UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE BRAINSTORM CELL THERAPEUTICS, INC. DERIVATIVE LITIGATION	Lead Case No. 1:24-cv-01095-DEH

STIPULATION AND AGREEMENT OF SETTLEMENT

This Stipulation and Agreement of Settlement dated November 2, 2026 ("Stipulation") is made and entered into by the following parties, each by and through their respective counsel: (i) plaintiffs in the above-captioned consolidated stockholder derivative action (the "Derivative Action") pending in the United States District Court for the Southern District of New York (the "Court"), Serge Andrev ("Andrev"), Barry Holtzman ("Holtzman"), and John Duncan Hamby ("Hamby") (collectively, the "Plaintiffs"); (ii) Shari Roth ("Roth"), plaintiff in the action pending in the Delaware Court of Chancery to compel inspection of certain books and records of Brainstorm Cell Therapeutics Inc ("Brainstorm" or the "Company") pursuant to 8 *Del. C.* § 220 ("Section 220"), styled *Shari Roth v. Brainstorm Cell Therapeutics Inc.*, C.A. No. 2025-1507-DG (Del. Ch.) (the "220 Action"); (iii) putative stockholders Michael Simoneko ("Simonenko") and Stacy Palmer ("Palmer"), who served litigation demands on the Company (together with Roth, the "Putative Stockholders," and the Putative Stockholders together with Plaintiffs, the "Settling Plaintiff Parties"); (iv) individual defendants June Almenoff, Irit Arbel, Menghis Bairu, Jacob Frenkel, Ralph Kern, Chaim Lebovits, Stacy Lindborg, Nir Naor, Anthony Polverino, Malcolm Taub, and Uri Yablonka (collectively, the "Individual Defendants"); and (v) nominal defendant Brainstorm (together with the Individual Defendants, "Defendants," and Defendants with the Settling Plaintiff Parties, the "Settling Parties").

This Stipulation, subject to the approval of the Court, is intended to fully, finally, and forever resolve, discharge, and settle any and all Released Claims (as defined herein) upon the terms and subject to the conditions set forth herein.

I. FACTUAL AND PROCEDURAL BACKGROUND

Settling Plaintiff Parties allege that, between February 18, 2020, and September 27, 2023, the Individual Defendants breached their fiduciary duties to the Company by personally making and/or causing the Company to make to the investing public a series of materially false and misleading statements regarding the Company's business, operations, and prospects. Settling Plaintiff Parties specifically allege that the Individual Defendants willfully or recklessly made and/or caused the Company to make false and misleading statements that failed to disclose, *inter alia*, that: (i) the U.S. Food and Drug Administration ("FDA") had already invalidated Brainstorm's "floor effect" hypothesis, which was based on misleading, post hoc analysis; (ii) certain Chemistry, Manufacturing, and Control issues were not "trivial," and instead, the FDA informed the Company in a Refuse to File letter that manufacturing was "grossly deficient" and "critical information" was left out; (iii) the FDA had raised other "red flags," namely there were over three times the number of deaths in the treatment group for the Phase 3 trial of the Company's amyotrophic lateral sclerosis treatment, NurOwn, compared to placebo and more adverse events which raised serious safety concerns; and (iv) as a result of the foregoing, the Individual Defendants' statements about Brainstorm's business, operations, and prospects were materially false and misleading and/or lacked a reasonable basis at all relevant times.

A. The Derivative Action

On February 14, 2024, Mhairi Porteous ("Porteous") filed a Verified Shareholder Derivative Complaint on behalf of Brainstorm in the Court against the Individual Defendants

alleging causes of action for breach of fiduciary duties and unjust enrichment, originally captioned *Porteous v. Lebovits, et al.*, Case No. 1:24-cv-01095-DEH (the "*Porteous* Action"). (ECF No. 1).

On February 14, 2024, plaintiff Andrev filed a Verified Shareholder Derivative Complaint on behalf of Brainstorm in the Court against the Individual Defendants alleging causes of action for breach of fiduciary duties and unjust enrichment, captioned *Andrev v. Lebovits, et al.*, Case No. 1:24-cv-01101-DEH (the "*Andrev* Action"). (*Andrev* Action, ECF No. 1).

On March 21, 2024, plaintiff Holtzman filed a Verified Shareholder Derivative Complaint on behalf of Brainstorm in the Court against the Individual Defendants alleging causes of action for violations of Section 14(a) of the Securities Exchange Act of 1934 (the "Exchange Act"), breach of fiduciary duties, unjust enrichment, abuse of control, gross mismanagement, waste of corporate assets, and for contribution under Sections 10(b) and 21D of the Exchange Act, captioned *Holtzman v. Lebovits, et al.*, Case No. 1:24-cv-02139-DEH (the "*Holtzman* Action"). (*Holtzman* Action, ECF No. 1).

On April 12, 2024, plaintiff Hamby filed a Verified Shareholder Derivative Complaint on behalf of Brainstorm in the Court against the Individual Defendants alleging causes of action for violations of Section 14(a) of the Exchange Act, breach of fiduciary duties, unjust enrichment, abuse of control, gross mismanagement, waste of corporate assets, and for contribution under Sections 10(b) and 21D of the Exchange Act, captioned *Hamby v. Lebovits, et al.*, Case No. 1:24-cv-02811-DEH (the "*Hamby* Action" and together with the *Porteous* Action, the *Andrev* Action, and the *Holtzman* Action, the "Related Derivative Actions"). (*Hamby* Action, ECF No. 1).

On April 25, 2024, pursuant to the parties' stipulation, the Court consolidated the Related Derivative Actions into the Derivative Action and appointed The Brown Law Firm, P.C. and

Bragar Eagel & Squire, P.C. as Co-Lead Counsel for plaintiffs in the Derivative Action. (ECF Nos. 11, 12).

On May 13, 2024, pursuant to the parties' stipulation, the Court stayed the Derivative Action (the "Stay Order") pending the earlier of (i) the filing of an answer to the operative complaint in the Securities Class Action, or (ii) the dismissal of *Sporn v. Brainstorm Cell Therapeutics Inc.*, Case No. 1:23-cv-9630-DEH (the "Securities Class Action") with prejudice. (ECF Nos. 13, 14).

On September 15, 2025, the Court issued a decision granting in part, and denying in part, the motion to dismiss the Securities Class Action, and, on November 26, 2025, defendants in the Securities Class Action filed an answer. (Securities Class Action, ECF Nos. 39, 45).

On January 13, 2026, pursuant to the parties' stipulation, the Court continued the stay of the Derivative Action for ninety (90) days. (ECF Nos. 15, 16).

On May 4, 2026, pursuant to the parties' stipulation, the Court continued the stay of the Derivative Action for sixty (60) days. (ECF Nos. 17, 18).

During the stay of proceedings and pursuant to the terms of the Stay Order, Defendants produced confidential documents to Plaintiffs. After reviewing the confidential documents, on August 11, 2026, Plaintiffs filed a letter motion for leave to file their Verified Amended Consolidated Shareholder Derivative Complaint ("Amended Complaint") under seal and filed a redacted version of the Amended Complaint for viewing on the public docket. (ECF Nos. 21, 22).[1]

[1]At this time, it was discovered that Porteous had recently sold his shares of Brainstorm. Accordingly, Porteous lost standing to be a plaintiff in the Derivative Action and was not included in the Amended Complaint.

On August 14, 2026, the parties to the Derivative Action filed a notice of settlement with the Court: (i) informing the Court that the Settling Parties had reached an agreement, in principle, to settle all claims against all Defendants, subject to approval by the Company's Board and the Individual Defendants; (ii) requesting that the Court stay all proceedings in the Derivative Action during the pendency of the finalization of the settlement; and (iii) informing the Court that Plaintiffs anticipated filing an unopposed motion for preliminary approval of the settlement by September 14, 2026. (ECF No. 24).

On August 17, 2026, the Court entered a Memo Endorsement of the parties' notice, thereby staying the Derivative Action pending finalization of the settlement, and directing the parties to file a joint status letter by September 14, 2026. (ECF No. 25).

On September 14, 2026, the parties to the Derivative Action filed a joint status letter informing the Court that they were continuing to work to finalize the settlement documentation and anticipated that Plaintiffs would file an unopposed motion for preliminary approval of the settlement by October 14, 2026.

B. The Putative Stockholder Demands

On December 12, 2025, Roth made a books and records demand pursuant to Section 220, demanding inspection of certain of the Company's books and records for the purpose of investigating substantially similar misconduct as alleged in the Derivative Action (the "220 Demand"). On December 31, 2025, Roth filed a verified complaint against Brainstorm in the Delaware Court of Chancery pursuant to Section 220 to enforce her rights to inspect the Company's books and records. (220 Action, Dkt. No. 1). Thereafter, the parties discussed a mutually agreeable scope of documents for production and updated the Delaware Court of Chancery on the status of the discussions and document production. (220 Action, Dkt. Nos. 5-6).

