioned increase in sales to distributors.

*Research and Development Expenses.* For the three months ended March 31, 2019 and 2018, research and development expenses were approximately \$152,000 and \$136,000, respectively, an increase of approximately 12%, or \$16,000, between the periods. The increase was primarily due to an increase in expenses related to our clinical trials.

Research and development expenses as a percentage of total revenues were approximately 192% and 177% for the three months ended March 31, 2019 and 2018, respectively. The decrease was due primarily to the increase in sales as well as the increase in expenses described above.

Our research and development expenses consist mainly of payroll expenses to employees involved in research and development activities, stock-based compensation expenses, expenses related to subcontracting, patents application and registration, clinical trial and facilities expenses associated with and allocated to research and development activities.

*Selling and Marketing Expenses.* For the three months ended March 31, 2019 and 2018, selling and marketing expenses were approximately \$321,000 and \$229,000, respectively, an increase of approximately 40%, or \$92,000, between the periods. The increase was mainly due to an increase in our sales staff, sales consultants, and marketing activities.

Selling and marketing expenses as a percentage of total revenues were approximately 406% and 297% for the three months ended March 31, 2019 and 2018, respectively. The increase was due primarily to the increase in expenses described above partially offset by the increase in revenues.

Selling and marketing expenses consist mainly of payroll expenses to direct sales and marketing employees, stock-based compensation expenses, travel expenses, advertising and marketing expenses, rent and facilities expenses associated with and allocated to selling and marketing activities.

*General and Administrative Expenses.* For the three months ended March 31, 2019 and 2018, general and administrative expenses were approximately \$1,803,000 and \$480,000, respectively, an increase of approximately 276%, or \$1,323,000, between the periods. The increase was mainly due to an additional 1,300,000 of non-cash compensation relating to restricted shares and options issued to professional consultants in 2019.

General and administrative expenses as a percentage of total revenues were approximately 2,282% and 623% for the three months ended March 31, 2019 and 2018, respectively. The decrease was due primarily to the increase in revenues described above offset somewhat by the decrease in expenses described above.

Our general and administrative expenses consist mainly of payroll expenses for management and administrative employees, share-based compensation expenses, accounting, legal and facilities expenses associated with general and administrative activities and costs associated with being a publicly traded company.

*Financial expenses, net.* For the three months ended March 31, 2019 and 2018, financial income and (expenses), net was approximately (\$32,000) compared to a \$13,000, respectively, a decrease of approximately \$45,000, between the periods. The large decrease in 2019 was derived primarily from interest expense on the derivative liabilities.

*Warrant modification expenses.* For the three months ended March 31, 2019 and 2018, warrant modification expense was approximately (\$412,000) compared to a \$-, respectively, and was related to the incremental fair value of the warrants modified in January 2019.

*Tax expenses.* For the three months ended March 31, 2019 and 2018, tax expenses remained the same at approximately \$12,000. The tax expense is computed by multiplying income before taxes at our Israeli subsidiary by the appropriate tax rate.

*Net loss.* Our net loss decreased by approximately \$1,890,000, or 240%, to approximately \$2,679,000 for the three months ended March 31, 2019 from approximately \$789,000 in the same period of 2018. The decrease in net loss resulted primarily from the factors described above.

### **Liquidity and Capital Resources**

We incurred losses in the amount of \$2,679,000 during the three month period ended March 31, 2019, and accumulated negative cash flow from operating activities of \$937,000 for the three month period ended March 31, 2019. We expect to continue to incur losses and negative cash flows from operating activities and as a result, we will not have sufficient resources to fund our operation for the next twelve months from the date of this filing. These conditions raise substantial doubt about our ability to continue as a going concern. During the next twelve months management expects that we will need to raise additional capital to finance its losses and negative cash flows from operations for the next twelve months and may continue to be dependent on additional capital raising as long as our products do not reach commercial profitability.

During the three months ended March 31, 2019, and through May 20, 2019, we met our short-term liquidity requirements from our existing cash reserves which includes the proceeds from issuance of convertible debt in the amount of \$475,000. Our future capital requirements and the adequacy of our available funds will depend on many factors, including our ability to successfully commercialize our products, our development of future products and competing technological and market developments. We have been using these proceeds to meet our short-term liquidity requirements but may need to sell additional securities to advance our long-term plans. It is our current belief that if we do not continue to see significant increases in revenues, or if we are unable to raise additional capital at a later time in the next twelve months, we may need to reduce our operating budget as well as sales and marketing expenses which may impair our ability to execute our business objectives. However, we may be unable to raise sufficient additional capital when we require it or upon terms favorable to us. Delisting from NASDAQ would adversely affect our ability to raise additional financing through the public or private sale of equity securities, would significantly affect the ability of investors to trade our securities and would negatively affect the value and liquidity of our common stock. In addition, the terms of any securities we issue in future financings may be more favorable to new investors and may include preferences, superior voting rights and the issuance of warrants or other derivative securities, which may have a further dilutive effect on the holders of any of our securities then outstanding. If we are unable to obtain adequate funds on reasonable terms, we may need to curtail operations significantly, including possibly postponing anticipated clinical trials or entering into financing agreements with unattractive terms.

We do not have any material commitments to capital expenditures as of March 31, 2019, and we are not aware of any material trends in capital resources that would impact our business.

### ***Three Months Ended March 31, 2019 Compared to Three Months Ended March 31, 2018***

*General.* As of March 31, 2019, we had cash and cash equivalents of approximately \$184,000, compared to approximately \$3,491,000 as of March 31, 2018. The decrease is attributable to our net cash used in operating activities. We have historically met our cash needs through a combination of issuance of equity, borrowing activities and sales. Our cash requirements are generally for product development, research and development cost, marketing and sales activities, finance and administrative cost, capital expenditures and general working capital.

Cash used in our operating activities was approximately \$937,000 for the three months ended March 31, 2019 and \$867,000 for the same period in 2018. The increase in our cash usage was mainly associated with the increase in our net operating loss, excluding non-cash items such as stock-based compensation, for the three months ended March 31, 2019 compared to the three months ended March 31, 2018, for the reasons described above.

Cash used in investing activities was \$- and \$2,000 for the three month periods ended March 31, 2019 and 2018, respectively, and was related to purchases of fixed assets.

Cash provided by financing activities was approximately \$225,000 for the three months ended March 31, 2019 derived from proceeds received from the issuance of convertible debt, compared to \$- for the three months ended March 31, 2018.

### **Off Balance Sheet Arrangements**

Except as disclosed, as of March 31, 2019, we have no off-balance sheet transactions, arrangements, obligations (including contingent obligations), or other relationships with unconsolidated entities or other persons that have, or may have, a material effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

### **Factors That May Affect Future Operations**

We believe that our future operating results will continue to be subject to quarterly variations based upon a wide variety of factors, including the ordering patterns of our distributors, timing of regulatory approvals, the implementation of various phases of our clinical trials and manufacturing efficiencies due to the learning curve of utilizing new materials and equipment. Our operating results could also be impacted by a weakening of the Euro and strengthening of the New Israeli Shekel, or NIS, both against the U.S. dollar. Lastly, other economic conditions we cannot foresee may affect customer demand, such as individual country reimbursement policies pertaining to our products.

### **Item 3. Quantitative and Qualitative Disclosures about Market Risk**

Not applicable.

### **Item 4. Controls and Procedures**

Management of the Company, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures as of March 31, 2019, the end of the period covered by this quarterly report on Form 10-Q. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended ("Exchange Act"), means controls and other procedures of a company that are designed to provide reasonable assurance that information required to be disclosed by the company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures are also designed to provide reasonable assurance that such information is accumulated and communicated to the company's management, including its Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure. Based on their evaluation, as of the end of the period covered by this Form 10-Q, the Company's Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) were not effective because of the material weaknesses in our internal control over financial reporting as described in Item 9A in our Annual Report on Form 10-K for the fiscal ended December 31, 2018, filed with the Securities and Exchange Commission on April 15, 2019.

## Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Exchange Act Rule 13a-15 or 15d-15 that occurred during the three months ended March 31, 2019 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting, except for the Company's continued implementation of action plans to improve the effectiveness of our internal control over financial reporting and disclosure controls and procedures. While we have made progress in all areas of our remediation plan relating to the material weaknesses described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018, filed with the Securities and Exchange Commission on April 15, 2019, material weaknesses continue to exist.

## Part II – OTHER INFORMATION

### Item 1. Legal Proceedings

From time to time, we may be involved in litigation that arises through the normal course of business. As of the date of this filing, we are not a party to any material litigation nor are we aware of any such threatened or pending litigation.

There are no material proceedings in which any of our directors, officers or affiliates or any registered or beneficial shareholder of more than 5% of our common stock, or any associate of any of the foregoing is an adverse party or has a material interest adverse to our interest.

