

BRAINSTORM CELL THERAPEUTICS INC.

Form S-3

June 29, 2018

**As filed with the Securities and Exchange Commission on June 29, 2018**

**Registration Statement No. 333-**

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM S-3**

**REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933**

**BRAINSTORM CELL THERAPEUTICS INC.**

**(Exact name of registrant as specified in its charter)**

**Delaware**

**(State or other jurisdiction of incorporation or organization)**

**20-7273918**

**(I.R.S. Employer Identification No.)**

**1745 Broadway, 17th Floor  
New York, NY 10019  
(201) 488-0460**

**(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)**

**Chaim Lebovits**

**President and Chief Executive Officer**

**c/o Brainstorm Cell Therapeutics Inc.**

**1745 Broadway, 17th Floor**

**New York, NY 10019**

**(201) 488-0460**

**(Name, address, including zip code, and telephone number, including area code, of agent for service)**

*Copies to:*

**Thomas B. Rosedale, Esq.**

**BRL Law Group LLC**

**425 Boylston Street, 3rd Floor**

**Boston, MA 02116**

**(617) 399-6931** (telephone number)

**(617) 399-6930** (facsimile number)

As soon as practicable after the effective date of this registration statement.

**(Approximate date of commencement of proposed sale to public)**

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. "

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. "

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth 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"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input 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 7(a)(2)(B) of Securities Act. "

**CALCULATION OF REGISTRATION FEE**

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock, \$.00005 par value per Share (1)	2,458,201	\$ 3.94	(2) \$9,685,311.94	\$ 1,205.82

Pursuant to Rule 416 under the Securities Act, this registration statement also covers such indeterminate number of (1) additional shares of Common Stock as may be issuable with respect to the shares being registered hereunder as a result of any stock splits, stock dividends or similar transactions.

Estimated solely for the purpose of calculating the registration fee, and based on the average of the high and low (2) prices of the Common Stock on the Nasdaq Capital Market on June 28, 2018 in accordance with Rule 457(c) under the Securities Act of 1933.

**The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment that specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**

**Subject to Completion, Dated June 29, 2018**

*The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.*

**PROSPECTUS**

**BRAINSTORM CELL THERAPEUTICS INC.**

**2,458,201 Shares of Common Stock**

This prospectus relates to the resale by certain of our stockholders and warrant holders, which we refer to as “Selling Securityholders” of up to 2,458,201 shares of common stock that are issuable on exercise of the warrants that were acquired pursuant to a warrant exercise agreement (the “New Warrants”).

We will not receive any proceeds from the sale of these securities, although we will receive the exercise price for any warrants that are exercised. We are registering securities for resale by the Selling Securityholders, but that does not necessarily mean that they will sell any of the securities. Any securities sold by the Selling Securityholders will be offered at market or privately negotiated prices.

The exercise price of the New Warrants is \$9.00 per share. The New Warrants are currently exercisable and expire on December 31, 2020. Holders of the warrants may currently purchase one share of common stock for each warrant exercised. The exercise price and number of shares of common stock issuable upon exercise of the warrants is subject to further adjustment in certain circumstances.

Our common stock is traded on the Nasdaq Capital Market under the symbol “BCLI”. On June 28, 2018, the last reported sales price for our common stock was \$3.96 per share.

*Investing in our common stock involves a high degree of risk. You should review carefully the risks and uncertainties described under the heading “Risk Factors” beginning on page 6 of this prospectus, and under similar headings in any amendments or supplements to this prospectus.*

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

The date of this prospectus is \_\_\_\_\_, 2018.

**TABLE OF CONTENTS**

	<b>Page</b>
<u>PROSPECTUS SUMMARY</u>	<u>4</u>
<u>RISK FACTORS</u>	<u>6</u>
<u>SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS</u>	<u>7</u>
<u>USE OF PROCEEDS</u>	<u>7</u>
<u>SELLING SECURITYHOLDERS</u>	<u>7</u>
<u>PLAN OF DISTRIBUTION</u>	<u>8</u>
<u>LEGAL MATTERS</u>	<u>10</u>
<u>EXPERTS</u>	<u>10</u>
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	<u>10</u>
<u>INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE</u>	<u>10</u>

## ABOUT THIS PROSPECTUS

**You should rely only on the information contained in this document or to which we have referred you. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information contained in this document may only be accurate on the date of this document.**

As used herein, “we,” “us,” “our” or the “Company” refers to Brainstorm Cell Therapeutics Inc. and all of its consolidated subsidiaries.