On June 9, 2026, following the execution of a confidentiality agreement, the Company produced documents to Roth in connection with her Section 220 Demand, which counsel for Roth reviewed.

On December 23, 2025, Simonenko and Palmer, respectively, sent demand letters, asking that the Company litigate substantially similar claims as those made in the Derivative Action (collectively, the "Litigation Demands," and together with the 220 Demand, the "Putative Stockholder Demands").[2] Counsel for Simonenko and Palmer engaged the Company's counsel throughout 2026 to take action with respect to the Litigation Demands, including, but not limited to, requesting that the Individual Defendants enter into a tolling agreement with respect to any shareholder derivative claims, and resolving any such claims.

C. Settlement Negotiations

On May 11, 2026, Plaintiffs sent a settlement demand letter to Defendants that, *inter alia*, proposed releasing the derivative claims and dismissing the Derivative Action with prejudice against the Individual Defendants in exchange for the Board's commitment to adopt, implement, and maintain certain corporate governance, oversight, and internal controls reforms and for a monetary payment to the Company to offset damages proximately resulting from the Individual Defendants' alleged breaches of fiduciary duty.[3]

In the following months, the parties to the Derivative Action engaged in arm's-length, good-faith settlement negotiations aimed at resolution of the claims in the Derivative Action, which included exchanging settlement proposals and counterproposals.

[2] "Derivative Matters" collectively refers to the Derivative Action, Putative Stockholder Demands, and the 220 Action.

[3] Simonenko, Palmer, and Roth subsequently sent a separate settlement demand letter to Defendants.

On August 7, 2026, the parties to the Derivative Action reached an agreement in principle on the material terms of the Settlement, memorialized in a term sheet (the "Term Sheet").

On August 10, 2026, the Putative Stockholders agreed to the Term Sheet.

Following the Settling Parties' agreement in principle on the substantive terms of the settlement, the Settling Parties participated in a mediation in New York, New York on August 11, 2026 (the "Mediation") with a nationally recognized mediator, Michelle Yoshida, Esq. of Phillips ADR Enterprises, P.C. (the "Mediator") to negotiate the attorneys' fees and expenses that would be paid solely by Defendants' insurers to Settling Plaintiff Parties' Counsel in consideration of their efforts in achieving the benefits conferred on the Company by the Reforms (as defined herein). At the end of the day during the Mediation, the Settling Parties accepted the Mediator's double-blind proposal for the payment of $725,000.00 in attorneys' fees and expenses solely by Defendants' insurers to Settling Plaintiff Parties' Counsel, subject to Court approval.

II. SETTLING PLAINTIFF PARTIES' CLAIMS AND THE BENEFITS OF SETTLEMENT

While Settling Plaintiff Parties believe the Derivative Matters have merit, they also recognize that all litigation is inherently uncertain, risky, and expensive and that derivative litigation poses certain unique risks and challenges. Settling Plaintiff Parties believe that Brainstorm would benefit if the Derivative Matters could be settled now on reasonable terms, rather than waiting for the outcome of trial(s) and any possible appeal(s). Settling Plaintiff Parties' entry into this Stipulation is not intended to be and shall not be construed as an admission or concession concerning the relative strength or merit of the claims or potential claims alleged in the Derivative Matters.

Settling Plaintiff Parties' Counsel have conducted extensive investigation and analysis, including, *inter alia*: (i) reviewing and analyzing Brainstorm press releases, public statements, and

filings with the U.S. Securities and Exchange Commission ("SEC"); (ii) reviewing and analyzing securities analysts' reports and advisories and media reports about the Company; (iii) reviewing and analyzing the pleadings and orders in the Securities Class Action; (iv) researching the applicable law with respect to the claims alleged and the potential defenses thereto; (v) preparing and filing initial complaints in the Derivative Action; (vi) preparing and serving the Putative Stockholder Demands; (vii) preparing and filing the complaint in the 220 Action; (viii) reviewing confidential internal corporate documents produced by Defendants; (ix) preparing and filing an amended complaint in the Derivative Action; (x) researching and evaluating factual and legal issues relevant to the claims in the Derivative Matters; (xi) engaging in settlement negotiations with Defendants' Counsel regarding the specific facts and perceived strengths and weaknesses of the Derivative Matters, and other issues in an effort to facilitate negotiations; (xii) researching the Company's corporate governance structure in connection with settlement efforts; (xiii) preparing comprehensive written settlement demands and modified demands over the course of the Settling Parties' settlement negotiations; and (xiv) negotiating and drafting this comprehensive Stipulation.

Based on Settling Plaintiff Parties' Counsel's thorough review and analysis of the relevant facts, allegations, defenses, and controlling legal principles, Settling Plaintiff Parties' Counsel believe that the Settlement set forth in this Stipulation is fair, reasonable, and adequate, and confers substantial benefits upon Brainstorm. Based upon Settling Plaintiff Parties' Counsel's evaluation, Settling Plaintiff Parties have determined that the Settlement is in the best interests of Brainstorm and Current Brainstorm Stockholders and have agreed to settle the Derivative Matters upon the terms and subject to the conditions set forth herein.

III. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY

Defendants deny and continue to deny that they have committed or engaged in any

wrongdoing or violation of law whatsoever. Defendants further deny and continue to deny each and every contention alleged by Settling Plaintiff Parties in the Derivative Matters. Each of the Individual Defendants expressly denies and continues to deny all charges of wrongdoing or liability against himself, herself, or themselves arising out of, based upon, related to, or in connection with any of the conduct, statements, acts, or omissions alleged, which could have been alleged, or which could in the future be alleged in the Derivative Matters. Each of the Defendants contends that he/she/they or it has acted properly, lawfully, and in full accord with their fiduciary duties at all times, and deny that he/she/they or it has ever committed or attempted to commit any breach of fiduciary duty owed to the Company and its stockholders or engaged in any wrongdoing whatsoever. Had the terms of the Stipulation not been reached, Defendants would have continued to deny Settling Plaintiff Parties' claims, and each of the Defendants maintains that he/she/they or it had and has meritorious defenses to all of the claims and allegations in the Derivative Matters. Without admitting the validity of any of the claims that Settling Plaintiff Parties have asserted in the Derivative Matters, or any liability with respect thereto, Defendants have considered the uncertainty and risks inherent in any litigation, the costs and burdens of continued litigation, the substantial benefits conferred by the Settlement, and related considerations, and have determined that it would be serve the interests of Brainstorm and its stockholders to settle the Derivative Matters in the manner and upon the terms and conditions set forth in this Stipulation.

This Stipulation (whether or not consummated), including the exhibits hereto, the Settlement, the existence of any of the provisions contained in this Stipulation, the acts performed or negotiations, discussions and drafts leading to the execution of this Stipulation or the Settlement, and any proceedings pursuant to or in connection with this Stipulation or the approval of the Settlement (including any arguments proffered or statements made in connection therewith), shall

not be deemed to prejudice in any way the positions of Defendants with respect to the Derivative Matters or any other action or proceeding, shall not be deemed a presumption, a concession, or an admission by any of Defendants of any fault, liability, or wrongdoing as to any facts, claims, or defenses that have been, might have been, or might in the future be alleged or asserted in the Derivative Matters or with respect to any of the claims settled in the Derivative Matters, or that the consideration to be given hereunder represents the consideration that could be or would have been recovered after trial, and shall not be interpreted, construed, deemed, invoked, offered, or received in evidence or otherwise used by any person in the Derivative Matters, or in any other action or proceeding, except for any litigation or judicial proceeding arising out of or relating to this Stipulation or the Settlement, whether civil, criminal, or administrative, for any purpose other than as provided expressly herein.

IV. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among the undersigned counsel for the Settling Parties herein, in consideration of the benefits flowing to the Settling Parties from the Settlement, and subject to the approval of the Court, that the Released Claims shall be finally and fully compromised, settled, and released, and that the Derivative Action and 220 Action shall be dismissed and the Putative Stockholder Demands withdrawn with prejudice and with full preclusive effect as to all Settling Parties, upon and subject to the terms and conditions of this Stipulation, as set forth below.

1. DEFINITIONS

As used in this Stipulation, the following terms have the meanings specified below:

1.1 "220 Action" means *Shari Roth v. Brainstorm Cell Therapeutics Inc.*, C.A. No. 2025-1507-DG (Del. Ch.).

1.2 "Board" means the Board of Directors of Brainstorm.