### Item 1A. Risk Factors

A description of the risks associated with our business, financial condition and results of operations is set forth in "Item 1A. Risk Factors" of our 2018 10-K, as filed with the SEC on April 15, 2019. There have been no material changes to these risks during the three months ended March 31, 2019.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On May 10, 2019, the Company issued and sold to an accredited investor a convertible promissory note (the "May 10 Note") in the principal amount of \$125,000 and a seven-year warrant (the "May 10 Warrant") to purchase 50,000, shares of the Company's common stock or series C preferred stock. The exercise price for the May 10 Warrant is equal to the lesser of: (a) 80% (i.e., a 20% discount) of the exercise price per share of the warrants to purchase shares of the Company's capital stock issued in the first equity financing of the Company following the date of issuance, or (b) \$4.80.

The principal amount and all accrued but unpaid interest on the May 10 Note are due and payable on the date (the "Maturity Date") that is the earlier of the (i) 5-year anniversary of the date of issuance, or (ii) the date the Company completes an equity financing pursuant to which the Company issues and sells shares of capital stock resulting in aggregate proceeds of at least \$2,000,000 (a "Qualified Financing"). The May 10 Note bears interest at a rate of 6% per annum, payable on the Maturity Date. To the extent not previously converted, on the Maturity Date, the investor will receive, at the option of the investor, either (a) cash equal to the original principal amount of the May 10 Note and interest then accrued and unpaid thereon, or (b) shares of common stock or series C convertible preferred stock of the Company, at a price per share equal to the lesser of: (x) 80% of the amount equal to the quotient obtained by dividing (i) the estimated value of the Company as of the Maturity Date, as determined in good faith by the Company's board of directors, by (ii) the aggregate number of outstanding shares of the Company's common stock, as of the Maturity Date on a fully diluted basis, and (y) \$4.00 per share, as such amount may be adjusted for any stock split, stock dividend, reclassification or similar events affecting the capital stock of the Company; provided that in either case, the conversion price will not be less than \$1.00 per share. Upon consummation of a Qualified Financing, the investor may elect to have the outstanding principal and accrued but unpaid interest thereon converted into (a) shares of the same class and series of equity securities sold in such Qualified Financing, (b) shares of series C convertible preferred stock or (c) common stock, at a price per share equal to the lesser of: (1) 80% of the price per share at which such securities are sold in such Qualified Financing and (2) \$4.00 per share, as such amount may be adjusted for any stock split, stock dividend, reclassification or similar events affecting the Company's capital stock; provided that in no event shall the conversion price will not be less than \$1.00 per share.

The May 10 Warrant is immediately exercisable. The May 10 Warrant may be exercised on a cashless basis if there is no effective registration statement registering the resale of the shares issuable upon exercise of the Warrant after the six-month anniversary of the issuance date of the May 10 Warrant. The exercise price of the May 10 Warrant is adjustable for certain events, such as distribution of stock dividends, stock splits or fundamental transactions including mergers or sales of assets. The holder of the May 10 Warrant will not have the right to exercise any portion of the May 10 Warrant if the holder (together with its affiliates) would beneficially own in excess of 9.99% of the number of shares of the Company's common stock outstanding immediately after giving effect to the exercise, as such percentage ownership is determined in accordance with the terms of the May 10 Warrant. In no event will the number of shares to be issued upon (A) exercise of the May 10 Warrant and (B) conversion of the May 10 Note exceed, in the aggregate, 9.9% of the total shares outstanding or the voting power outstanding on the date immediately preceding the date of issuance.

The foregoing description of the May 10 Note and the May 10 Warrant is a summary and does not purport to be complete, and is subject to, and qualified in its entirety by reference to, the May 10 Note and the form of May 10 Warrant, copies of which filed as Exhibits 10.2 and 4.1, respectively, to this Form 10-Q.

### Item 3. Defaults Upon Senior Securities

Not applicable.

### Item 4. Mine Safety Disclosures

Not Applicable.

### Item 5. Other Information

On May 15, 2019, the Company issued and sold to an accredited investor a convertible promissory note (the "May 15 Note") in the principal amount of \$100,000 and a seven-year warrant (the "May 15 Warrant") to purchase 40,000, shares of the Company's common stock or series C preferred stock. The exercise price for the Second Warrant is equal to the lesser of: (a) 80% (i.e., a 20% discount) of the exercise price per share of the warrants to purchase shares of the Company's capital stock issued in the first equity financing of the Company following the date of issuance, or (b) \$4.80.

The principal amount and all accrued but unpaid interest on the May 15 Note are due and payable on the date (the "Maturity Date") that is the earlier of the (i) 5-year anniversary of the date of issuance, or (ii) the date the Company completes an equity financing pursuant to which the Company issues and sells shares of capital stock resulting in aggregate proceeds of at least \$2,000,000 (a "Qualified Financing"). The May 15 Note bears interest at a rate of 6% per annum, payable on the Maturity Date. To the extent not previously converted, on the Maturity Date, the investor will receive, at the option of the investor, either (a) cash equal to the original principal amount of the May 15 Note and interest then accrued and unpaid thereon, or (b) shares of common stock or series C convertible preferred stock of the Company, at a price per share equal to the lesser of: (x) 80% of the amount equal to the quotient obtained by dividing (i) the estimated value of the Company as of the Maturity Date, as determined in good faith by the Company's board of directors, by (ii) the aggregate number of outstanding shares of the Company's common stock, as of the Maturity Date on a fully diluted basis, and (y) \$4.00 per share, as such amount may be adjusted for any stock split, stock dividend, reclassification or similar events affecting the capital stock of the Company; provided that in either case, the conversion price will not be less than \$1.00 per share. Upon consummation of a Qualified Financing, the investor may elect to have the outstanding principal and accrued but unpaid interest thereon converted into (a) shares of the same class and series of equity securities sold in such Qualified Financing, (b) shares of series C convertible preferred stock or (c) common stock, at a price per share equal to the lesser of: (1) 80% of the price per share at which such securities are sold in such Qualified Financing and (2) \$4.00 per share, as such amount may be adjusted for any stock split, stock dividend, reclassification or similar events affecting the Company's capital stock; provided that in no event shall the conversion price will not be less than \$1.00 per share.

The May 15 Warrant is immediately exercisable. The May 15 Warrant may be exercised on a cashless basis if there is no effective registration statement registering the resale of the shares issuable upon exercise of the May 15 Warrant after the six-month anniversary of the issuance date of the May 15 Warrant. The exercise price of the May 15 Warrant is adjustable for certain events, such as distribution of stock dividends, stock splits or fundamental transactions including mergers or sales of assets. The holder of the May 15 Warrant will not have the right to exercise any portion of the May 15 Warrant if the holder (together with its affiliates) would beneficially own in excess of 9.99% of the number of shares of the Company's common stock outstanding immediately after giving effect to the exercise, as such percentage ownership is determined in accordance with the terms of the May 15 Warrant. In no event will the number of shares to be issued upon (A) exercise of the May 15 Warrant and (B) conversion of the May 15 Note exceed, in the aggregate, 9.9% of the total shares outstanding or the voting power outstanding on the date immediately preceding the date of issuance.

The foregoing description of the May 15 Note and the May 15 Warrant is a summary and does not purport to be complete, and is subject to, and qualified in its entirety by reference to, the May 15 Note and the form of May 15 Warrant, copies of which filed as Exhibits 10.1 and 4.1, respectively, to this Form 10-Q for the quarter ended March 31, 2019.

Item 6. Exhibits

EXHIBIT INDEX

<b>Exhibit No.</b>	<b>Description</b>
<a href="#">4.1</a>	<a href="#">Form of May 10 and May 15, 2019 Warrants</a>
<a href="#">10.1</a>	<a href="#">Convertible Promissory Note (Globis), May 10, 2019</a>
<a href="#">10.2</a>	<a href="#">Convertible Promissory Note issued (AiGH), May</a>
<a href="#">31.1*</a>	<a href="#">Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>
<a href="#">31.2*</a>	<a href="#">Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>
<a href="#">32.1*</a>	<a href="#">Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
<a href="#">32.2*</a>	<a href="#">Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
101*	The following materials from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2019, formatted in XBRL (eXtensible Business Reporting Language), (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Comprehensive Loss, (iii) Consolidated Statements of Changes in Equity (Deficiency) (iv) Consolidated Statements of Cash Flows and (v) the Notes to the Consolidated Financial Statements

\* Filed herewith.

+ Management contract or compensatory plan or arrangement.

**SIGNATURES**

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

NANOVI BRONIX, INC.

Date: May 20, 2019

By: /s/ Brian Murphy

Name: Brian Murphy, Ph.D.

Title: Chief Executive Officer

Date: May 20, 2019

By: /s/ Stephen Brown

Name: Stephen Brown

Title: Chief Financial Officer

NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE EXERCISABLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL TO THE HOLDER (IF REQUESTED BY THE COMPANY), IN A FORM REASONABLY ACCEPTABLE TO THE COMPANY, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD OR ELIGIBLE TO BE SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

NANOVIBRONIX, INC.