## PROSPECTUS SUMMARY

*This summary highlights important features of this offering and the information included or incorporated by reference in this prospectus. This summary does not contain all of the information that you should consider before investing in our common stock. You should read the entire prospectus carefully, especially the risks of investing in our common stock discussed under “Risk Factors.”*

### Company Overview

Brainstorm Cell Therapeutics Inc. is a biotechnology company committed to bring innovative Central Nervous System (“CNS”) adult stem cell therapies to the market to improve the lives of patients with debilitating neurodegenerative diseases. As a leader in CNS regenerative cellular medicines, Brainstorm is leveraging NurOwn®, its proprietary autologous mesenchymal stem cell platform technology, a strong and expanded IP portfolio, as well as manufacturing and commercialization capabilities, to address growing unmet medical needs across a broad range of neurodegenerative disorders, such as Amyotrophic Lateral Sclerosis (“ALS”, also known as Lou Gehrig’s disease), Multiple Sclerosis (“MS”), Parkinson’s disease (“PD”) and Autism Spectrum Disorders (“ASD”). The NurOwn® proprietary technology is fully licensed to and developed by Brainstorm Cell Therapeutics Ltd., our wholly-owned subsidiary (the “Israeli Subsidiary”).

NurOwn® technology is based on an innovative manufacturing protocol, which induces the differentiation of bone marrow-derived mesenchymal stem cells (“MSC”) into cells capable of releasing high levels of multiple neurotrophic factors (“MSC-NTF” cells) for neuroprotection while maintaining the immunomodulatory effects of MSC cells. These factors are known to be critical for the growth, survival and differentiation of neurons, they include: glial-derived



neurotrophic factor (“GDNF”); brain-derived neurotrophic factor (“BDNF”); vascular endothelial growth factor (“VEGF”); and hepatocyte growth factor (“HGF”). GDNF is one of the most potent survival factors known for peripheral neurons. VEGF and HGF have been demonstrated to have important neuro-protective effects in ALS and in other neurodegenerative diseases.

Our approach to the treatment of neurodegenerative diseases with autologous adult stem cells includes a multi-step process that includes: harvesting of undifferentiated stem cells from the patient’s own bone marrow; processing of cells at the manufacturing site and cryopreservation to enable multiple treatments from a single bone marrow sample; and intrathecal (“IT”) injection of MSC-NTF cells into the same patient by standard lumbar puncture. This procedure does not require hospitalization and has been shown to be safe and well tolerated in multiple CNS clinical trials to date. The ongoing US Phase 3 ALS study is evaluating the therapeutic potential of repeated dosing (every 2 months). The proprietary technology and manufacturing processing of NurOwn® (MSC-NTF cells) for clinical use is conducted in full compliance with current Good Manufacturing Practice (“cGMP”).

The NurOwn® Transplantation Process includes:

- Bone marrow aspiration from patient;
- Isolation and propagation of the mesenchymal stem cells (MSC);
- Cryopreservation of MSC;
- Thawing and differentiation of the MSC into neurotrophic-factor secreting (MSC-NTF; NurOwn®) cells; and
- Autologous transplantation into the patient’s cerebrospinal fluid by IT injection (lumbar puncture).

The ability to induce differentiation of autologous adult mesenchymal stem cells into MSC-NTF cells *before* transplantation is unique to NurOwn®, making it the first-of-its-kind for the treatment of neurodegenerative diseases.

The specialized MSC-NTF cells secrete multiple neurotrophic factors that may lead to:

- Protection of existing motor neurons;
- Promotion of motor neuron repair; and
- Re-establishment of functional nerve-muscle interaction.

The NurOwn® approach is autologous, using the patient’s own bone-marrow derived stem cells for “self-transplantation”. In autologous transplantation, there is no risk of rejection or introduction of donor antigens and no need for treatment with immunosuppressive agents, which can cause severe and/or long-term side effects. In addition, the use of adult stem cells is free of ethical controversies associated with the use of embryonic-derived stem cells in some countries.

NurOwn® is currently in a Phase 3 late stage clinical development program for the treatment of ALS. It has been granted Fast Track designation by the U.S. Food and Drug Administration (“FDA”) for this indication, and has been granted Orphan Status, which provides the potential for an extended period of exclusivity, in both the United States and in Europe. We have completed two early stage clinical trials of NurOwn® in patients with ALS at the Hadassah Medical Center (“Hadassah”) in Jerusalem as well as a Phase 2 double-blind, placebo-controlled, clinical study at three prestigious US medical centers, all highly experienced in the management and investigation of ALS.

We are incorporated under the laws of the State of Delaware. Our principal executive offices are located at 1745 Broadway, 17th Floor, New York, NY 10019, and our telephone number is (201) 488-0460. We maintain a website at <http://www.brainstorm-cell.com>. The information on our website is not incorporated by reference into this prospectus and should not be considered to be part of this prospectus.