1.3 "Brainstorm" or the "Company" means Brainstorm Cell Therapeutics Inc.

1.4 "Court" means the United States District Court for the Southern District of New York.

1.5 "Current Brainstorm Stockholders" means any Person or Persons who are record or beneficial owners of Brainstorm stock as of the date of this Stipulation and who continue to own Brainstorm stock through the date of the Settlement Hearing, excluding the Individual Defendants, the officers and directors of Brainstorm, members of their immediate families, and their legal representatives, heirs, successors, or assigns, and any entity in which any of the Individual Defendants has or has had a controlling interest.

1.6 "Defendants" means the Individual Defendants and nominal defendant, Brainstorm.

1.7 "Defendants' Counsel" means Goodwin Procter LLP.

1.8 "Defendants' Released Claims" means all claims or causes of action (including known and Unknown Claims), including, but not limited to, any claims for damages, injunctive relief, interest, attorneys' fees, expert, or consulting fees, and any and all other costs, expenses, or liabilities whatsoever, that could be asserted in any forum against any of the Settling Plaintiff Parties' Released Persons, arising out of, relating to, or in connection with the institution, prosecution, assertion, settlement, or resolution of the Derivative Matters. "Defendants' Released Claims" shall not include claims to enforce the terms of the Stipulation and/or the Judgment, and shall not include any indemnification, advancement, or insurance claims that any Released Person has or may have.

1.9 "Defendants' Released Persons" means Defendants, Defendants' Counsel and each and all of their past, present, or future family members, spouses, domestic partners, parents, associates, affiliates, subsidiaries, officers, directors, stockholders, owners, members, representatives, employees, attorneys, financial or investment advisors, consultants, underwriters, investment banks or bankers, commercial bankers, insurers, reinsurers, excess insurers, co-insurers, advisors, principals, agents, heirs, executors, trustees, estates, beneficiaries, distributees, foundations, general or limited partners or partnerships, joint ventures, personal or legal representatives, administrators, or any other Person or entity acting or purporting to act for or on behalf of any Defendant or any counsel for any Defendant, and each of their respective predecessors, successors, and assigns.

1.10 "Derivative Action" means the above-captioned consolidated stockholder derivative action pending in the United States District Court for the Southern District of New York.

1.11 "Derivative Matters" means the Derivative Action, Putative Stockholder Demands, and 220 Action.

1.12 "Effective Date" means the date by which all of the conditions specified in section IV, paragraph 6.1 have been met.

1.13 "Final" means the expiration of all time to seek appeal or other review of the Judgment, or if any appeal or other review of such Judgment is filed and not dismissed, after such Judgment is upheld on appeal in all material respects and is no longer subject to appeal, reargument, or review by writ of certiorari or otherwise, provided, however, and notwithstanding anything to the contrary in this Stipulation, "Final" shall not include, and the Settlement is expressly not conditioned upon, the approval of attorneys' fees, expenses or Service Awards.

1.14 "Individual Defendants" means June Almenoff, Irit Arbel, Menghis Bairu, Jacob Frenkel, Ralph Kern, Chaim Lebovits, Stacy Lindborg, Nir Naor, Anthony Polverino, Malcolm Taub, and Uri Yablonka.

1.15 "Judgment" means the Order and Final Judgment entered by the Court that dismisses the Derivative Action pursuant to the Settlement, substantially in the form of Exhibit E attached hereto.

1.16 "Notice" means the Notice of Pendency and Proposed Settlement of Stockholder Derivative Matters, substantially in the form of Exhibit C attached hereto and the Summary Notice defined herein.

1.17 "Person" means any natural person, individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, association, joint venture, joint stock company, estate, legal representative, trust, unincorporated association, government, or any political subdivision or agency thereof, any business or legal entity, and any spouse, heir, legatee, executor, administrator, predecessor, successor, representative, or assign of any of the foregoing.

1.18 "Plaintiffs" means Serge Andrev, Barry Holtzman, and John Duncan Hamby.

1.19 "Plaintiffs' Counsel" means The Brown Law Firm, P.C., Bragar Eagel & Squire, P.C., Hynes & Hernandez, LLC, and Bronstein, Gewirtz & Grossman, LLC.

1.20 "Preliminary Approval Order" means the Preliminary Approval Order entered by the Court that preliminarily approves the Settlement, authorizes the form and manner of providing notice of the Settlement to Current Brainstorm Stockholders, and sets a date for the Settlement Hearing, substantially in the form of Exhibit B attached hereto.

1.21 "Putative Stockholders" means Shari Roth, Michael Simoneko, and Stacy Palmer.

1.22 "Putative Stockholders' Counsel" means Rigrodsky Law, P.A., Kuehn Law, PLLC, and Halper Sadeh LLC.

1.23 "Reforms" means the corporate governance reforms set forth in Exhibit A attached hereto, which the Company shall adopt, implement, and maintain, pursuant to and in accordance with this Stipulation.

1.24 "Released Claims" means Defendants' Released Claims and Settling Plaintiff Parties' Released Claims.

1.25 "Released Persons" means Defendants' Released Persons and Settling Plaintiff Parties' Released Persons.

1.26 "Settlement" means the settlement and compromise of the Derivative Matters as provided for in this Stipulation.

1.27 "Settlement Hearing" means the hearing set by the Court to consider final approval of the Settlement.

1.28 "Settling Parties" means Settling Plaintiff Parties and Defendants.

1.29 "Settling Plaintiff Parties" means Plaintiffs and Putative Stockholders.

1.30 "Settling Plaintiff Parties' Counsel" means Plaintiffs' Counsel and Putative Stockholders' Counsel.

1.31 "Settling Plaintiff Parties' Released Claims" means all claims or causes of action (including known and Unknown Claims), including, but not limited to, debts, demands, rights, interests, actions, suits, causes of action, cross-claims, counter-claims, charges, judgments, obligations, setoffs, or liabilities for any obligations of any kind whatsoever (however denominated), for fees, costs, penalties, damages whenever incurred, and liabilities of any nature whatsoever (including, without limitation, direct or indirect claims or demands for rescission,

damages, interest, attorneys' fees, and any other costs, expenses, or liabilities whatsoever, including joint and several), whether based on federal, state, local, statutory or common law, in equity, or on any other law, rule, regulation, ordinance, contract, or the law of any foreign jurisdiction, whether fixed or contingent, known or unknown, liquidated or unliquidated, suspected or unsuspected, asserted or unasserted, matured or unmatured, arising out of, based upon, related to, or in connection with (i) any act or omission alleged or claims asserted in the Derivative Matters, that could have been alleged or asserted on behalf of Brainstorm derivatively, including those that were threatened, asserted, or could have been threatened or asserted by Settling Plaintiff Parties or any of Brainstorm's stockholders derivatively, such as in the Putative Stockholder Demands, or that Brainstorm could have threatened or asserted directly, or that could in the future be threatened or asserted in the Derivative Matters on behalf of Brainstorm derivatively or directly by Brainstorm, (ii) the defense, settlement, or resolution of the Derivative Matters, or (iii) the Settlement, except for any claims to enforce the Settlement, in any court, tribunal, forum or proceeding, against any of the Defendants' Released Persons. "Settling Plaintiff Parties' Released Claims" shall not include any claims to enforce the Stipulation, Judgment, or any other document memorializing the Settlement.

1.32 "Settling Plaintiff Parties' Released Persons" means Settling Plaintiff Parties and Settling Plaintiff Parties' Counsel, and each and all of their past, present, or future family members, spouses, domestic partners, parents, associates, affiliates, subsidiaries, officers, directors, stockholders, owners, members, representatives, employees, attorneys, financial or investment advisors, consultants, underwriters, investment banks or bankers, commercial bankers, insurers, reinsurers, excess insurers, co-insurers, advisors, principals, agents, heirs, executors, trustees, estates, beneficiaries, distributees, foundations, general or limited partners or partnerships, joint

ventures, personal or legal representatives, administrators, or any other Person or entity acting or purporting to act for or on behalf of any Settling Plaintiff Party or any counsel for any Settling Plaintiff Party, and each of their respective predecessors, successors, and assigns, Brainstorm, and Current Brainstorm Stockholders (solely in their capacity as Brainstorm stockholders).

1.33 "Summary Notice" means the Summary Notice of Pendency and Proposed Settlement of Stockholder Derivative Matters, substantially in the form of Exhibit D attached hereto.