Warrant To Purchase Capital Stock

Warrant No.: 2019-[ ]  
Date of Issuance: [ ] (“*Issuance Date*”)

NanoVibronix, Inc., a Delaware corporation (the “*Company*”), hereby certifies that, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, [ ], the registered holder hereof or its permitted assigns (the “*Holder*”), is entitled, subject to the terms set forth below, to purchase from the Company, at the Exercise Price (as defined below) then in effect, upon exercise of this Warrant to Purchase Capital Stock (including any Warrants to Purchase Capital Stock issued in exchange, transfer or replacement hereof, this “*Warrant*”), at any time or times after the date hereof, but not after 11:59 p.m., New York time, on [ ], at the election of the Holder, [ ] ([ ]) (subject to adjustment as provided herein) fully paid and nonassessable shares of (i) Common Stock (as defined below), (ii) Series C Convertible Preferred Stock (as defined below) or (iii) a combination of Common Stock and Series C Convertible Preferred Stock (collectively, the “*Warrant Shares*”). For the avoidance of doubt, the maximum number of shares of Common Stock and Series C Convertible Preferred Stock that may be issued under this Warrant is [ ] ([ ]) (subject to adjustment as provided herein).

1. EXERCISE OF WARRANT.

(a) Mechanics of Exercise. Subject to the terms and conditions hereof, this Warrant may be exercised by the Holder on any day after the Issuance Date, in whole or in part, by delivery (whether via facsimile or otherwise) of a written notice, in the form attached hereto as **Exhibit A** (the “*Exercise Notice*”), of the Holder’s election to exercise this Warrant. Within one (1) Business Day following an exercise of this Warrant as aforesaid, the Holder shall deliver payment to the Company of an amount in cash by wire transfer of immediately available funds equal to the Exercise Price in effect on the date of such exercise multiplied by the number of Warrant Shares as to which this Warrant was so exercised or, if available, in the manner set forth in Section 1(c) below (the “*Aggregate Exercise Price*”). The Holder shall not be required to deliver the original of this Warrant in order to effect an exercise hereunder. Execution and delivery of an Exercise Notice with respect to less than all of the Warrant Shares shall have the same effect as cancellation of the original of this Warrant and issuance of a new Warrant evidencing the right to purchase the remaining number of Warrant Shares. Execution and delivery of an Exercise Notice for all of the then-remaining Warrant Shares shall have the same effect as cancellation of the original of this Warrant after delivery of the Warrant Shares in accordance with the terms hereof. On or before the first (1<sup>st</sup>) Business Day following the date on which the Company has received an Exercise Notice and payment of the Aggregate Exercise Price for the number of Warrant Shares for which this Warrant was so exercised, the Company shall transmit by facsimile an acknowledgment of confirmation of receipt of such Exercise Notice to the Holder and the Company’s transfer agent for the Warrant Shares, if any. On or before the third (3<sup>rd</sup>) Business Day following the date on which the Company has received such Exercise Notice and payment of the Aggregate Exercise Price for the number of Warrant Shares for which this Warrant was so exercised, the Company shall issue and deliver to the Holder or, at the Holder’s instruction pursuant to the Exercise Notice, the Holder’s agent or designee, in each case, sent by reputable overnight courier to the address as specified in the applicable Exercise Notice, a certificate, registered in the Company’s share register in the name of the Holder or its designee (as indicated in the applicable Exercise Notice), for the number of shares of Common Stock or Series C Convertible Stock to which the Holder is entitled pursuant to such exercise. Upon delivery of an Exercise Notice and payment of the Aggregate Exercise Price for the number of Warrant Shares for which this Warrant was so exercised, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the certificates evidencing such Warrant Shares.

(b) Exercise Price. For purposes of this Warrant, “*Exercise Price*” means a price per Warrant Share equal to the *lesser* of: (a) 80% (*i.e.*, a 20% discount) of the exercise price per warrant share of the warrants to purchase shares of capital stock of the Company issued in the first Equity Financing of the Company following the Issuance Date, or (b) \$4.80, subject to adjustment as provided herein. Notwithstanding anything contained herein to the contrary, in no event will the Exercise Price be less than \$3.00 per Warrant Share.

(c) Cashless Exercise. If at any time after the six month anniversary of the original Issuance Date of this Warrant, there is no effective registration statement under the Securities Act of 1933, as amended (the “*Securities Act*”), registering the resale of the Common Stock underlying this Warrant by the Holder, then this Warrant may also be exercised, in whole or in part, by means of a “cashless exercise,” in which event the Company shall issue to the Holder the number of Warrant Shares determined as follows:

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

Where X= the number of Warrant Shares to be issued to the Holder.

Y= the number of Warrant Shares purchasable upon exercise of all of the Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being exercised.

A= the Exercise Price.

B= the Per Share Market Value of one Warrant Share on the Business Day immediately preceding the date of such election.

(d) Fractional Shares. The Company shall not be required to issue or cause to be issued fractional Warrant Shares on the exercise of this Warrant. If any fraction of a Warrant Share would, except for the provisions of this Section, be issuable upon exercise of this Warrant, the number of Warrant Shares to be issued will be rounded up to the nearest whole share.

(e) **Insufficient Authorized Shares.** From and after the Issuance Date, the Company shall at all times keep reserved for issuance under this Warrant a number of shares of Common Stock and Series C Convertible Preferred Stock as shall be necessary to satisfy the Company's obligation to issue shares of Common Stock and Series C Convertible Preferred Stock hereunder. If, notwithstanding the foregoing, and not in limitation thereof, at any time while this Warrant remains outstanding the Company does not have a sufficient number of authorized and unreserved shares of Common Stock and Series C Convertible Preferred Stock (an "**Authorized Share Failure**") to satisfy its obligation to reserve for issuance upon exercise of this Warrant (the "**Required Reserve Amount**"), then the Company shall promptly take all action necessary to increase the Company's authorized shares of Common Stock or Series C Convertible Preferred Stock, as applicable, to an amount sufficient to allow the Company to reserve the Required Reserve Amount. Without limiting the generality of the foregoing sentence, if the approval of the stockholders of the Company is required, as soon as practicable after the date of the occurrence of an Authorized Share Failure, but in no event later than ninety (90) days after the occurrence of such Authorized Share Failure, the Company shall hold a meeting of its stockholders for the approval of an increase in the number of authorized shares of Common Stock or Series C Convertible Preferred Stock. In connection with such meeting, the Company shall provide each stockholder with a proxy statement and shall use its reasonable best efforts to solicit its stockholders' approval of such increase in authorized shares of Common Stock or Series C Convertible Preferred Stock, and to cause its board of directors to recommend to the stockholders that they approve such proposal.

(f) **Holder's Exercise Limitations.** The Company shall not affect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, pursuant to Section 1 or otherwise, to the extent that after giving effect to such issuance after exercise as set forth on the applicable Exercise Notice, the Holder (together with the Holder's Affiliates, and any other Persons acting as a group together with the Holder or any of the Holder's Affiliates), would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by the Holder and its Affiliates shall include the number of shares of Common Stock or Series C Convertible Preferred Stock issuable upon exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of shares of Common Stock and Series C Convertible Preferred Stock which would be issuable upon (i) exercise of the remaining, nonexercised portion of this Warrant beneficially owned by the Holder or any of its affiliates and (ii) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company (including, without limitation, any other Common Stock Equivalents) subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Holder or any of its Affiliates. Except as set forth in the preceding sentence, for purposes of this Section 1(f), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Company is not representing to the Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and the Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this Section 1(f) applies, the determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates) and of which portion of this Warrant is exercisable shall be in the sole discretion of the Holder, and the submission of a Notice of Exercise shall be deemed to be the Holder's determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates) and of which portion of this Warrant is exercisable, in each case subject to the Beneficial Ownership Limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 1(f), in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock as reflected in (A) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or the Transfer Agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of a Holder, the Company shall within two Business Days confirm orally and in writing to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder or its Affiliates since the date as of which such number of outstanding shares of Common Stock was reported. The "**Beneficial Ownership Limitation**" shall be 9.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock or Series C Convertible Preferred Stock issuable upon exercise of this Warrant. The Holder, upon not less than 61 days' prior written notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 1(f), provided that the Beneficial Ownership Limitation in no event exceeds 9.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock or Series C Convertible Preferred Stock upon exercise of this Warrant held by the Holder and the provisions of this Section 1(f) shall continue to apply. Any such increase or decrease will not be effective until the 61st day after such written notice is delivered to the Company. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 1(f) to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor holder of this Warrant. The Beneficial Ownership Limitation provisions of this Section 1(f) may be waived at the election of the Holder upon not less than 61 days' prior written notice to the Company. Any such waiver will not be effective and the provisions of this paragraph shall continue to apply until the 61st day (or later, if stated in the notice) after such notice of waiver is delivered to the Company. Notwithstanding anything herein to the contrary, in no event will the number of shares to be issued upon (i) exercise of this Warrant, (ii) conversion of the notes issued on the date hereof to the Holder and [\_\_\_\_], in the aggregate principal amount of \$250,000, and (iii) exercise of the warrant to purchase capital stock of the Company issued to [\_\_\_\_] on the date hereof exceed, in the aggregate, 9.9% of the total shares outstanding or the voting power outstanding on the date immediately preceding the day hereof.