## **The Transactions**

### ***Warrant Exercise Agreement***

On June 6, 2018, we entered into a Warrant Exercise Agreement (the “Warrant Exercise Agreement”) with certain holders (the “Selling Securityholders”) of warrants (the “2015 Warrants”) to purchase Company common stock, \$0.00005 par value per share (“Common Stock”), which 2015 Warrants were originally issued in the Company’s January 8, 2015 private placement. Pursuant to the Warrant Exercise Agreement, the Selling Securityholders exercised their 2015 Warrants for a total of 2,458,201 shares of Common Stock (the “Exercised Shares”) at an amended exercise price of \$5.00 per share. The warrant exercises generated gross cash proceeds to the Company of \$12,291,005.00. For each 2015 Warrant exercised, the Company issued 1 new warrant to the Selling Securityholders to purchase an equal number of unregistered shares of Common Stock, at an exercise price of \$9.00, with an expiration date of December 31, 2020 (the “New Warrants”). Certain Holders of New Warrants also entered into a Share Cap Agreement with the Company, whereby the Holders agreed to a 6-month delay (from the date of issuance) in exercisability of any shares at or in excess of the 20% limitation on the size of the entire transaction contained in Nasdaq Listing Rule 5635(d).

The Warrant Exercise Agreement also requires that to the extent that a Holder's exercise of 2015 Warrants would result in such Holder exceeding the Beneficial Ownership Limitation (as defined in the 2015 Warrants), such excess warrant shares shall be held in abeyance for the benefit of such Warrant Holder until such time as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation.

The Selling Securityholders agreed that, subject to limited exceptions, for the 90 days following the date of the Warrant Exercise Agreement (the "Restricted Period"), neither the Company nor any Subsidiary will issue, enter into any agreement to issue or announce the issuance or proposed issuance of any shares of Common Stock, without the prior written consent of all of the Selling Securityholders of the warrant shares. The Company also agreed that during the time the New Warrants are unexercised, the Company will not enter into any agreements with any holder of 2015 Warrants with more favorable terms, without the consent of the Selling Securityholders of a majority of the warrant shares then exercisable under all outstanding Warrant Exercise Agreements.

The Company also agreed to file this registration statement covering the resale of the additional shares of Common Stock underlying the New Warrants. The New Warrants have not been registered under the Securities Act of 1933, as amended (the Securities Act), or state securities laws. The Exercised Shares have been registered for resale on the Company's registration statement on Form S-3 (File No. 333-201704). The issuance of the Exercised Shares and New Warrants was exempt from the registration requirements of the Securities Act pursuant to the exemption for transactions by an issuer not involving any public offering under Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated under the Securities Act.

Under the Warrant Exercise Agreement, the Company agreed that we would file a resale registration statement for the Common Stock underlying the New Warrants within 30 days following the signing of the Warrant Exercise Agreement. We agreed to have the registration statement declared effective within 120 days following the signing of the agreement and to use commercially reasonable efforts to keep the registration statement effective until all securities covered by the registration statement have been sold or may be sold without restriction under Rule 144 under the Securities Act. If the Company does not comply with the registration rights provisions in the Warrant Exercise Agreement, the Selling Securityholders will have the option of cashless exercise of the New Warrants as their sole remedy.

The Company and the Selling Securityholders also entered into Leak-Out Agreements (the "Leak-Out Agreement") pursuant to which neither Selling Securityholders nor certain of their affiliates would collectively sell, dispose of or otherwise transfer, directly or indirectly, on any day on which the Nasdaq Capital Market is open for trading during the Restricted Period (any such date, a "Date of Determination"), shares of the Company's Common Stock in an amount more than an aggregate 30% of the trading volume of Common Stock as reported by Bloomberg, LP for the applicable Date of Determination.

We are registering the shares of Common Stock underlying the New Warrants in order to fulfill our contractual obligations to the Selling Securityholders contained in the Warrant Exercise Agreement. Registration of the shares of Common Stock covered by this prospectus does not necessarily mean that all or any portion of such shares will be offered for sale by the Selling Securityholders.

### **Offering by Selling Securityholders**

We are registering the following securities issued in connection with the transactions as described above under “The Transactions”:

For resale by the Selling Securityholders, 2,458,201 shares of Common Stock issuable upon exercise of the New Warrants that were acquired pursuant to the Warrant Exercise Agreement.

As of the date of this prospectus, each warrant is exercisable to purchase one share of Common Stock. The exercise price and number of shares of Common Stock issuable upon exercise of the warrants are subject to further adjustment in certain circumstances.