1.34 "Unknown Claims" means any of the Released Claims that any of the Released Persons does not know of or suspect to exist in his, her, or its favor at the time of the release of the Released Persons, including claims that, if known by him, her, or it, might have affected his, her, or its settlement with and release of the Released Persons, or might have affected his, her, or its decision whether to object to this Settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, the Released Persons shall expressly waive and relinquish, and each Current Brainstorm Stockholder shall be deemed to have and by operation of the Judgment shall have expressly waived and relinquished to the fullest extent permitted by law, the provisions, rights, and benefits conferred by and under California Civil Code § 1542, and any other law of the United States or any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to California Civil Code § 1542, which provides:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

The Released Persons acknowledge that they and Current Brainstorm Stockholders may hereafter discover facts in addition to or different from those now known or believed to be true by them, with respect to the subject matter of the Released Claims, but it is the intention of the Settling Parties to completely, fully, finally, and forever compromise, settle, release, discharge, and extinguish any and all Released Claims, known or unknown, suspected or unsuspected, contingent or absolute, accrued or unaccrued, apparent or unapparent, which do now exist, or heretofore existed, or may hereafter exist, upon any theory of law or equity now existing or coming into existence in the future, and without regard to the subsequent discovery of additional or different facts. The Settling Parties acknowledge that the foregoing waiver was separately bargained for and is a key element of the Stipulation of which this release is a part.

2. TERMS OF THE SETTLEMENT

2.1 Within thirty (30) days of issuance of a final order approving the settlement of the Derivative Matters by the Court, the Board shall adopt resolutions to ensure the adoption, implementation, and maintenance of the Reforms, which are set forth in Exhibit A attached hereto, and which shall remain in effect for no less than four (4) years, except as otherwise provided by the Reforms.

2.2 The Board acknowledges and agrees that the filing, pendency, and settlement of the Derivative Matters was the cause of the Company's decision to adopt and implement the Reforms. Brainstorm also acknowledges and agrees that the Reforms confer substantial benefits upon Brainstorm and Brainstorm's stockholders.

2.3 The Board acknowledges that the Derivative Action and Plaintiffs' and Plaintiffs' Counsel's efforts in connection therewith is a contributing factor in causing the Company to amend Article I, Section 6 of its Bylaws entitled "Quorum of Stockholders."

3. APPROVAL AND NOTICE

3.1 As soon as practicable, the Plaintiffs shall submit this Stipulation together with its exhibits to the Court and shall apply for entry of the Preliminary Approval Order, substantially in the form of Exhibit B attached hereto, requesting: (i) preliminary approval of the Settlement set forth in this Stipulation; (ii) approval of the form and manner of providing notice of the Settlement to Current Brainstorm Stockholders; and (iii) a date for the Settlement Hearing.

3.2 Within ten (10) business days after the entry of the Preliminary Approval Order, Brainstorm shall: (i) post a copy of the Notice and the Stipulation and exhibits thereto on the Investors & Media page of the Company's website; (ii) publish the Summary Notice in a press release with *GlobeNewswire*; and (iii) cause the Notice and Stipulation and exhibits thereto to be filed or furnished with the SEC as exhibits to SEC Form 8-K, Form 10-Q, or Form 10-K, or other appropriate filing. The Notice shall provide a link to the Investors & Media page on Brainstorm's website where the Notice and Stipulation and exhibits thereto may be viewed, which page will be maintained through the date of the Settlement Hearing. The Settling Parties believe the form and manner of the notice procedures set forth in this paragraph constitute adequate and reasonable notice to Brainstorm stockholders pursuant to applicable law and due process. Brainstorm shall be solely responsible for paying the costs and expenses related to providing notice of the Settlement set forth in this paragraph or as otherwise required by the Court.

3.3 Pending the Court's determination as to final approval of the Settlement, Settling Plaintiff Parties and all Brainstorm stockholders are barred and enjoined from commencing, prosecuting, instigating, or in any way participating in the commencement or prosecution of any action asserting any Settling Plaintiff Parties' Released Claims against any of the Defendants' Released Persons.

4. ATTORNEYS' FEES AND REIMBURSEMENT OF EXPENSES

4.1 After negotiating the material terms of the Settlement, and in consideration of the substantial benefits conferred upon Brainstorm as a direct result of the Reforms and Settling Plaintiff Parties' and Settling Plaintiff Parties' Counsel's efforts in connection with the Derivative Matters, the Settling Parties agreed that, subject to Court approval, the Defendants' insurers shall pay to Settling Plaintiff Parties' Counsel, collectively, their attorneys' fees and costs in the amount of seven hundred twenty-five thousand dollars ($725,000.00) (the "Fee and Expense Amount").

4.2 Within twenty (20) days of the later of (i) The Brown Law Firm, P.C.'s providing a W-9 form and payment instructions in the form reasonably required by Defendants' insurers or (ii) entry of the Preliminary Approval Order, Defendants' insurers shall pay the Fee and Expense Amount to the escrow account of The Brown Law Firm, P.C. (the "Escrow Account"). The Fee and Expense Amount, to the extent approved by the Court, shall be released from the Escrow Account once the Court enters the Judgment and an order approving the Fee and Expense Amount—notwithstanding the existence of any collateral attacks on the Settlement, including, without limitation, any objections or appeals—to each of the firms comprising Settling Plaintiff Parties' Counsel. Settling Plaintiff Parties' Counsel shall be responsible for allocation of the Fee and Expense Amount amongst themselves. Defendants are not responsible for the allocation of the Fee and Expense Amount amongst Settling Plaintiff Parties' Counsel. Settling Plaintiff Parties' Counsel shall make no request to the Court for (and hereby release any right they otherwise may have to seek) attorneys' fees, expenses, or costs beyond the Fee and Expense Amount.

4.3 In the event that the Judgment fails to become Final as defined in section IV, paragraph 1.13, if a collateral attack is successful or the Settlement is otherwise terminated, or to the extent that the Court does not approve Settling Plaintiff Parties' Counsel's application for an

award of attorneys' fees and costs in the full amount of the Fee and Expense Amount, Settling Plaintiff Parties' Counsel shall be severally obligated to refund the Fee and Expense Amount to the extent it is denied or reduced to Defendants' insurers within thirty (30) days from receiving notice from Defendants' Counsel of written payment instructions and tax information.

4.4 Settling Plaintiff Parties' Counsel may apply to the Court for service awards of up to two thousand five hundred dollars ($2,500.00) for each of the six Settling Plaintiff Parties to be paid from the Fee and Expense Amount in recognition of Settling Plaintiff Parties' participation and effort in the prosecution of the Derivative Matters (the "Service Awards"). Defendants shall not object to the application for the Service Awards. The Court's decision concerning any requested Service Award shall have no effect on the Settlement. Neither Brainstorm nor any Individual Defendant shall be liable for any portion of any Service Award.

4.5 The Court's award of fees and costs is not a necessary term of this Settlement, and it is not a condition of this Settlement that Settling Plaintiff Parties' Counsel's application(s) for such fees and costs be approved by the Court in the amount of the Fee and Expense Amount or any amount. The Settlement, if approved, shall take effect regardless of any ruling concerning the award of attorneys' fees and expenses to Settling Plaintiff Parties' Counsel.

5. RELEASES

5.1 Within five (5) business days after the Effective Date, the parties in the 220 Action will file a stipulation of dismissal with prejudice in the 220 Action, and the Litigation Demands will be withdrawn with prejudice.

5.2 Upon the Effective Date, Settling Plaintiff Parties and all Current Brainstorm Stockholders shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged any and all of the Settling Plaintiff Parties'

Released Claims against Defendants' Released Persons, individually on behalf of themselves, and derivatively on behalf of the Company, and on behalf of their respective agents, spouses, heirs, executors, administrators, personal representatives, predecessors, successors, transferors, transferees, representatives, and assigns, in their capacities as such, and shall forever be barred and enjoined from instituting, commencing, or prosecuting derivatively on behalf of the Company any and all of the Settling Plaintiff Parties' Released Claims against the Defendants' Released Persons. In addition, upon the Effective Date, Brainstorm shall be deemed to have, and by operation of the law and of the Judgment shall have, fully, finally, and forever released, relinquished and discharged any and all of the Settling Plaintiff Parties' Released Claims against the Defendants' Released Persons, and shall forever be barred and enjoined from instituting, commencing, or prosecuting directly any and all of the Settling Plaintiff Parties' Released Claims against the Defendants' Released Persons except to enforce the releases and other terms and conditions contained in the Settlement and/or the Judgment.

5.3 Upon the Effective Date, Defendants shall be deemed to have, and by operation of the law and of the Judgment shall have, fully, finally and forever released, relinquished, and discharged any and all of the Defendants' Released Claims against the Settling Plaintiff Parties' Released Persons, and shall forever be barred and enjoined from instituting, commencing, or prosecuting any and all of Defendants' Released Claims against the Settling Plaintiff Parties Released Persons except to enforce the releases and other terms and conditions contained in the Stipulation and/or the Judgment.