2. ADJUSTMENT OF EXERCISE PRICE AND NUMBER OF WARRANT SHARES. Without limiting any provision of Section 4, if the Company, at any time after the Issuance Date, (i) pays a stock dividend on one or more classes of its then outstanding shares of Common Stock or Series C Convertible Preferred Stock, as the case may be, or otherwise makes a distribution on any class of capital stock that is payable in shares of Common Stock or Series C Convertible Preferred Stock, as the case may be, (ii) subdivides (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its then outstanding shares of Common Stock or Series C Convertible Preferred Stock, as the case may be, into a larger number of shares or (iii) combines (by combination, reverse stock split or otherwise) one or more classes of its then outstanding shares of Common Stock or Series C Convertible Preferred Stock, as the case may be, into a smaller number of shares, then in each such case (A) the Exercise Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock or Series C Convertible Preferred Stock, as the case may, outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock or Series C Convertible Preferred Stock, as the case may be, outstanding immediately after such event and (B) the number of shares of Common Stock or Series C Convertible Preferred Stock, as the case may be, for which this Warrant is exercisable immediately after the occurrence of any such event shall be adjusted to equal the number of shares of Common Stock or Series C Convertible Preferred Stock, as the case may be, which a record holder of the same number of shares of Common Stock or Series C Convertible Preferred Stock, as the case may be, for which this Warrant is exercisable immediately prior to the occurrence of such event would own or be entitled to receive after the happening of such event. Any adjustment made pursuant to clause (i) of this paragraph shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution, and any adjustment pursuant to clause (ii) or (iii) of this paragraph shall become effective immediately after the effective date of such subdivision or combination. If any event requiring an adjustment under this paragraph occurs during the period that an Exercise Price is used in any calculation hereunder, then in such calculation such Exercise Price shall be adjusted appropriately to reflect such event.

3. REPRESENTATIONS AND WARRANTES OF HOLDER. The Holder hereby represents and warrants to the Company that:

(a) Holder acknowledges that this Warrant is issued to the Holder in reliance upon the Holder's representation to the Company that this Warrant will be acquired for investment for the Holder's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that such Holder has no present intention of selling, granting any participation in, or otherwise distributing the same. Holder further represents that the Holder does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participations to such person or to any third person, with respect to this Warrant.

(b) Holder is an investor in securities of companies in the development stage and acknowledges that it, he or she is able to fend for itself, himself or herself, can bear the economic risk of its, his or her investment, and has such knowledge and experience in financial or business matters that it, he or she is capable of evaluating the merits and risks of the investment in this Warrant. Holder also represents it, he or she has not been organized solely for the purpose of acquiring this Warrant.

(c) Holder is an "accredited investor" within the meaning of Rule 501 of Regulation D, as presently in effect, as promulgated by the Securities and Exchange Commission (the "SEC") under the Securities Act.

(d) Holder understands that this Warrant is characterized as a "restricted security" under the federal securities laws inasmuch as it is being acquired from the Company in a transaction not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the Securities Act only in certain limited circumstances. In this connection, Holder represents that it is familiar with Rule 144 as promulgated by the SEC under the Securities Act, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act.

4. FUNDAMENTAL TRANSACTIONS.

(a) Fundamental Transactions. Prior to the consummation of each Fundamental Transaction pursuant to which holders of shares of Common Stock or Series C Convertible Preferred Stock are entitled to receive securities or other assets with respect to or in exchange for shares of Common Stock or Series C Convertible Preferred Stock (a "**Corporate Event**"), the Company shall make appropriate provision to insure that the Holder will thereafter have the right to receive upon an exercise of this Warrant at any time after the consummation of the applicable Fundamental Transaction but prior to the Expiration Date, in lieu of the shares of the Common Stock or Series C Convertible Preferred Stock (or other securities, cash, assets or other property) issuable upon the exercise of the Warrant prior to such Fundamental Transaction, such shares of stock, securities, cash, assets or any other property whatsoever (including warrants or other purchase or subscription rights) which the Holder would have been entitled to receive upon the happening of the applicable Fundamental Transaction had this Warrant been exercised immediately prior to the applicable Fundamental Transaction (without regard to any limitations on the exercise of this Warrant). Provision made pursuant to the preceding sentence shall be in a form and substance reasonably satisfactory to the Holder.

(b) Application. The provisions of this Section 4 shall apply similarly and equally to successive Fundamental Transactions and Corporate Events.

5. NONCIRCUMVENTION. The Company hereby covenants and agrees that the Company will not, by amendment of the Company's certificate of incorporation, the Company's bylaws or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, and will at all times in good faith carry out all the provisions of this Warrant and take all action as may be required to protect the rights of the Holder. Without limiting the generality of the foregoing, the Company (i) shall not increase the par value of any shares of Common Stock or Series C Convertible Preferred Stock receivable upon the exercise of this Warrant above the Exercise Price then in effect and (ii) shall take all such actions as may be reasonably necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable shares of Common Stock or Series C Convertible Preferred Stock upon the exercise of this Warrant.

6. WARRANT HOLDER NOT DEEMED A STOCKHOLDER. Except as otherwise specifically provided herein, the Holder, solely in its capacity as a holder of this Warrant, shall not be entitled to vote or receive dividends or be deemed the holder of share capital of the Company for any purpose, nor shall anything contained in this Warrant be construed to confer upon the Holder, solely in its capacity as the Holder of this Warrant, any of the rights of a stockholder of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of stock, reclassification of stock, consolidation, merger, conveyance or otherwise), receive notice of meetings, receive dividends or subscription rights, or otherwise, prior to the issuance to the Holder of the Warrant Shares which it is then entitled to receive upon the due exercise of this Warrant. In addition, nothing contained in this Warrant shall be construed as imposing any liabilities on the Holder to purchase any securities (upon exercise of this Warrant or otherwise) or as a stockholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company. Notwithstanding this Section 6, the Company shall provide the Holder with copies of the same notices and other information given to the stockholders of the Company generally, contemporaneously with the giving thereof to the stockholders.

7. REISSUANCE OF WARRANTS.

(a) Transfer of Warrant. If this Warrant is to be transferred, the Holder shall surrender this Warrant to the Company, whereupon the Company will forthwith issue and deliver upon the order of the Holder a new Warrant (in accordance with Section 7(d)), registered as the Holder may request, representing the right to purchase the number of Warrant Shares being transferred by the Holder and, if less than the total number of Warrant Shares then underlying this Warrant is being transferred, a new Warrant (in accordance with Section 7(d)) to the Holder representing the right to purchase the number of Warrant Shares not being transferred.

(b) Lost, Stolen or Mutilated Warrant. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant (as to which a written certification and the indemnification contemplated below shall suffice as such evidence), and, in the case of loss, theft or destruction, of any indemnification undertaking by the Holder satisfactory to the Company and, in the case of mutilation, upon surrender and cancellation of this Warrant, the Company shall execute and deliver to the Holder a new Warrant (in accordance with Section 7(d)) representing the right to purchase the Warrant Shares then underlying this Warrant.

(c) Exchangeable for Multiple Warrants. This Warrant is exchangeable, upon the surrender hereof by the Holder at the principal office of the Company, for a new Warrant or Warrants (in accordance with Section 7(d)) representing in the aggregate the right to purchase the number of Warrant Shares then underlying this Warrant, and each such new Warrant will represent the right to purchase such portion of such Warrant Shares as is designated by the Holder at the time of such surrender; provided, however, no warrants for fractional shares of Common Stock or Series C Convertible Preferred Stock shall be given.

(d) Issuance of New Warrants. Whenever the Company is required to issue a new Warrant pursuant to the terms of this Warrant, such new Warrant (i) shall be of like tenor with this Warrant, (ii) shall represent, as indicated on the face of such new Warrant, the right to purchase the Warrant Shares then underlying this Warrant (or in the case of a new Warrant being issued pursuant to Sections 7(a) or 7(c), the Warrant Shares designated by the Holder which, when added to the number of shares of Common Stock or Series C Convertible Preferred Stock underlying the other new Warrants issued in connection with such issuance, does not exceed the number of Warrant Shares then underlying this Warrant), (iii) shall have an issuance date, as indicated on the face of such new Warrant which is the same as the Issuance Date, and (iv) shall have the same rights and conditions as this Warrant.

8. NOTICES. Except as may be otherwise provided herein, all notices, requests, waivers and other communications made pursuant to this Warrant shall be in writing to the addresses set forth on the signature pages hereof and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient; if not, then on the next business day, (iii) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one (1) day after deposit with an internationally recognized overnight courier, specifying next day delivery, with written verification of receipt.

9. NOTICES OF CERTAIN CORPORATE ACTIONS. The Company shall provide the Holder with prompt written notice of all actions taken pursuant to this Warrant, including in reasonable detail a description of such action and the reason therefor. Without limiting the generality of the foregoing, the Company will give written notice to the Holder (i) immediately upon each adjustment of the Exercise Price and the number of Warrant Shares, setting forth in reasonable detail, and certifying, the calculation of such adjustment(s) and (ii) at least fifteen (15) days prior to the date on which the Company closes its books or takes a record (A) with respect to any dividend or distribution upon the shares of Common Stock or Series C Convertible Preferred Stock, (B) with respect to any grants, issuances or sales of any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property to holders of shares of Common Stock or Series C Convertible Preferred Stock or (C) for determining rights to vote with respect to any Fundamental Transaction, dissolution or liquidation, provided in each case that such information shall be made known to the public prior to or in conjunction with such notice being provided to the Holder and (iii) at least ten (10) Business Days prior to the consummation of any Fundamental Transaction.