The exercise price of the New Warrants is \$9.00 per share. The New Warrants are currently exercisable and expire on December 31, 2020. There is a possibility that the warrants will never be exercised when in-the-money or otherwise, and that warrant holders will never receive shares or payment of cash in settlement of the warrants.

**Common stock outstanding:** 20,669,528 shares as of June 6, 2018.

**Use of proceeds:** We will not receive any of the proceeds from the sale of the securities being registered on behalf of the Selling Securityholders hereunder. We will receive the exercise price upon the exercise of any Warrant. To the extent we receive cash upon any exercise of the Warrants, we expect to use that cash for general corporate and working capital purposes.

**Market Symbol:** Our Common Stock is quoted on the Nasdaq Capital Market under the symbol “BCLI”.

**Risk Factors:** Investing in our securities involves substantial risks. You should carefully review and consider the “Risk Factors” section of this prospectus beginning on page 6 for a discussion of factors to consider before deciding to invest in our securities.

We will bear the expenses of registering these securities. The Selling Securityholders will pay the cost of any brokerage commissions and discounts, and all expenses incurred by them in connection with the resale of the securities. See “Plan of Distribution.”

We had 20,669,528 shares of Common Stock outstanding as of June 6, 2018, which includes 1,558,202 shares issued in connection with the exercises of 2015 Warrants and excludes:

- 907,620 shares of Common Stock issuable upon exercise of outstanding stock options, at a weighted average exercise price of \$2.5312 per share, under our equity incentive plans;
- 957,709 additional shares of Common Stock reserved for future issuance under our equity incentive plans; and
- 4,585,534 shares of Common Stock issuable upon exercise of outstanding warrants with exercise prices ranging from \$1.005 per share to \$9.00 per share.

Except as otherwise indicated herein, all information in this prospectus assumes or gives effect to no exercise of the New Warrants.

## **RISK FACTORS**

Investing in our securities involves significant risks. Please see the risk factors under the heading “Risk Factors” in our most recent Annual Report on Form 10-K, as revised or supplemented by our Quarterly Reports on Form 10-Q filed with the SEC since the filing of our most recent Annual Report on Form 10-K, each of which are on file with the SEC and are incorporated by reference in this prospectus. Before making an investment decision, you should carefully consider these risks as well as other information we include or incorporate by reference in this prospectus and any prospectus supplement. The risks and uncertainties we have described are not the only ones facing our company. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also affect our business operations.

## **SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus and each prospectus supplement includes and incorporates forward-looking statements within the meaning of the federal securities laws. These forward-looking statements are based on management's beliefs and assumptions. In addition, other written or oral statements that constitute forward-looking statements are based on current expectations, estimates and projections about the industry and markets in which we operate and statements may be made by or on our behalf. Words such as "may," "will," "should," "could," "expects," "hopes," "anticipates," "believes," "intends," "plans," "estimates," "predicts," "likely," "potential," or "continue" or the negative of any of these terms or similar words and expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. There are a number of important factors that could cause our actual results to differ materially from those indicated by such forward-looking statements. Forward-looking statements include, but are not limited to, statements about potential future business operations and performance, including statements regarding the market potential for treatment of neurodegenerative disorders such as ALS, the sufficiency of our existing capital resources for continuing operations in 2018, the safety and clinical effectiveness of our NurOwn® technology, our clinical trials of NurOwn® and its related clinical development, and our ability to develop collaborations and partnerships to support our business plan. These statements reflect our views with respect to future events as of the date of this prospectus and any accompanying prospectus supplement and are based on assumptions and subject to risks and uncertainties. Given these uncertainties, you should not place undue reliance on these forward-looking statements. These forward-looking statements represent our estimates and assumptions only as of the date of this prospectus and any accompanying prospectus supplement and, except as required by law, we undertake no obligation to update or review publicly any forward-looking statements, whether as a result of new information, future events or otherwise after the date of this prospectus and any accompanying prospectus supplement. We anticipate that subsequent events and developments will cause our views to change. We have included important factors in the cautionary statements included or incorporated in this prospectus and any accompanying prospectus supplement, particularly under the heading "Risk Factors," that we believe could cause actual results or events to differ materially from the forward-looking statements that we make. Our forward-looking statements do not reflect the potential impact of any future acquisitions, merger, dispositions, joint ventures or investments we may undertake. We qualify all of our forward-looking statements by these cautionary statements.

## **USE OF PROCEEDS**

We will not receive any proceeds from the resale of common stock by the selling stockholder subject to this prospectus. The Selling Securityholders will receive all of the net proceeds from the sale of any shares under this prospectus. The Selling Securityholders will pay any underwriting discounts and commissions and expenses incurred by the Selling Securityholders for brokerage, accounting, tax, legal services or any other expenses incurred by the Selling Securityholders in disposing of these shares. We will bear all other costs, fees and expenses incurred in effecting the registration of the shares covered by this prospectus.