6. CONDITIONS OF SETTLEMENT; EFFECT OF DISAPPROVAL, CANCELLATION, OR TERMINATION

6.1 The Effective Date of this Stipulation shall be conditioned on the occurrence of all of the following events:

a. Court approval of the content of the Notice and Summary Notice and method of providing notice of the Settlement;

b. dissemination of the Notice and Summary Notice pursuant to the Preliminary Approval Order;

c. Court entry of the Judgment, in all material respects in the form set forth as Exhibit E annexed hereto, approving the Settlement and dismissing the Derivative Action with prejudice, without awarding costs to any party, except as provided herein;

d. payment of the Fee and Expense Amount, if and to the extent approved by the Court, in accordance with section IV, paragraph 4.2; and

e. the passing of the date upon which the Judgment becomes Final.

6.2 If any of the conditions specified above in section IV, paragraph 6.1 are not met, then this Stipulation shall be canceled and terminated subject to section IV, paragraph 6.3, unless counsel for the Settling Parties mutually agree in writing to proceed with this Stipulation.

6.3 If for any reason the Effective Date of this Stipulation does not occur, or if this Stipulation is in any way canceled, terminated or fails to become Final in accordance with its terms: (i) all Settling Parties shall be restored to their respective positions in the Derivative Matters as of the date of this Stipulation; (ii) all releases delivered in connection with this Stipulation shall be null and void, except as otherwise provided for in this Stipulation; (iii) the Fee and Expense Amount paid to Settling Plaintiff Parties' Counsel shall be refunded and returned within thirty (30) days (consistent with paragraph 4.3 above); and (iv) all negotiations, proceedings, documents prepared, and statements made in connection herewith shall be without prejudice to the Settling Parties, shall not be deemed or construed to be an admission by a party of any act, matter, or proposition, and shall not be used in any manner for any purpose in any subsequent proceeding in

the Derivative Matters, or in any other action or proceeding. In such event, the terms and provisions of this Stipulation, except paragraphs 4.3, 6.3, and 7.3, shall have no further force and effect with respect to the Settling Parties and shall not be used in the Derivative Matters or in any other proceeding for any purpose except as expressly permitted by those surviving provisions.

7. MISCELLANEOUS PROVISIONS

7.1 The Settling Parties: (i) acknowledge that it is their intent to consummate the Stipulation; and (ii) agree to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of the Stipulation and to exercise their reasonable best efforts to accomplish the terms and conditions of the Stipulation. In the event that any dispute arises between the Settling Parties regarding such efforts, they shall attempt to resolve the dispute in good faith.

7.2 The Settling Parties intend this Settlement to be a final and complete resolution of all disputes between them with respect to the Derivative Matters and any and all claims released herein.

7.3 Each of the Defendants expressly denies and continues to deny any and all allegations of wrongdoing or liability against himself/herself/themselves or itself arising out of, based upon, related to, or in connection with any conduct, statements, acts, or omissions alleged, which could have been alleged, or which could in the future be alleged in the Derivative Matters. This Stipulation (whether or not consummated), including the exhibits hereto, the Settlement, the existence of any of the provisions contained in this Stipulation, the acts performed or negotiations, discussions and drafts leading to the execution of this Stipulation or the Settlement, and any proceedings pursuant to or in connection with this Stipulation or the approval of the Settlement (including any arguments proffered or statements made in connection therewith), shall not be

deemed to prejudice in any way the respective positions of the Settling Parties with respect to the Derivative Matters or any other action or proceeding, shall not be deemed a presumption, a concession, or an admission by any of the Settling Parties of any fault, liability, or wrongdoing or lack thereof as to any facts, claims, or defenses that have been, might have been, or might in the future be alleged or asserted in the Derivative Matters or with respect to any of the claims settled in the Derivative Matters, or that the consideration to be given hereunder represents the consideration that could be or would have been recovered after trial, and shall not be interpreted, construed, deemed, invoked, offered, or received in evidence or otherwise used by any person in the Derivative Matters, or in any other action or proceeding, except for any litigation or judicial proceeding arising out of or relating to this Stipulation or the Settlement, whether civil, criminal, or administrative, for any purpose other than as provided expressly herein. Notwithstanding the foregoing, any of the Defendants may file this Stipulation or the Judgment or any order of the Court related thereto in any action that may be brought against him/her/them or it in order to support a defense or counterclaim based on principles of res judicata, collateral estoppel, release, good faith settlement, judgment bar, or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

7.4 This Stipulation may not be terminated, modified, or amended, except by an agreement in writing signed by the Settling Parties or their respective counsel.

7.5 This Stipulation shall be construed as if the Settling Parties collectively prepared it, and any uncertainty or ambiguity shall not be interpreted against any of the Settling Parties.

7.6 This Stipulation shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of New York, and shall be governed by and

interpreted in accordance with, the internal, substantive laws of the State of New York without regard to conflict of law principles.

7.7 This Stipulation and the exhibits attached hereto contain the entire understanding of the Settling Parties concerning the subject matter hereof and supersede any and all prior agreements, discussions, or negotiations of the Settling Parties, whether oral or in writing.

7.8 The exhibits to this Stipulation are material and integral parts hereof and are fully incorporated herein. In the event that there exists a conflict or inconsistency between the terms of this Stipulation and the terms of any exhibit hereto, the terms of this Stipulation shall prevail.

7.9 This Stipulation may be executed in any number of counterparts with the same effect as if all Settling Parties had executed the same document. All such counterparts shall be construed together and shall constitute one instrument. A facsimile or electronic (e.g., PDF format) copy of this Settlement as executed shall be deemed an original.

7.10 Settling Plaintiff Parties hereby represent and warrant that they have not assigned any of Settling Plaintiff Parties' Released Claims or any rights, claims, or causes of action that were asserted, could have been asserted, or could in the future be asserted arising out of, based upon, related to, or in connection with any of Settling Plaintiff Parties' Released Claims.

7.11 The Settling Parties agree that each of the Settling Parties and their counsel have complied fully with the applicable requirements of good faith litigation and that no action, allegation, position taken, or filing was undertaken or made in bad faith or in violation of Rule 11 of the Federal Rules of Civil Procedure.

7.12 No representations, warranties, or inducements have been made to any of the Settling Parties concerning this Stipulation or its exhibits other than the representations, warranties, and covenants contained and memorialized in the Stipulation or its exhibits.

7.13 Each counsel or other Person executing this Stipulation or any exhibit on behalf of a Settling Party represents and warrants that such Person has full authority to execute the document and bind the Settling Party on whose behalf it is executed.

7.14 In the event any proceedings by or on behalf of Brainstorm, whether voluntary or involuntary, are initiated under any chapter of the United States Bankruptcy Code, including an act of receivership, asset seizure, or similar federal or state law action ("Bankruptcy Proceedings"), the Settling Parties agree to use their reasonable best efforts to obtain all necessary orders, consents, releases, and approvals for effectuation of this Stipulation in a timely and expeditious manner. In the event of any Bankruptcy Proceedings by or on behalf of Brainstorm, the Settling Parties agree that all dates and deadlines set forth herein will be extended for such periods of time as are necessary to obtain necessary orders, consents, releases and approvals from the bankruptcy court to carry out the terms and conditions of the Stipulation.

7.15 Any planned, proposed, or actual sale, merger, or change-in-control of Brainstorm shall not void this Stipulation. This Stipulation shall be binding upon and inure to the benefit of the successors and assigns of the Settling Parties, including any and all Settling Plaintiff Parties' Released Persons and Defendants' Released Persons and any corporation, partnership, or other entity into or with which any Settling Party may merge, consolidate, or reorganize. In the event of a planned, proposed, or actual sale, merger, or change-in-control of Brainstorm, the Settling Parties shall continue to seek court approval of the Settlement expeditiously, including without limitation the Settlement terms reflected in this Stipulation and the Fee and Expense Amount; provided that Defendants shall have no obligation to seek court approval of the Fee and Expense Amount. The Stipulation shall run to the Settling Parties' respective successors-in-interest. In the event of a planned, proposed, or actual sale, merger, or change-in-control of Brainstorm, the Settling Parties

shall continue to seek court approval of the Settlement expeditiously, including without limitation the Settlement terms reflected in this Stipulation and the Fee and Expense Amount.

7.16 The Court shall retain jurisdiction to implement and enforce the terms of the Stipulation and the Judgment, and the Settling Parties submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in the Stipulation and Judgment, and for matters or disputes arising out of or relating to the Settlement.

IN WITNESS WHEREOF, the Settling Parties have caused the Stipulation to be executed by their duly authorized attorneys and dated November 2, 2026.