10. AMENDMENT AND WAIVER. Except as otherwise provided herein, the provisions of this Warrant may be amended and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company has obtained the written consent of the Holder. No waiver shall be effective unless it is in writing and signed by an authorized representative of the waiving party.

11. SEVERABILITY. If any provision of this Warrant is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Warrant so long as this Warrant as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

12. GOVERNING LAW. This Warrant shall be governed by and construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation and performance of this Warrant shall be governed by, the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of New York.

13. REMEDIES, CHARACTERIZATION, OTHER OBLIGATIONS, BREACHES AND INJUNCTIVE RELIEF. The remedies provided in this Warrant shall be cumulative and in addition to all other remedies available under this Warrant at law or in equity (including a decree of specific performance and/or other injunctive relief), and nothing herein shall limit the right of the Holder to pursue actual damages for any failure by the Company to comply with the terms of this Warrant. The Company covenants to the Holder that there shall be no characterization concerning this instrument other than as expressly provided herein. Amounts set forth or provided for herein with respect to payments, exercises and the like (and the computation thereof) shall be the amounts to be received by the Holder and shall not, except as expressly provided herein, be subject to any other obligation of the Company (or the performance thereof). The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holder and that the remedy at law for any such breach may be inadequate. The Company therefore agrees that, in the event of any such breach or threatened breach, the holder of this Warrant shall be entitled, in addition to all other available remedies, to an injunction restraining any breach, without the necessity of showing economic loss and without any bond or other security being required. The Company shall provide all information and documentation to the Holder that is requested by the Holder to enable the Holder to confirm the Company's compliance with the terms and conditions of this Warrant (including, without limitation, compliance with Section 2 hereof). The issuance of shares and certificates for shares as contemplated hereby upon the exercise of this Warrant shall be made without charge to the Holder or such shares for any issuance tax or other costs in respect thereof, provided that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of any certificate in a name other than the Holder or its agent on its behalf.

14. TRANSFER. This Warrant may not be offered for sale, sold, transferred or assigned by the Holder except in a manner consistent with the restrictive legend on the first page of this Warrant; provided, however, that no such assignment shall relieve the Holder of its obligations hereunder if such assignee fails to perform such obligations.

15. CERTAIN DEFINITIONS. For purposes of this Warrant, the following terms shall have the following meanings:

(a) "*Affiliate*" means any person or entity that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a person or entity, as such terms are used in and construed under Rule 144 under the Securities Act. With respect to a Holder, any investment fund or managed account that is managed on a discretionary basis by the same investment manager as such Holder will be deemed to be an Affiliate of such Holder.

(b) "*Business Day*" means any day other than Saturday, Sunday or other day on which commercial banks in the city of New York, New York are authorized or required by law to remain closed.

(c) "*Common Stock*" means the common stock of the Company.

(d) **“Common Stock Equivalent”** means any Convertible Security or warrant, Option or other right to subscribe for or purchase any share of Common Stock, Series C Convertible Preferred Stock or any Convertible Security.

(e) **“Convertible Securities”** means any stock or other security (other than Options) that is at any time and under any circumstances, directly or indirectly, convertible into, exercisable or exchangeable for, or which otherwise entitles the holder thereof to acquire, any shares of Common Stock or Series C Convertible Preferred Stock.

(f) **“Equity Financing”** means the issuance and sale by the Company of shares of its Common Stock, Series C Convertible Preferred Stock or Convertible Securities with the principal purpose of raising capital, for cash.

(g) **“Fundamental Transaction”** means that (i) the Company or any of its subsidiaries shall, directly or indirectly, in one or more related transactions, (1) consolidate or merge with or into (whether or not the Company or any of its subsidiaries is the surviving corporation) any other Person, or (2) sell, lease, license, assign, transfer, convey or otherwise dispose of all or substantially all of its respective properties or assets to any other Person, or (3) allow any other Person to make a purchase, tender or exchange offer that is accepted by the holders of more than 50% of the outstanding shares of Voting Stock of the Company (not including any shares of Voting Stock of the Company held by the Person or Persons making or party to, or associated or affiliated with the Persons making or party to, such purchase, tender or exchange offer), or (4) consummate a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with any other Person whereby such other Person acquires more than 50% of the outstanding shares of Voting Stock of the Company (not including any shares of Voting Stock of the Company held by the other Person or other Persons making or party to, or associated or affiliated with the other Persons making or party to, such stock or share purchase agreement or other business combination), or (5) reorganize, recapitalize or reclassify the Common Stock, or (ii) any “person” or “group” (as these terms are used for purposes of Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the **“Exchange Act”**) and the rules and regulations promulgated thereunder) is or shall become the “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of 50% of the aggregate ordinary voting power represented by issued and outstanding Voting Stock of the Company.

(h) **“Per Share Market Value”** means on any particular date (a) the closing sales price per share of the Common Stock or Series C Convertible Preferred Stock on such date on any registered national securities exchange on which the Common Stock or Series C Convertible Preferred Stock is then listed, or if there is no such closing sales price on such date, then the closing sales price on such exchange on the date nearest preceding such date, or (b) if the Common Stock or Series C Convertible Preferred Stock is not then listed on a registered national securities exchange, the closing sales price for a share of Common Stock or Series C Convertible Preferred Stock in the over-the-counter market, as reported by the OTC Bulletin Board or the OTC Markets Group, Inc. (or similar organization or agency succeeding to its functions of reporting prices) at the close of business on such date, or (c) if the Common Stock is not then reported by the OTC Bulletin Board or the OTC Markets Group, Inc. (or similar organization or agency succeeding to its functions of reporting prices), the fair market value of a share of Common Stock or Series C Convertible Preferred Stock as determined by the Company’s board of directors, acting in good faith. In determining the fair market value of any shares of Common Stock or Series C Convertible Preferred Stock no consideration shall be given to any restrictions on transfer of the Common Stock or Series C Convertible Preferred Stock imposed by agreement or by federal or state securities laws, or to the existence or absence of, or any limitations on, voting rights.

(i) “**Options**” means any rights, warrants or options to subscribe for or purchase shares of Common Stock or Convertible Securities.

(j) “**Person**” means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity or a government or any department or agency thereof.

(k) “**Series C Convertible Preferred Stock**” means the Series C Convertible Preferred Stock of the Company.

(l) “**Voting Stock**” of a Person means capital stock of such Person of the class or classes pursuant to which the holders thereof have the general voting power to elect, or the general power to appoint, at least a majority of the board of directors, managers or trustees of such Person (irrespective of whether or not at the time capital stock of any other class or classes shall have or might have voting power by reason of the happening of any contingency).

[signature page follows]

IN WITNESS WHEREOF, the Company and the Holder have caused this Warrant to Purchase Capital Stock to be duly executed as of the Issuance Date set out above.

**NANOVIBRONIX, INC.**

By: /S/ Stephen Brown  
Name: Stephen Brown  
Title: CFO

Address:

NANOVIBRONIX, INC.  
525 EXECUTIVE BOULEVARD  
ELMSFORD NY 10523

[ \_\_\_\_\_ ]

By: \_\_\_\_\_  
Name:  
Title:

Address: \_\_\_\_\_

---

EXERCISE NOTICE

TO BE EXECUTED BY THE REGISTERED HOLDER TO EXERCISE THIS  
WARRANT TO PURCHASE CAPITAL STOCK

NANOVIBRONIX, INC.

The undersigned holder hereby exercises the right to purchase \_\_\_\_\_ of the shares of Common Stock or Series C Convertible Preferred Stock (“*Warrant Shares*”) of NanoVibronix, Inc., a Delaware corporation (the “*Company*”), evidenced by Warrant No. \_\_\_\_\_ (the “*Warrant*”). Capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Warrant.

1 . Payment of Exercise Price. The Holder shall pay the Aggregate Exercise Price in the sum of \$ \_\_\_\_\_ to the Company in accordance with the terms of the Warrant.

2 . Delivery of Warrant Shares. The Company shall deliver to Holder, or its designee or agent as specified below, \_\_\_\_\_ Shares of Common Stock and \_\_\_\_\_ shares of Series C Convertible Preferred Stock in accordance with the terms of the Warrant. Delivery shall be made to Holder, or for its benefit, to the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
Name of Registered Holder

By: \_\_\_\_\_  
Name:  
Title:



THIS NOTE AND THE SECURITIES ISSUABLE UPON THE CONVERSION HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR AN OPINION OF COUNSEL SATISFACTORY TO THE BORROWER THAT REGISTRATION IS NOT REQUIRED UNDER SUCH ACT OR UNLESS SOLD PURSUANT TO RULE 144 UNDER SUCH ACT.

**CONVERTIBLE PROMISSORY NOTE**

\$125,000

May 10, 2019

FOR VALUE RECEIVED, NanoVibronix, Inc., a Delaware corporation (the "**Borrower**"), hereby promises to pay to the order of Globis Capital Partners, L.P. ("**Lender**"), the principal amount ("**Principal Amount**") equal to \$125,000 Interest on the unpaid portion of the Principal Amount shall be payable on the Maturity Date (as defined below) at a rate per annum equal to 6%.