We may receive gross proceeds of up to \$22,123,809 from the exercise of the warrants. We currently intend to use the estimated net proceeds from the sale of these securities for general corporate purposes, which may include the following:

- the research, development and clinical trials for our treatments;
  
- pursuing growth initiatives;
  
- capital expenditures;
  
- working capital; and
  
- any other purpose that we may specify in any prospectus supplement.

We have not yet determined the amount of net proceeds to be used specifically for any of the foregoing purposes. Accordingly, our management will have significant discretion and flexibility in applying the net proceeds from the exercise of the warrants. Pending any use, as described above, we intend to invest the net proceeds in high-quality, short-term, interest-bearing securities. Our plans to use the estimated net proceeds from the exercise of the warrants may change, and if they do, we will update this information in a prospectus supplement.

## **SELLING SECURITYHOLDERS**

Below is information with respect to the beneficial ownership of our securities by the Selling Securityholders as of June 6, 2018, based on information supplied to us by the Selling Securityholders. When we refer to the “Selling Securityholders” in this prospectus we mean the holders listed below and their pledgees, donees, transferees or other successors in interest. Except as described below, the Selling Securityholders do not have, or have had, any position, office or other material relationship with us or any of our affiliates beyond their investment in, or receipt of, our securities. Beneficial ownership has been determined in accordance with the rules of the SEC, and includes voting or investment power with respect to the securities. Our registration of these securities does not necessarily mean that the Selling Securityholders will sell any or all of the securities covered by this prospectus.

We are registering 2,458,201 shares of Common Stock underlying the warrants, issued to the Selling Securityholders for resale from time to time by the Selling Securityholders identified in this prospectus.

The information set forth in the following table regarding the beneficial ownership after resale of securities assumes that the Selling Securityholder will purchase the maximum number of shares of Common Stock provided for by the warrants and will sell all of the shares of Common Stock owned by that Selling Securityholder covered by this prospectus. There is no assurance that any of the warrants will be exercised.

Name	Securities Beneficially Owned Prior to the Offering		Securities Offered Hereby	Securities Beneficially Owned After this Offering		Percentage of Common Stock Owned After this Offering
	Common Stock	Warrants	Common Stock underlying Warrants	Common Stock	Warrants	
Sabby Healthcare Master Fund, Ltd.	127,299	1,000,000	— 1,000,000	472,948(1)	—	2.3
Sabby Volatility Warrant Master Fund, Ltd.	0	899,999	— 899,999	414,428(1)	—	2.0
AIGH Investment Partners LP	0	400,001	— 400,001	383,757	—	1.9
Dr. Joshua A. Hirsch	0	20,001	— 20,001	20,001	—	*
Maxim Partners LLC (2)	0	122,200	— 38,200	38,200	84,000	*
Warberg WF V LP	0	300,000	— 100,000	100,000	200,000(3)	1.5

\* Less than 1%

(1)

As of June 21, 2018.

(2) As of close of business on June 6, 2018 Maxim Partners LLC held 84,000 unexercised warrants initially issued June 19, 2014, which expire on June 19, 2019. Maxim Group LLC, a broker-dealer and affiliate of Maxim Partners LLC, was retained as Financial Advisor on behalf of the Company in connection with the Warrant Exercise Agreement.

(3) As of close of business on June 6, 2018 Warberg WF V LP held 200,000 unexercised warrants initially issued in the Company's January 8, 2015 private placement, which expired unexercised on June 19, 2018.

## PLAN OF DISTRIBUTION



Each Selling Securityholder of the securities and any of their pledgees, assignees and successors-in-interest may, from time to time, sell any or all of their securities covered hereby on the principal Trading Market or any other stock exchange, market or trading facility on which the securities are traded or in private transactions. These sales may be at fixed or negotiated prices. A Selling Securityholder may use any one or more of the following methods when selling securities:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the securities as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- settlement of short sales;

- in transactions through broker-dealers that agree with the Selling Securityholders to sell a specified number of such securities at a stipulated price per security;
- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- a combination of any such methods of sale; or
- any other method permitted pursuant to applicable law.

The Selling Securityholders may also sell securities under Rule 144 under the Securities Act, if available, rather than under this prospectus.

Broker-dealers engaged by the Selling Securityholders may arrange for other brokers-dealers to participate in sales. Broker-dealers may receive commissions or discounts from the Selling Securityholders (or, if any broker-dealer acts as agent for the purchaser of securities, from the purchaser) in amounts to be negotiated, but, except as set forth in a supplement to this Prospectus, in the case of an agency transaction not in excess of a customary brokerage commission in compliance with FINRA Rule 2440; and in the case of a principal transaction a markup or markdown in compliance with FINRA IM-2440.