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EXHIBIT A

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE BRAINSTORM CELL THERAPEUTICS, INC. DERIVATIVE LITIGATION	Lead Case No. 1:24-cv-01095-DEH **EXHIBIT A**

CORPORATE GOVERNANCE REFORMS

I. CORPORATE GOVERNANCE REFORMS TO BE IMPLEMENTED AND MAINTAINED BY BRAINSTORM AS A RESULT OF THE SETTLEMENT

Within thirty (30) days of issuance of a final order approving the settlement of: (i) the above-captioned consolidated shareholder derivative action (the "Derivative Action"); (ii) the action pending in the Delaware Court of Chancery to compel inspection of Brainstorm's books and records pursuant to 8 *Del. C.* § 220, styled *Shari Roth v. Brainstorm Cell Therapeutics Inc.*, C.A. No. 2025-1507-DG (Del. Ch.) (the "220 Action") and the associated inspection demand pursuant to 8 *Del. C.* § 220 made by Shari Roth (the "220 Demand"); and (iii) the two litigation demands served on the Board of Directors of Brainstorm by Michael Simoneko and Stacy Palmer (the "Litigation Demands," and together with the Derivative Action, 220 Action, and 220 Demand, the "Derivative Matters"), the Board shall adopt resolutions to implement and ensure adherence to the Reforms, which shall remain in effect for no less than four (4) years.[1] Brainstorm may amend or eliminate any one or more of the Reforms described herein if Brainstorm or the Board determines in a good faith exercise of its business judgment that a policy, procedure, control, or agreement term is no longer necessary or advisable or conflicts with any provision of any applicable law. In the event Brainstorm in its current form ceases to exist whether by dissolution, change of control, or other means, then the settlement shall not preclude Brainstorm (and/or any acquirer) from taking any actions necessary or advisable, including amending or eliminating any of the Reforms.

The Board acknowledges and agrees that the filing, pendency, and settlement of the Derivative Matters was the cause of the Company's decision to adopt and implement the Reforms. Brainstorm also acknowledges and agrees that the Reforms confer substantial benefits upon Brainstorm and Brainstorm's shareholders.

A. Enhanced Board Independence

1. Separate Chairperson/Chief Executive Officer. The Company shall formalize a requirement that, at all times, the positions of Chairperson of the Board and Chief Executive Officer will not be occupied by the same individual.

B. Director Independence

The Corporate Governance Guidelines shall be amended, as necessary, to provide that any directors who meet the criteria for director independence set forth in NASDAQ Listing Rule 5605(a)(2), shall also satisfy the following independence criteria:

1. Has no personal services contract(s) with Brainstorm or any member of the Company's senior management;

2. Is not affiliated with a non-profit entity that receives significant contributions from Brainstorm;

[1] Except as otherwise expressly provided below, all capitalized terms contained herein shall have the same meaning as set forth in the Stipulation and Agreement of Settlement dated November 2, 2026.

3. Has not had any of the relationships described in subsections (1)–(2) above with any affiliate of Brainstorm; and

4. Is not a member of the immediate family of any person described in subsections (1)–(3) above.

Employment as Chief Executive Officer or other executive officer at the Company shall disqualify a director from being considered independent within three (3) years following that employment.

C. Enhancement of Board-Level Scientific Review

At each regularly scheduled meeting of the Board, the Board shall receive an update on (i) the Company's research and development activities; (ii) the Company's press releases and regulatory filings with respect to clinical trials and studies, including data emanating from such trials and studies, and (iii) the Company's interactions with the FDA regarding such trials and studies, from the Chief Medical Officer or other appropriate executive officer who is not the Chief Executive Officer.

D. Enhancements to the Audit Committee Charter

The Audit Committee Charter shall be amended as follows:

1. The Audit Committee shall meet a minimum of five (5) times per year, including meetings prior to the commencement of the annual audit and prior to completion of the annual audit.

2. The Audit Committee shall meet at least four (4) times annually in executive sessions at which management directors are not present.

3. The Chairperson of the Audit Committee shall communicate separately with the Chief Financial Officer, without other senior management present, at least quarterly and as further deemed necessary each year to discuss internal audit department procedures, findings, and deficiencies, as well as appropriate means to address them and preventative steps to prevent their recurrence.

4. The Audit Committee as a whole shall annually perform a self-assessment of the committee's performance. This self-assessment shall include consideration of such factors as: (a) attendance at Board and committee meetings; (b) preparedness for Board and committee meetings; (c) objectivity in exercising business judgment; and (d) candor toward other directors, management, and professionals retained by the Company.

5. The Audit Committee shall: (i) determine the timing and appropriate method of disclosure of material information regarding clinical trials and/or the prospects for FDA drug approval review, (ii) review in advance the Company's quarterly earnings press release and related materials (such as analyst conference call scripts), (iii) review in advance each Form 10-K, Form 10-Q, Form 8-K, and proxy statement filed by the Company with the SEC, and each Annual Report to stockholders, and (iv) review and evaluate all interactions between the Company and the FDA, including, but not limited to, the Company's clinical trials and drug approval efforts.

E. Enhancements to the Governance, Nominating, and Compensation Committee Charter

The Board shall adopt a resolution to amend the Governance, Nominating, and Compensation Committee ("GNCC") Charter. The amended GNCC Charter shall be promptly posted on the Company's website. The updated GNCC Charter shall require the following:

1. Corporate Governance Matters

   a. In making a determination on whether to recommend a candidate for nomination to the Board, the director criteria considered by the GNCC shall include, *inter alia*: (i) the qualifications, qualities, skills, and other expertise to be a director; (ii) the independence of each nominee against the independence of the securities exchange, applicable laws and regulations promulgated by the SEC, and other applicable laws; and (iii) whether there are any potential disqualifying conflicts of interest, including familial relationships with Company officers or directors, interlocking directorships, and/or substantial business, civic, and/or social relationships with other members of the Board that could impair the prospective Board member's ability to act independently from the other Board members;

   b. The Chairperson of the GNCC shall meet with each prospective new Board member prior to his or her nomination to the Board and then recommend whether such individual shall be nominated for membership to the Board; and

   c. If the GNCC recommends a candidate to the Board, the final approval of each director candidate shall be determined by the full Board. After a full review by the Board, the GNCC's recommendation to the Board shall be disclosed to shareholders.

2. Compensation Matters

   a. In determining, setting, or approving annual short-term compensation arrangements, the GNCC shall take into account the particular executive's performance as it relates to both legal and regulatory compliance and compliance with the Company's internal policies and procedures.

   b. In determining, setting, or approving termination benefits and/or separation pay to executive officers, the GNCC shall take into consideration the circumstances surrounding the particular executive officer's departure and the executive's performance as it relates to both legal and regulatory compliance and compliance with the Company's internal policies and procedures.

   c. In fulfilling its responsibilities, the GNCC shall seek input and accept information and recommendations from the General Counsel and the Audit Committee.

F. Whistleblower Policy

The Board shall require management to adopt a specific, formal written policy protecting whistleblowers (the "Whistleblower Policy") that consists of the following and shall promptly include this policy on the Company's website:

1. The Company's Whistleblower Policy shall encourage employees, independent contractors, and vendors of Brainstorm to bring forward ethical and legal or regulatory violations and/or a reasonable belief that significant ethical and legal violations have occurred to the Audit Committee and/or the General Counsel; and

2. The Whistleblower Policy shall effectively communicate that Brainstorm is serious about adherence to its corporate governance policies and that whistleblowing is an important tool in achieving this goal.

The Company shall remind employees of whistleblower options and whistleblower protections in employee communications provided at least once a year.

G. Updates to the Compensation Recovery Policy

The Company shall update, implement, and maintain the following reforms to its Compensation Recovery Policy, which the GNCC will be responsible for supervising and enforcing (the "Clawback Policy").

a. Upon any restatement of the Company's financial results, the Board or an authorized Committee must conduct a formal investigation sufficient to determine whether any compensation, including in particular incentive- and/or equity-based compensation, was paid to the Company's Chief Executive Officer, Chief Financial Officer, or any other named officers or senior management level and higher-ranking executive officer ("Senior Officers") on the basis of any misstated financial results.

b. In the event compensation was paid based on misstated financial results, the Board shall recapture all compensation paid to any Senior Officers on the basis of having met or exceeded performance targets during the period covered by the restated financial statement(s), regardless of whether any executives are found personally responsible for the misstatement(s). Specifically, the Board shall take the steps necessary to secure reimbursement from Senior Officer(s) of (i) any bonus or other incentive-based or equity-based compensation paid to any Senior Officers during the twelve-month period following the first public issuance or filing with the SEC (whichever first occurs) of the financial document embodying such error to the extent that compensation was based on the misstated financial result; and (ii) any net profits realized by the responsible officer from the sale of Brainstorm securities during that twelve-month period.