**1. Terms; Payment.**

**1.1 Terms.** This Note is one of a number of similar notes (the "**Other Notes**") being issued and delivered by the Borrower to certain note holders (together with Lender, the "**Note Holders**") pursuant to a debt financing of up to \$750,000

**1.2 Payment.** Unless this Note has been previously converted in accordance with the terms of Section 3 hereunder, the Principal Amount and all accrued but unpaid interest thereon shall be due and payable on the date that is the earlier of the (i) 5-year anniversary of the date hereof, or (ii) the date that the Borrower completes a Qualified Financing (as hereafter defined) (the "**Maturity Date**"). On the affirmative vote of the holders of at least two-thirds (2/3rds) of the outstanding aggregate Principal Amount of this Note and each of the Other Notes (the "**Required Holders**"), the Borrower may from time to time extend the Maturity Date of this Note and each of the Other Notes. All payments shall be made in lawful money of the United States of America at the principal office of the Borrower, or at such other place as the holder hereof may from time to time designate in writing to the Borrower. Payment shall be credited first to accrued interest due and payable and the remainder applied to principal. The Borrower hereby waives demand, notice, presentment, protest and notice of dishonor.

**2. Representations and Warranties of Lender.** In connection with the transactions provided for herein, Lender hereby represents and warrants to the Borrower that:

**2.1 Purchase Entirely for Own Account.** Lender acknowledges that this Note is issued to Lender in reliance upon Lender's representation to the Borrower that this Note will be acquired for investment for Lender's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that such Lender has no present intention of selling, granting any participation in, or otherwise distributing the same. By executing this Note, Lender further represents that Lender does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participations to such person or to any third person, with respect to this Note.

---

**2.2 Investment Experience.** Lender is an investor in securities of companies in the development stage and acknowledges that it, he or she is able to fend for itself, himself or herself, can bear the economic risk of its, his or her investment, and has such knowledge and experience in financial or business matters that it, he or she is capable of evaluating the merits and risks of the investment in this Note. Lender also represents it, he or she has not been organized solely for the purpose of acquiring this Note.

**2.3 Accredited Investor.** Lender is an “accredited investor” within the meaning of Rule 501 of Regulation D, as presently in effect, as promulgated by the Securities and Exchange Commission (the “SEC”) under the Securities Act of 1933, as amended (the “Act”).

**2.4 Restricted Securities.** Lender understands that this Note is characterized as a “restricted security” under the federal securities laws inasmuch as it is being acquired from the Borrower in a transaction not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the Act only in certain limited circumstances. In this connection, Lender represents that it is familiar with Rule 144 as promulgated by the SEC under the Act, as presently in effect, and understands the resale limitations imposed thereby and by the Act.

**3. Conversion of this Note.** This Note shall be convertible according to the following terms:

**3.1 Definitions.** The following terms shall have the meanings assigned below:

(a) “**Change of Control**” means any consolidation or merger of the Borrower with or into any other corporation or other entity or person, or any other corporate reorganization in which the Borrower shall not be the continuing or surviving entity of such reorganization or any transaction or series of related transactions by the Borrower in which in excess of 50% of the Borrower’s voting power is transferred, or a sale of all or substantially all of the assets of the Borrower, other than any transaction or series of related transactions which is primarily for the purpose of financing the Borrower or a reincorporation of the Borrower.

(b) “**Equity Financing**” means the issuance and sale by the Borrower of shares of its Capital Stock, with the principal purpose of raising capital, for cash.

(c) “**Equity Securities**” means the Borrower’s capital stock (the “**Capital Stock**”) or any securities conferring the right to purchase such Capital Stock or securities convertible into, or exchangeable for (with or without additional consideration), such Capital Stock.

**3.2 Qualified Financing.** In the event the Borrower consummates an Equity Financing following the date of issuance of this Note pursuant to which it issues and sells shares of Capital Stock resulting in aggregate proceeds (excluding the conversion of this Note and each of the Other Notes) to the Borrower of at least \$2,000,000 (a “*Qualified Financing*”), and provided that this Note remains outstanding at the time of such Qualified Financing, Lender may, upon 10 days’ prior notice, elect to have the outstanding principal and unpaid accrued interest of this Note converted into shares of the same class and series of Equity Securities sold in such Qualified Financing, provided that the Lender may elect to receive shares of the Series C Convertible Preferred Stock of the Borrower instead of shares of common stock of the Borrower (the “*Common Stock*”) to the extent that shares of Common Stock are issued in such Qualified Financing, at a price per share equal to the *lesser* of: (a) 80% (*i.e.*, a 20% discount) of the price per share at which such securities are sold in such Qualified Financing and (b) \$4.00 per share, as such amount may be adjusted for any stock split, stock dividend, reclassification or similar events affecting our Capital Stock, provided that in either case, the conversion price will not be less than \$1.00 per share. At least 10 business days prior to the closing of the Qualified Financing, the Borrower shall notify Lender in writing of the terms under which the Equity Securities of the Borrower will be sold in such financing. The conversion of this Note into Equity Securities under this Section 3.2 shall occur on the closing date of such Qualified Financing, and at the closing of the Qualified Financing, Lender shall execute a stock purchase agreement in the same form as that executed by the other investors of the Qualified Financing. Notwithstanding the foregoing in no event will the number of shares to be issued upon (i) conversion of this Note or the Other Notes, or (ii) upon exercise of the warrants to purchase capital stock of the Company issued to the Note Holders on the date hereof exceed, in the aggregate, 9.9% of the total shares outstanding or the voting power outstanding on the date immediately preceding the day hereof.

**3.3 Change of Control.** If prior to the Maturity Date, there is a Change of Control and this Note has not previously converted pursuant to Section 3.2, Lender may, upon 10 days’ prior notice, elect to have this Note converted or repaid in one of the following two ways: (a) Lender may elect to receive from the Borrower an amount in cash equal to the sum of the original Principal Amount and interest then accrued and unpaid under the Note, or (b) Lender may elect to convert this Note plus all accrued and unpaid interest into shares of Common Stock or, if Lender so elects, into shares of the Series C Convertible Preferred Stock of the Borrower, immediately prior to the closing of such Change of Control at a price per share equal to the Change of Control Exchange Price. For purposes of the foregoing sentence, the “*Change of Control Exchange Price*” means the *lesser* of: (x) 80% (*i.e.*, a 20% discount) of the amount (expressed in dollars) equal to the quotient obtained by dividing (i) the estimated value of the Borrower implied by the exchange ratio set forth in the agreement governing such Change of Control, as determined in good faith by the Borrower’s board of directors, by (ii) the aggregate number of outstanding shares of the Borrower’s Common Stock, immediately prior to such Change of Control on a fully diluted basis, and (y) \$5.90 per share, as such amount may be adjusted for any stock split, stock dividend, reclassification or similar events affecting our Capital Stock. In the event that Lender does not make an election within 10 days of the notice from the Borrower (with email being adequate notice), the Borrower shall determine, in its reasonable discretion, to convert or repay the Note, based upon whether the value of the consideration that would be payable to Lender in a Change of Control if Lender converted this Note is greater than the Principal Amount and accrued and unpaid interest on this Note.

**3.4 Maturity Date.** If on the Maturity Date this Note has not previously converted pursuant to Sections 3.2 or 3.3, Lender may, upon 10 days' prior notice, elect to have this Note converted or repaid in one of the following two ways: (a) Lender may elect to receive from the Borrower an amount in cash equal to the sum of the original Principal Amount and interest then accrued and unpaid under the Note, or (b) Lender may elect to convert this Note plus all accrued and unpaid interest into shares of Common Stock or, if Lender so elects, into shares of the Series C Convertible Preferred Stock of the Borrower, on the Maturity Date at a price per share equal to the Maturity Date Exchange Price. For purposes of the foregoing sentence, the "**Maturity Date Exchange Price**" means the lesser of: (x) 80% (i.e., a 20% discount) of the amount (expressed in dollars) equal to the quotient obtained by dividing (i) the estimated value of the Borrower as of the Maturity Date, as determined in good faith by the Borrower's board of directors, by (ii) the aggregate number of outstanding shares of the Borrower's Common Stock, as of the Maturity Date on a fully diluted basis, and (y) \$5.90 per share, as such amount may be adjusted for any stock split, stock dividend, reclassification or similar events affecting our Capital Stock. In the event that Lender does not make an election within 10 days of the notice from the Borrower (with email being adequate notice), the Borrower shall determine, in its sole discretion, to convert or repay the Note.

**3.5 Additional Terms.** Upon the conversion of this Note, in lieu of any fractional shares to which Lender would otherwise be entitled, the Borrower shall pay Lender cash equal to such fraction multiplied by the issue price of such Equity Securities or Common Stock, as applicable. As promptly as practicable after the conversion of this Note, the Borrower at its expense will issue and deliver to Lender, upon surrender of this Note, a certificate or certificates for the number of full shares of Equity Securities or Common Stock, as applicable, issuable upon such conversion.