In connection with the sale of the securities or interests therein, the Selling Securityholders may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the securities in the course of hedging the positions they assume. The Selling Securityholders may also sell securities short and deliver these securities to close out their short positions, or loan or pledge the securities to broker-dealers that in turn may sell these securities. The Selling Securityholders may also enter into option or other transactions with broker-dealers or other financial institutions or create one or more derivative securities which require the delivery to such broker-dealer or other financial institution of securities offered by this prospectus, which securities such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction).

The Selling Securityholders and any broker-dealers or agents that are involved in selling the securities may be deemed to be “underwriters” within the meaning of the Securities Act in connection with such sales. In such event, any commissions received by such broker-dealers or agents and any profit on the resale of the securities purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act. Each Selling Securityholder has informed the Company that they acquired the securities in the ordinary course of business and that they do not have any written or oral agreement or understanding, directly or indirectly, with any person to distribute the securities. The Company is required to pay certain fees and expenses incurred by the Company incident to the

registration of the securities.

Because Selling Securityholders may be deemed to be “underwriters” within the meaning of the Securities Act, they will be subject to the prospectus delivery requirements of the Securities Act including Rule 172 thereunder. In addition, any securities covered by this prospectus which qualify for sale pursuant to Rule 144 under the Securities Act may be sold under Rule 144 rather than under this prospectus. The Selling Securityholders have advised us that there is no underwriter or coordinating broker acting in connection with the proposed sale of the resale securities by the Selling Securityholders.

We agreed to keep this prospectus effective until the earlier of (i) the date on which the securities may be resold by the Selling Securityholders without registration and without regard to any volume or manner-of-sale limitations by reason of Rule 144, without the requirement for the Company to be in compliance with the current public information requirement under Rule 144 under the Securities Act or any other rule of similar effect or (ii) all of the securities have been sold pursuant to this prospectus or Rule 144 under the Securities Act or any other rule of similar effect. The resale securities will be sold only through registered or licensed brokers or dealers if required under applicable state securities laws. In addition, in certain states, the resale securities covered hereby may not be sold unless they have been registered or qualified for sale in the applicable state or an exemption from the registration or qualification requirement is available and is complied with.

Under applicable rules and regulations under the Exchange Act, any person engaged in the distribution of the resale securities may not simultaneously engage in market making activities with respect to the Common Stock for the applicable restricted period, as defined in Regulation M, prior to the commencement of the distribution. In addition, the Selling Securityholders will be subject to applicable provisions of the Exchange Act and the rules and regulations thereunder, including Regulation M, which may limit the timing of purchases and sales of securities of the Common Stock by the Selling Securityholders or any other person. We will make copies of this prospectus available to the Selling Securityholders and have informed them of the need to deliver a copy of this prospectus to each purchaser at or prior to the time of the sale (including by compliance with Rule 172 under the Securities Act).

## **LEGAL MATTERS**

Validity of the securities offered by this prospectus will be passed upon for us by BRL Law Group LLC, Boston, Massachusetts. As of June 29, 2018, Thomas B. Rosedale, the Managing Member of BRL Law Group LLC, beneficially and of record owns 69,090 shares of our common stock.

## **EXPERTS**

The consolidated financial statements as of and for the years ended December 31, 2017 and 2016, incorporated in this prospectus by reference from the Company's Annual Report on Form 10-K filed on March 8, 2018 for the year ended December 31, 2017, have been audited by Brightman Almagor Zohar & Co., a member of Deloitte Touche Tohmatsu Limited, an independent registered public accounting firm, as stated in their report (which report expresses an unqualified opinion on the financial statements and includes an explanatory paragraph regarding the Company's ability to continue as a going concern), which is incorporated herein by reference, and has been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

## **WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and special reports and other information with the SEC. These filings contain important information that does not appear in this prospectus. For further information about us, you may read and copy any reports, statements and other information filed by us at the SEC's Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549-0102. You may obtain further information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. Our SEC filings are also available on the SEC Internet site at <http://www.sec.gov>, which contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC.

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission. The registration statement contains more information than this prospectus regarding us and our Common Stock, including certain exhibits and schedules. You can obtain a copy of the registration statement from the Securities and Exchange Commission at the address listed above or from the SEC's Internet site.

Our Internet address is [www.brainstorm-cell.com](http://www.brainstorm-cell.com). The information on our Internet website is not incorporated by reference in this prospectus or any prospectus supplement.

## INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Securities and Exchange Commission requires us to “incorporate by reference” into this prospectus certain information we file with them, which means that we can disclose important information to you by referring you to those documents. The information we incorporate herein by reference is considered to be part of this prospectus and information that we file later with the Securities and Exchange Commission automatically will update and supersede such information. We incorporate herein by reference the documents listed below and any future filings we make with the Securities and Exchange Commission under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, prior to the termination of the offering of the securities covered by this prospectus, as amended:

- (1) Our Annual Report on Form 10-K for the fiscal year ended December 31, 2017;
- (2) Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2018;
- (3) Our Current Reports on Form 8-K filed on January 4, 2018, February 5, 2018 and June 7, 2018 (but, in each case, excluding information furnished but not filed therein);
- (4) All of our filings pursuant to the Exchange Act after the date of filing the initial registration statement and prior to the effectiveness of the registration statement; and
- (5) The description of our common stock contained in our Registration Statement on Form 8-A filed on September 24, 2014, including any amendments or reports filed for the purpose of updating such description.

You may request, orally or in writing, a copy of these filings (including exhibits to such filings that we have specifically incorporated by reference in such filings), at no cost, by contacting our executive offices at the following address:

Brainstorm Cell Therapeutics Inc.  
1745 Broadway, 17th Floor

New York, NY 10019  
Attention: Chief Executive Officer  
(201) 488-0460

You should rely only on the information contained in this prospectus, including information incorporated by reference as described above, or any prospectus supplement or that we have specifically referred you to. We have not authorized anyone else to provide you with different information. You should not assume that the information in this prospectus or any prospectus supplement is accurate as of any date other than the date on the front of those documents or that any document incorporated by reference is accurate as of any date other than its filing date. You should not consider this prospectus to be an offer or solicitation relating to the securities in any jurisdiction in which such an offer or solicitation relating to the securities is not authorized. Furthermore, you should not consider this prospectus to be an offer or solicitation relating to the securities if the person making the offer or solicitation is not qualified to do so, or if it is unlawful for you to receive such an offer or solicitation.

**Any statement contained in a document incorporated or deemed to be incorporated herein by reference will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained herein or any other subsequently filed document that is deemed to be incorporated herein by reference modifies or supersedes the statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus.**

**PART II****INFORMATION NOT REQUIRED IN PROSPECTUS****Item 14. Other Expenses of Issuance and Distribution**

The following table sets forth the various costs and expenses, other than underwriting discounts, payable by us in connection with the sale of the securities being registered. All such costs and expenses shall be borne by us. Except for the SEC registration fee, all the amounts shown are estimates.

	Amount to be paid
SEC registration fee	\$ 1,228
Legal fees and expenses	30,000
Accounting fees and expenses	3,000
Transfer Agent and Registrar fees	2,500
Printing fees and miscellaneous expenses	2,500
Total	\$ 39,228

**Item 15. Indemnification of Directors and Officers**

Section 145(a) of the Delaware General Corporation Law provides, in general, that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation), because he or she is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

Section 145(b) of the Delaware General Corporation Law provides, in general, that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor because the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not

opposed to the best interests of the corporation, except that no indemnification shall be made with respect to any claim, issue or matter as to which he or she shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or other adjudicating court determines that, despite the adjudication of liability but in view of all of the circumstances of the case, he or she is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or other adjudicating court shall deem proper.

Section 145(g) of the Delaware General Corporation Law provides, in general, that a corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify the person against such liability under Section 145 of the Delaware General Corporation Law.

The Certificate of Incorporation and the Bylaws of our Company provide that our Company shall indemnify, to the maximum extent permitted by the Delaware General Corporation Law, each person who is or was a director or officer of our Company. Pursuant to Delaware law, this includes elimination of liability for monetary damages for breach of the directors' fiduciary duty of care to our Company and its stockholders. These provisions do not eliminate the directors' duty of care and, in appropriate circumstances, equitable remedies such as injunctive or other forms of non-monetary relief will remain available under Delaware law. In addition, each director will continue to be subject to liability for breach of the director's duty of loyalty to our Company, for acts or omissions not in good faith or involving intentional misconduct, for knowing violations of law, for any transaction from which the director derived an improper personal benefit, and for payment of dividends or approval of stock repurchases or redemptions that are unlawful under Delaware law. The provision also does not affect a director's responsibilities under any other laws, such as the federal securities laws or state or federal environmental laws.

Our Company maintains a policy of directors' and officers' liability insurance that insures its directors and officers against the cost of defense, settlement or payment of a judgment under some circumstances.