II. SETTLING PLAINTIFF PARTIES' EFFORTS CAUSED THE BENEFICIAL CORPORATE GOVERNANCE REFORMS

The Board acknowledges that the Derivative Matters and Settling Plaintiff Parties' and Settling Plaintiff Parties' Counsel's efforts in connection therewith caused the Company to adopt, implement and maintain the Reforms for the agreed upon term, and that the Reforms provide substantial and material benefits to the Company and its stockholders.

The Board acknowledges that the Derivative Action and Plaintiffs' and Plaintiffs' counsel's efforts in connection therewith is a contributing factor in causing the Company to amend Article I, Section 6 of its Bylaws entitled "Quorum of Stockholders."

EXHIBIT B

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE BRAINSTORM CELL THERAPEUTICS, INC. DERIVATIVE LITIGATION	Lead Case No. 1:24-cv-01095-DEH **EXHIBIT B**

[PROPOSED] PRELIMINARY APPROVAL ORDER

Plaintiffs have made an unopposed motion, pursuant to Rule 23.1 of the Federal Rules of Civil Procedure, for an order: (i) preliminarily approving the proposed Settlement of the Derivative Action and stockholder derivative claims brought on behalf of Brainstorm in accordance with the Stipulation and Agreement of Settlement dated November 2, 2026 (the "Stipulation"); (ii) approving the form and manner of the notice of the Settlement to Current Brainstorm Stockholders; and (iii) setting a date for the Settlement Hearing.[1]

WHEREAS, the Stipulation sets forth the terms and conditions for the Settlement, including, but not limited to, a proposed settlement and resolution of the Derivative Matters;

WHEREAS, the Court having: (i) read and considered Plaintiffs' Unopposed Motion for Preliminary Approval of Derivative Settlement together with the accompanying Memorandum of Law in Support; and (ii) read and considered the Stipulation, as well as all the exhibits attached thereto;

WHEREAS, the Court finds, upon a preliminary evaluation, that the proposed Settlement falls within the range of possible approval criteria, as it provides a beneficial result for Brainstorm and appears to be the product of serious, informed, non-collusive negotiations; and

WHEREAS, the Court also finds, upon a preliminary evaluation, that Current Brainstorm

[1] Except as otherwise expressly provided below, all capitalized terms contained herein shall have the same meaning as set forth in the Stipulation.

Stockholders should be apprised of the Settlement through the proposed form and means of notice, which constitutes the best notice practicable under the circumstances and complies fully with the requirements of Rule 23.1 of the Federal Rules of Civil Procedure and due process, and should be allowed an opportunity to file objections, if any, thereto, and appear at the Settlement Hearing.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:

1. This Court, for purposes of this Preliminary Approval Order, adopts the definitions set forth in the Stipulation.

2. This Court preliminarily approves, subject to further consideration at the Settlement Hearing described below, the Settlement as set forth in the Stipulation as being fair, reasonable, and adequate.

3. A hearing shall be held on _____, 2026 at ____ _.m., before the Honorable Dale E. Ho, at the United States District Court for the Southern District of New York, Thurgood Marshall United States Courthouse, 40 Foley Square, New York, NY 10007, in Courtroom 905 (the "Settlement Hearing"), at which the Court will determine: (i) whether the terms of the Stipulation should be approved as fair, reasonable, and adequate; (ii) whether the notice of the Settlement fully satisfied the requirements of Rule 23.1 of the Federal Rules of Civil Procedure and the requirements of due process; (iii) whether all Released Claims against the Released Persons should be fully and finally released; (iv) whether the agreed-to Fee and Expense Amount and Service Awards should be approved; and (v) such other matters as the Court may deem appropriate.

4. The Court finds that the form, substance, and dissemination of information regarding the proposed Settlement in the manner set out in this Preliminary Approval Order

constitutes the best notice practicable under the circumstances and complies fully with Rule 23.1 of the Federal Rules of Civil Procedure and due process.

5. Within ten (10) business days after the entry of this Preliminary Approval Order, Brainstorm shall: (i) post a copy of the Notice and the Stipulation and exhibits thereto on the Investors & Media page of the Company's website; (ii) publish the Summary Notice in a press release with *GlobeNewswire*; and (iii) cause the Notice and Stipulation and exhibits thereto to be filed or furnished with the SEC as exhibits to SEC Form 8-K, Form 10-Q, or Form 10-K, or other appropriate filing. The Notice shall provide a link to the Investors & Media page on Brainstorm's website where the Notice and Stipulation and exhibits thereto may be viewed, which page will be maintained through the date of the Settlement Hearing. The Settling Parties believe the form and manner of the notice procedures set forth in this paragraph constitute adequate and reasonable notice to Brainstorm stockholders pursuant to applicable law and due process. Brainstorm shall be solely responsible for paying the costs and expenses related to providing notice of the Settlement set forth in this paragraph or as otherwise required by the Court.

6. Within twenty (20) business days after the entry of this Preliminary Approval Order, Defendants' Counsel shall file with the Court an appropriate affidavit or declaration with respect to filing, posting, and publication of the notice of the Settlement as provided for in paragraph 5 of this Preliminary Approval Order.

7. All Current Brainstorm Stockholders shall be subject to and bound by the provisions of the Stipulation and the releases contained therein, and by all orders, determinations, and judgments in the Derivative Action concerning the Settlement, whether favorable or unfavorable to Current Brainstorm Stockholders.

8. Pending the Court's determination as to final approval of the Settlement, the

Settling Plaintiff Parties and all other Brainstorm stockholders are barred and enjoined from commencing, prosecuting, instigating, continuing, or in any way participating in the commencement or prosecution of any action asserting any Settling Plaintiff Parties' Released Claims against any of the Defendants' Released Persons.

9. Any Current Brainstorm Stockholder may appear and show cause, if he, she, or it has any reason why the Settlement embodied in the Stipulation should not be approved as fair, reasonable, and adequate, or why a judgment should or should not be entered hereon, or the Fee and Expense Amount or Service Awards should not be awarded. However, no Current Brainstorm Stockholder shall be heard or entitled to contest the approval of the Settlement, or, if approved, the Judgment to be entered thereon, unless that Current Brainstorm Stockholder has filed, and served on counsel specified below: (i) a written notice of objection with the case name and number (*In re Brainstorm Cell Therapeutics, Inc. Derivative Litigation*, Lead Case No. 1:24-cv-01095-DEH (S.D.N.Y.)); (ii) the Person's name, legal address, and telephone number; (iii) notice of whether such Person intends to appear at the Settlement Hearing and the reasons such Person desires to appear and be heard, and whether such Person is represented by counsel and if so, contact information for counsel; (iv) competent evidence that such Person held shares of Brainstorm common stock as of the date of the Stipulation and continues to hold such stock as of the date the objection is made, including the date(s) such shares were acquired; (v) the identities of any cases, by name, court, and docket number, in which the shareholder or his, her, or its attorney has objected to a settlement in the last three years; (vi) a statement of objections to any matters before the Court, the grounds therefor, as well as all documents or writings such Person desires the Court to consider; and (vii) the identities of any witnesses such Person plans on calling at the Settlement Hearing, along with a summary description of their expected testimony.

10. At least twenty-one (21) days prior to the Settlement Hearing, any such person must file the written objection(s) and corresponding materials with the Clerk of the Court, United States District Court for the Southern District of New York, Thurgood Marshall United States Courthouse, 40 Foley Square, New York, NY 10007 and serve such materials by that date, on each of the following Settling Parties' counsel:

Co-Lead Counsel for Plaintiffs:

THE BROWN LAW FIRM, P.C.
Timothy Brown
1350 Avenue of the Americas, Suite 1200
New York, NY 10019
Telephone: (516) 922-5427
Email: tbrown@thebrownlawfirm.net

BRAGAR EAGEL & SQUIRE, P.C.
J. Brandon Walker
1675 Broadway, 14th Floor
New York, NY 10019
Telephone: (212) 308-5858
Email: walker@bespc.com

Counsel for Defendants:

GOODWIN PROCTER LLP
Douglas H. Flaum
Charles A. Brown
The New York Times Building
620 Eighth Avenue
New York, NY 10018
Telephone: (212) 813-8800
Email: dflaum@goodwinlaw.com
cbrown@goodwinlaw.com

11. Only Current Brainstorm Stockholders who have filed with the Court and served the Settling Parties' counsel valid and timely written notices of objection and notices of appearance will be entitled to be heard at the hearing unless the Court orders otherwise.