**4. Miscellaneous.**

**4.1 No Prepayments.** Except to the extent expressly permitted in writing by the Required Holders, the Borrower shall not be entitled to prepay any portion of the outstanding Principal Amount of this Note or any of the Other Notes.

**4.2 Successors and Assigns.** Except as otherwise provided herein, the terms and conditions of this Note shall inure to the benefit of and be binding upon the respective successors and assigns of the parties; *provided, however*, that neither party may assign its rights or obligations under this Note without the prior written consent of the other party. Nothing in this Note, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations or liabilities under or by reason of this Note, except as expressly provided in this Note.

**4.3 Governing Law and Venue.** This Note shall be governed by and construed and enforced in accordance with the laws of the State of New York, without giving effect to its conflicts of laws principles. Any disputes shall be resolved in the federal or state courts situated in New York, New York, with the prevailing party being entitled to attorneys' fees and reasonable costs.

**4.4 Notices.** All notices and other communications given or made pursuant hereto shall be in writing to the addresses set forth on the signature pages hereof and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient; if not, then on the next business day, (iii) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one (1) day after deposit with an internationally recognized overnight courier, specifying next day delivery, with written verification of receipt.

**4.5 Severability.** If one or more provisions of this Note are held to be unenforceable under applicable law, such provision shall be excluded from this Note and the balance of this Note shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

**4.6 Further Assurance.** From time to time, the Borrower shall execute and deliver to Lender such additional documents and shall provide such additional information to Lender as Lender may reasonably require to carry out the terms of this Note, and any agreements executed in connection herewith, and to be informed of the financial and business conditions and prospects of the Borrower.

**4.7 Entire Agreement; Amendments and Waivers.** This Note constitutes the entire agreement of the parties, superseding and extinguishing all prior agreements and understandings, representations and warranties, relating to the subject matter hereof. Any provision of this Note may be amended, waived or modified upon the written consent of the Borrower and the Required Holders. Notwithstanding the foregoing, in the event an amendment, waiver, or modification of this Note adversely affects the rights of Lender in a manner different than the other Note Holders other than by virtue of the amount of principal and interest then outstanding owed to such persons, then the written consent of Lender shall also be required to enforce such amendment, waiver or modification.

[ Signature Page Follows ]

IN WITNESS WHEREOF, this Note is executed as of the date first above written.

**THE "BORROWER":**

May 10, 2019

Address:  
525 Executive Blvd  
Elmsford NY 10523

**NANOVIBRONIX, INC.,**  
a Delaware corporation

By: *Stephen Brown*  
Name: Stephen Brown  
Title: CFO

[Convertible Promissory Note - Borrower's Signature Page]

---

**LENDER'S COUNTERPART SIGNATURE PAGE  
TO  
CONVERTIBLE PROMISSORY NOTE**

The undersigned Lender agrees to be bound by the terms of the Convertible Promissory Note of NanoVibronix, Inc., a Delaware corporation, executed by the Borrower in favor of the undersigned Lender, and agrees to all of the terms thereof.

May 10, 2019

GLOBIS CAPITAL PARTNERS, L.P.

Address: 805 Third Ave-15th floor  
New York, NY 10022

By: /s/Paul Packer  
Name: Paul Packer  
Title: Managing Partner



[Convertible Promissory Note - Lender's Signature Page]

---

THIS NOTE AND THE SECURITIES ISSUABLE UPON THE CONVERSION HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR AN OPINION OF COUNSEL SATISFACTORY TO THE BORROWER THAT REGISTRATION IS NOT REQUIRED UNDER SUCH ACT OR UNLESS SOLD PURSUANT TO RULE 144 UNDER SUCH ACT.

**CONVERTIBLE PROMISSORY NOTE**

\$100,000

May 15, 2019

FOR VALUE RECEIVED, NanoVibronix, Inc., a Delaware corporation (the "**Borrower**"), hereby promises to pay to the order of AIGH Investment Partners LP. ("**Lender**"), the principal amount ("**Principal Amount**") equal to \$100,000 Interest on the unpaid portion of the Principal Amount shall be payable on the Maturity Date (as defined below) at a rate per annum equal to 6%.

**1. Terms; Payment.**

**1.1 Terms.** This Note is one of a number of similar notes (the "**Other Notes**") being issued and delivered by the Borrower to certain note holders (together with Lender, the "**Note Holders**") pursuant to a debt financing of up to \$750,000

**1.2 Payment.** Unless this Note has been previously converted in accordance with the terms of Section 3 hereunder, the Principal Amount and all accrued but unpaid interest thereon shall be due and payable on the date that is the earlier of the (i) 5-year anniversary of the date hereof, or (ii) the date that the Borrower completes a Qualified Financing (as hereafter defined) (the "**Maturity Date**"). On the affirmative vote of the holders of at least two-thirds (2/3rds) of the outstanding aggregate Principal Amount of this Note and each of the Other Notes (the "**Required Holders**"), the Borrower may from time to time extend the Maturity Date of this Note and each of the Other Notes. All payments shall be made in lawful money of the United States of America at the principal office of the Borrower, or at such other place as the holder hereof may from time to time designate in writing to the Borrower. Payment shall be credited first to accrued interest due and payable and the remainder applied to principal. The Borrower hereby waives demand, notice, presentment, protest and notice of dishonor.

**2. Representations and Warranties of Lender.** In connection with the transactions provided for herein, Lender hereby represents and warrants to the Borrower that:

**2.1 Purchase Entirely for Own Account.** Lender acknowledges that this Note is issued to Lender in reliance upon Lender's representation to the Borrower that this Note will be acquired for investment for Lender's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that such Lender has no present intention of selling, granting any participation in, or otherwise distributing the same. By executing this Note, Lender further represents that Lender does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participations to such person or to any third person, with respect to this Note.

---

**2.2 Investment Experience.** Lender is an investor in securities of companies in the development stage and acknowledges that it, he or she is able to fend for itself, himself or herself, can bear the economic risk of its, his or her investment, and has such knowledge and experience in financial or business matters that it, he or she is capable of evaluating the merits and risks of the investment in this Note. Lender also represents it, he or she has not been organized solely for the purpose of acquiring this Note.

**2.3 Accredited Investor.** Lender is an “accredited investor” within the meaning of Rule 501 of Regulation D, as presently in effect, as promulgated by the Securities and Exchange Commission (the “*SEC*”) under the Securities Act of 1933, as amended (the “*Act*”).

**2.4 Restricted Securities.** Lender understands that this Note is characterized as a “restricted security” under the federal securities laws inasmuch as it is being acquired from the Borrower in a transaction not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the Act only in certain limited circumstances. In this connection, Lender represents that it is familiar with Rule 144 as promulgated by the SEC under the Act, as presently in effect, and understands the resale limitations imposed thereby and by the Act.

**3. Conversion of this Note.** This Note shall be convertible according to the following terms:

**3.1 Definitions.** The following terms shall have the meanings assigned below:

(a) “*Change of Control*” means any consolidation or merger of the Borrower with or into any other corporation or other entity or person, or any other corporate reorganization in which the Borrower shall not be the continuing or surviving entity of such reorganization or any transaction or series of related transactions by the Borrower in which in excess of 50% of the Borrower’s voting power is transferred, or a sale of all or substantially all of the assets of the Borrower, other than any transaction or series of related transactions which is primarily for the purpose of financing the Borrower or a reincorporation of the Borrower.

(b) “*Equity Financing*” means the issuance and sale by the Borrower of shares of its Capital Stock, with the principal purpose of raising capital, for cash.

(c) “*Equity Securities*” means the Borrower’s capital stock (the “*Capital Stock*”) or any securities conferring the right to purchase such Capital Stock or securities convertible into, or exchangeable for (with or without additional consideration), such Capital Stock.

**3.2 Qualified Financing.** In the event the Borrower consummates an Equity Financing following the date of issuance of this Note pursuant to which it issues and sells shares of Capital Stock resulting in aggregate proceeds (excluding the conversion of this Note and each of the Other Notes) to the Borrower of at least \$2,000,000 (a “**Qualified Financing**”), and provided that this Note remains outstanding at the time of such Qualified Financing, Lender may, upon 10 days’ prior notice, elect to have the outstanding principal and unpaid accrued interest of this Note converted into shares of the same class and series of Equity Securities sold in such Qualified Financing, provided that the Lender may elect to receive shares of the Series C Convertible Preferred Stock of the Borrower instead of shares of common stock of the Borrower (the “**Common Stock**”) to the extent that shares of Common Stock are issued in such Qualified Financing, at a price per share equal to the ~~the~~ lesser of: (a) 80% (*i.e.*, a 20% discount) of the price per share at which such securities are sold in such Qualified Financing and (b) \$4.00 per share, as such amount may be adjusted for any stock split, stock dividend, reclassification or similar events affecting our Capital Stock, provided that in either case, the conversion price will not be less than \$1.00 per share. At least 10 business days prior to the closing of the Qualified Financing, the Borrower shall notify Lender in writing of the terms under which the Equity Securities of the Borrower will be sold in such financing. The conversion of this Note into Equity Securities under this Section 3.2 shall occur on the closing date of such Qualified Financing, and at the closing of the Qualified Financing, Lender shall execute a stock purchase agreement in the same form as that executed by the other investors of the Qualified Financing. Notwithstanding the foregoing in no event will the number of shares to be issued upon (i) conversion of this Note or the Other Notes, or (ii) upon exercise of the warrants to purchase capital stock of the Company issued to the Note Holders on the date hereof exceed, in the aggregate, 9.9% of the total shares outstanding or the voting power outstanding on the date immediately preceding the day hereof.