**Item 16. Exhibits and Financial Statement Schedules**

**Exhibit No. Description**

- 2.1 Agreement and Plan of Merger, dated as of November 28, 2006, by and between Brainstorm Cell Therapeutics Inc., a Washington corporation, and Brainstorm Cell Therapeutics Inc., a Delaware corporation, is incorporated herein by reference to Appendix A of the Company's Definitive Schedule 14A dated November 20, 2006 (File No. 333-61610).
- 4.1 Certificate of Incorporation of Brainstorm Cell Therapeutics Inc. is incorporated herein by reference to Appendix B of the Company's Definitive Schedule 14A dated November 20, 2006 (File No. 333-61610).
- 4.2 Certificate of Amendment of Certificate of Incorporation of Brainstorm Cell Therapeutics Inc. dated September 15, 2014, is incorporated herein by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K dated September 15, 2014 (File No. 000-54365).
- 4.3 Certificate of Amendment of Certificate of Incorporation of Brainstorm Cell Therapeutics Inc. dated August 31, 2015 is incorporated herein by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K dated September 15, 2014 (File No. 001-366641).
- 4.4 ByLaws of Brainstorm Cell Therapeutics Inc. is incorporated herein by reference to Appendix C of the Company's Definitive Schedule 14A dated November 20, 2006 (File No. 333-61610).
- 4.5 Amendment No. 1 to ByLaws of Brainstorm Cell Therapeutics Inc., dated as of March 21, 2007, is incorporated herein by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K dated March 27, 2007 (File No. 333-61610).
- 4.6 Specimen Certificate of Common Stock of Brainstorm Cell Therapeutics Inc., is incorporated herein by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K dated September 15, 2014 (File No. 000-54365).
- 5.1\* Opinion of BRL Law Group LLC.
- 10.1 Form of Warrant is incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on June 7, 2018 (File No. 001-36641).
- 10.2 Warrant Exercise Agreement is incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on June 7, 2018 (File No. 001-36641).
- 10.3 Leak-Out Agreement is incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on June 7, 2018 (File No. 001-36641).
- 10.4\* Share Cap Agreement.

23.1\* Consent of Brightman Almagor & Co., a member of Deloitte Touche Tohmatsu Limited.

23.3\* Consent of BRL Law Group LLC (included in Exhibit 5.1).

24.1 Power of Attorney (included on signature page).

\* Filed herewith.

**Item 17. Undertakings**

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

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

*Provided, however,* that paragraphs (a)(1)(i), (a)(1)(ii) and (a)(1)(iii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. *Provided, however,* that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(5) That, for the purpose of determining liability of the registrant under the Securities Act to any purchaser in the initial distribution of the securities, the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, such undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

- (i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;
- (ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;
- (iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and
- (iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(6) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(7) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the indemnification provisions described herein, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.



## SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York, on this 29<sup>th</sup> day of June, 2018.

### **BRAINSTORM CELL THERAPEUTICS INC.**

By: /s/ Chaim Lebovits  
Chaim Lebovits  
President and Chief Executive Officer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Chaim Lebovits, Uri Yablonka and Eyal Rubin, an each of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her, and in his or her name, place and stead, in any and all capacities, to sign the Registration Statement on Form S-3 of Brainstorm Cell Therapeutics Inc. and any or all amendments (including post-effective amendments) thereto and any new registration statement with respect to the offering contemplated thereby filed pursuant to Rule 462(b) of the Securities Act, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises hereby ratifying and confirming all that said attorney-in-fact and agent, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

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

<b>Signature</b>	<b>Title</b>	<b>Date</b>
<i>/s/ Chaim Lebovits Chaim Lebovits</i>	<i>President and Chief Executive Officer (Principal Executive Officer)</i>	June 29, 2018
<i>/s/ Eyal Rubin Eyal Rubin</i>	<i>Chief Financial Officer and Treasurer (Principal Financial and Accounting Officer)</i>	June 26, 2018
<i>/s/ Irit Arbel</i>	<i>Director</i>	

Edgar Filing: BRAINSTORM CELL THERAPEUTICS INC. - Form S-3

<i>Irit Arbel</i>		June 26, 2018
<i>/s/ June S. Almenoff</i>	<i>Director</i>	
<i>June S. Almenoff</i>		June 25, 2018
<i>/s/ Arturo O. Araya</i>	<i>Director</i>	
<i>Arturo O. Araya</i>		June 28, 2018
<i>/s/ Chen Schor</i>	<i>Director</i>	
<i>Chen Schor</i>		June 25, 2018
<i>/s/ Anthony Polverino</i>	<i>Director</i>	
<i>Anthony Polverino</i>		June 25, 2018
	<i>Director</i>	
<i>Malcolm Taub</i>		June [ ], 2018
<i>/s/ Uri Yablonka</i>	<i>Director</i>	
<i>Uri Yablonka</i>		June 26, 2018