**3.3 Change of Control.** If prior to the Maturity Date, there is a Change of Control and this Note has not previously converted pursuant to Section 3.2, Lender may, upon 10 days’ prior notice, elect to have this Note converted or repaid in one of the following two ways: (a) Lender may elect to receive from the Borrower an amount in cash equal to the sum of the original Principal Amount and interest then accrued and unpaid under the Note, or (b) Lender may elect to convert this Note plus all accrued and unpaid interest into shares of Common Stock or, if Lender so elects, into shares of the Series C Convertible Preferred Stock of the Borrower, immediately prior to the closing of such Change of Control at a price per share equal to the Change of Control Exchange Price. For purposes of the foregoing sentence, the “**Change of Control Exchange Price**” means the lesser of: (x) 80% (*i.e.*, a 20% discount) of the amount (expressed in dollars) equal to the quotient obtained by dividing (i) the estimated value of the Borrower implied by the exchange ratio set forth in the agreement governing such Change of Control, as determined in good faith by the Borrower’s board of directors, by (ii) the aggregate number of outstanding shares of the Borrower’s Common Stock, immediately prior to such Change of Control on a fully diluted basis, and (y) \$5.90 per share, as such amount may be adjusted for any stock split, stock dividend, reclassification or similar events affecting our Capital Stock. In the event that Lender does not make an election within 10 days of the notice from the Borrower (with email being adequate notice), the Borrower shall determine, in its reasonable discretion, to convert or repay the Note, based upon whether the value of the consideration that would be payable to Lender in a Change of Control if Lender converted this Note is greater than the Principal Amount and accrued and unpaid interest on this Note.

**3.4 Maturity Date.** If on the Maturity Date this Note has not previously converted pursuant to Sections 3.2 or 3.3, Lender may, upon 10 days' prior notice, elect to have this Note converted or repaid in one of the following two ways: (a) Lender may elect to receive from the Borrower an amount in cash equal to the sum of the original Principal Amount and interest then accrued and unpaid under the Note, or (b) Lender may elect to convert this Note plus all accrued and unpaid interest into shares of Common Stock or, if Lender so elects, into shares of the Series C Convertible Preferred Stock of the Borrower, on the Maturity Date at a price per share equal to the Maturity Date Exchange Price. For purposes of the foregoing sentence, the "**Maturity Date Exchange Price**" means the lesser of: (x) 80% (*i.e.*, a 20% discount) of the amount (expressed in dollars) equal to the quotient obtained by dividing (i) the estimated value of the Borrower as of the Maturity Date, as determined in good faith by the Borrower's board of directors, by (ii) the aggregate number of outstanding shares of the Borrower's Common Stock, as of the Maturity Date on a fully diluted basis, and (y) \$5.90 per share, as such amount may be adjusted for any stock split, stock dividend, reclassification or similar events affecting our Capital Stock. In the event that Lender does not make an election within 10 days of the notice from the Borrower (with email being adequate notice), the Borrower shall determine, in its sole discretion, to convert or repay the Note.

**3.5 Additional Terms.** Upon the conversion of this Note, in lieu of any fractional shares to which Lender would otherwise be entitled, the Borrower shall pay Lender cash equal to such fraction multiplied by the issue price of such Equity Securities or Common Stock, as applicable. As promptly as practicable after the conversion of this Note, the Borrower at its expense will issue and deliver to Lender, upon surrender of this Note, a certificate or certificates for the number of full shares of Equity Securities or Common Stock, as applicable, issuable upon such conversion.

**4. Miscellaneous.**

**4.1 No Prepayments.** Except to the extent expressly permitted in writing by the Required Holders, the Borrower shall not be entitled to prepay any portion of the outstanding Principal Amount of this Note or any of the Other Notes.

**4.2 Successors and Assigns.** Except as otherwise provided herein, the terms and conditions of this Note shall inure to the benefit of and be binding upon the respective successors and assigns of the parties; *provided, however*, that neither party may assign its rights or obligations under this Note without the prior written consent of the other party. Nothing in this Note, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations or liabilities under or by reason of this Note, except as expressly provided in this Note.

**4.3 Governing Law and Venue.** This Note shall be governed by and construed and enforced in accordance with the laws of the State of New York, without giving effect to its conflicts of laws principles. Any disputes shall be resolved in the federal or state courts situated in New York, New York, with the prevailing party being entitled to attorneys' fees and reasonable costs.

**4.4 Notices.** All notices and other communications given or made pursuant hereto shall be in writing to the addresses set forth on the signature pages hereof and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient; if not, then on the next business day, (iii) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one (1) day after deposit with an internationally recognized overnight courier, specifying next day delivery, with written verification of receipt.

**4.5 Severability.** If one or more provisions of this Note are held to be unenforceable under applicable law, such provision shall be excluded from this Note and the balance of this Note shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

**4.6 Further Assurance.** From time to time, the Borrower shall execute and deliver to Lender such additional documents and shall provide such additional information to Lender as Lender may reasonably require to carry out the terms of this Note, and any agreements executed in connection herewith, and to be informed of the financial and business conditions and prospects of the Borrower.

**4.7 Entire Agreement; Amendments and Waivers.** This Note constitutes the entire agreement of the parties, superseding and extinguishing all prior agreements and understandings, representations and warranties, relating to the subject matter hereof. Any provision of this Note may be amended, waived or modified upon the written consent of the Borrower and the Required Holders. Notwithstanding the foregoing, in the event an amendment, waiver, or modification of this Note adversely affects the rights of Lender in a manner different than the other Note Holders other than by virtue of the amount of principal and interest then outstanding owed to such persons, then the written consent of Lender shall also be required to enforce such amendment, waiver or modification.

[ Signature Page Follows ]

IN WITNESS WHEREOF, this Note is executed as of the date first above written.

**THE "BORROWER":**

May 15, 2019

Address:  
525 Executive Blvd  
Elmsford NY 10523

**NANOVIBRONIX, INC.,**  
a Delaware corporation

By: Stephen Brown  
Name: Stephen Brown  
Title: CFO

*[Convertible Promissory Note - Borrower's Signature Page]*

---

**LENDER'S COUNTERPART SIGNATURE PAGE  
TO  
CONVERTIBLE PROMISSORY NOTE**

The undersigned Lender agrees to be bound by the terms of the Convertible Promissory Note of NanoVibronix, Inc., a Delaware corporation, executed by the Borrower in favor of the undersigned Lender, and agrees to all of the terms thereof.

May 15, 2019

AIGH INVESTMENT PARTNERS LP.

Address:

\_\_\_\_\_

\_\_\_\_\_



By: /s/ Orin Hirschman

Name: Orin Hirschman

Title: Managing Partner

[Convertible Promissory Note - Lender's Signature Page]

---

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO RULE 13a-14(a)**

I, Brian Murphy, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of NanoVibronix, Inc. (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 20, 2019

By: /s/ Brian Murphy  
Name: Brian Murphy  
Title: Chief Executive Officer  
(Principal Executive Officer)

---

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO RULE 13a-14(a)**

I, Stephen Brown, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of NanoVibronix, Inc. (the "registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 20, 2019

By: /s/ Stephen Brown  
Name: Stephen Brown  
Title: Chief Financial Officer, Treasurer and Secretary (Principal Financial Officer)

---

## CERTIFICATION FURNISHED PURSUANT TO 18 U.S.C. SECTION 1350,

## AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

This certification is furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350) and accompanies the Quarterly Report on Form 10-Q (the "Form 10-Q") for the quarter ended March 31, 2019 of NanoVibronix, Inc. (the "Company"). I, Brian Murphy, the Chief Executive Officer of the Company, certify that, based on my knowledge:

1. The Form 10-Q fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the periods covered in this report.

May 20, 2019

By: /s/ Brian Murphy

Name: Brian Murphy

Title: Chief Executive Officer (Principal Executive Officer)

The foregoing certification is being furnished as an exhibit to the Form 10-Q pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) and, accordingly, is not being filed as part of the Form 10-Q for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

---

## CERTIFICATION FURNISHED PURSUANT TO 18 U.S.C. SECTION 1350,

## AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

This certification is furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350) and accompanies the Quarterly Report on Form 10-Q (the "Form 10-Q") for the quarter ended March 31, 2019 of NanoVibronix, Inc. (the "Company"). I, Stephen Brown, the Chief Financial Officer of the Company, certify that, based on my knowledge:

1. The Form 10-Q fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the periods covered in this report.

May 20, 2019

By: /s/ Stephen Brown

Name: Stephen Brown

Title: Chief Financial Officer (Principal Executive Officer)

The foregoing certification is being furnished as an exhibit to the Form 10-Q pursuant to Item 601(b)(32) of Regulation S-K and Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) and, accordingly, is not being filed as part of the Form 10-Q for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

---