12. Any Current Brainstorm Stockholder who fails to appear or object in the manner provided herein shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness, reasonableness, or adequacy of the Settlement and to the Fee and Expense Amount and Service Awards unless otherwise ordered by the Court, but shall be forever bound by the Judgment to be entered and the releases to be given as set forth in the Stipulation.

13. Plaintiffs shall file their motion for final approval of the Settlement at least twenty-

eight (28) days prior to the Settlement Hearing. If there is any objection to the Settlement, the deadline for filing a response to the objection(s) is at least seven (7) days prior to the Settlement Hearing.

14. All proceedings in the Derivative Action are stayed until further order of the Court, except as may be necessary to implement the Settlement or comply with the terms of the Stipulation and this Preliminary Approval Order.

15. This Court may, for good cause, extend any of the deadlines set forth in this Preliminary Approval Order without further notice to Current Brainstorm Stockholders.

16. The Stipulation, including the exhibits thereto, the Settlement, the existence of any of the provisions contained in the Stipulation, the acts performed or negotiations, discussions and drafts leading to the execution of the Stipulation or the Settlement, and any proceedings pursuant to or in connection with the Stipulation or the approval of the Settlement (including any arguments proffered or statements made in connection therewith), shall not be deemed to prejudice in any way the positions of Defendants with respect to the Derivative Matters or any other action or proceeding, shall not be deemed a presumption, a concession, or an admission by any of Defendants of any fault, liability, or wrongdoing as to any facts, claims, or defenses that have been, might have been, or might in the future be alleged or asserted in the Derivative Matters or with respect to any of the claims settled in the Derivative Matters, or that the consideration to be given thereunder represents the consideration that could be or would have been recovered after trial, and shall not be interpreted, construed, deemed, invoked, offered, or received in evidence or otherwise used by any person in the Derivative Matters, or in any other action or proceeding, except for any litigation or judicial proceeding arising out of or relating to the Stipulation or the Settlement, whether civil, criminal, or administrative, for any purpose other than as provided expressly in the

Stipulation.

17. The Court may, in its discretion, decide to change the date and/or time of the Settlement Hearing without further notice to Current Brainstorm Stockholders. Any Current Brainstorm Stockholder (or his, her or its counsel) who wishes to appear at the Settlement Hearing should consult the Court's calendar or the Investors & Media page of Brainstorm's website, for any change to the date and/or time of the Settlement Hearing. The Court may approve the Settlement and any of its terms, with such modifications as may be agreed to by the Settling Parties, if appropriate, without further notice to Current Brainstorm Stockholders. The Court retains jurisdiction to consider all further applications arising out of or connected with the Settlement.

IT IS SO ORDERED.

DATED:

HONORABLE DALE E. HO
UNITED STATES DISTRICT JUDGE

EXHIBIT C

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE BRAINSTORM CELL THERAPEUTICS, INC. DERIVATIVE LITIGATION	Lead Case No. 1:24-cv-01095-DEH **EXHIBIT C**

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF STOCKHOLDER DERIVATIVE MATTERS

TO: **ALL RECORD HOLDERS AND BENEFICIAL OWNERS OF BRAINSTORM CELL THERAPEUTICS INC. ("BRAINSTORM" OR THE "COMPANY") COMMON STOCK AS OF NOVEMBER 2, 2026, WHO CONTINUE TO OWN SUCH SHARES ("CURRENT BRAINSTORM STOCKHOLDERS").**

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT AND DISMISSAL WITH PREJUDICE OF STOCKHOLDER DERIVATIVE LITIGATION AND CONTAINS IMPORTANT INFORMATION REGARDING YOUR RIGHTS.

IF THE COURT APPROVES THE SETTLEMENT OF THE DERIVATIVE MATTERS, BRAINSTORM STOCKHOLDERS WILL BE FOREVER BARRED FROM CONTESTING THE APPROVAL OF THE PROPOSED SETTLEMENT AND DISMISSAL WITH PREJUDICE, AND FROM PURSUING SETTLING PLAINTIFF PARTIES' RELEASED CLAIMS.

THIS ACTION IS NOT A "CLASS ACTION." THUS, THERE IS NO COMMON FUND UPON WHICH YOU CAN MAKE A CLAIM FOR A MONETARY PAYMENT.

PLEASE TAKE NOTICE that this action is being settled on the terms set forth in a Stipulation and Agreement of Settlement dated November 2, 2026 (the "Stipulation"). The purpose of this Notice is to inform you of:

- the existence of the above-captioned consolidated stockholder derivative action pending in the United States District Court for the Southern District of New York (the "Court"), styled *In Re Brainstorm Cell Therapeutics, Inc. Derivative Litigation*, Lead Case No. 1:24-cv-01095-DEH (S.D.N.Y.) (the "Derivative Action");

- the existence of an action pending in the Delaware Court of Chancery to compel inspection of Brainstorm's books and records pursuant to 8 *Del. C.* § 220, styled *Shari Roth v. Brainstorm Cell Therapeutics Inc.*, C.A. No. 2025-1507-DG (Del. Ch.) (the "220 Action") and the associated inspection demand pursuant to 8 *Del. C.* § 220 (the "220 Demand");

- the existence of two litigation demands on the Board of Directors of Brainstorm (the "Litigation Demands," and together with the Derivative Action, 220 Action, and 220 Demand, the "Derivative Matters");

- the proposed settlement between Settling Plaintiff Parties and Defendants (together, "Settling Parties") reached in the Derivative Matters (the "Settlement");

- the hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement and dismissal of the Derivative Action with prejudice;

- Settling Plaintiff Parties' Counsel's application to the Court for the Fee and Expense Amount; and

- Settling Plaintiff Parties' Counsel's application to the Court for case Service Awards to the six Settling Plaintiff Parties.[1]

This Notice describes what steps you may take in relation to the Settlement. This Notice is not an expression of any opinion by the Court about the truth or merits of Settling Plaintiff Parties' claims or Defendants' defenses. This Notice is solely to advise you of the proposed Settlement of the Derivative Matters and of your rights in connection with the proposed Settlement.

Summary

On November 2, 2026, Brainstorm, in its capacity as a nominal defendant, entered into the Stipulation to resolve the Derivative Matters, which Stipulation was filed in the Court. The Derivative Action was prosecuted derivatively on behalf of Brainstorm against certain current and former directors and officers of the Company and against Brainstorm as a nominal defendant. The 220 Action was prosecuted against Brainstorm to compel the inspection of Brainstorm's books and records pursuant to 8 *Del. C.* § 220. The Litigation Demands were served on Brainstorm's Board of Directors to investigate substantially the same wrongdoing as alleged in the Derivative Action. The Stipulation and the settlement contemplated therein (the "Settlement"), subject to the approval of the Court, are intended by the Settling Parties to fully, finally, and forever compromise, resolve, discharge, and settle Settling Plaintiff Parties' Released Claims and to result in the dismissal of the Derivative Matters with prejudice, upon the terms and subject to the conditions set forth in the Stipulation. The proposed Settlement provides for the adoption and maintenance of certain corporate governance reforms and procedures, as outlined in Exhibit A to the Stipulation (the "Reforms").

In recognition of the substantial benefits conferred upon Brainstorm as a direct result of the Reforms achieved through the prosecution and Settlement of the Derivative Matters, and subject to Court approval, the Settling Parties agreed that Defendants' insurers shall pay to Settling Plaintiff Parties' Counsel attorneys' fees and expenses in the amount of seven hundred twenty-five thousand dollars ($725,000.00) (the "Fee and Expense Amount"), subject to Court approval. Settling Plaintiff Parties' Counsel shall also apply to the Court for service awards to be paid to the six Settling Plaintiff Parties in an amount of up to two thousand five hundred dollars ($2,500.00) each (the "Service Awards"), to be paid out of the Fee and Expense Amount.

This notice is a summary only and does not describe all of the details of the Stipulation and its exhibits. For full details of the matters discussed in this summary, please see the full Stipulation and its exhibits posted on the Investors & Media page of the Company's website, www._____, contact Settling Plaintiff Parties' Counsel as set forth below, or inspect the full Stipulation and its exhibits filed with the Clerk of the Court.

[1] Except as otherwise expressly provided below, all capitalized terms contained herein shall have the same meaning as set forth in the Stipulation.

What are the Derivative Matters About?

The Derivative Action is brought derivatively on behalf of nominal defendant Brainstorm and alleges that between February 18, 2020, and September 27, 2023, the Individual Defendants breached their fiduciary duties to the Company by personally making and/or causing the Company to make to the investing public a series of materially false and misleading statements regarding the Company's business, operations, and prospects. Settling Plaintiff Parties specifically allege that the Individual Defendants willfully or recklessly made and/or caused the Company to make false and misleading statements that failed to disclose, *inter alia*, that: (i) the U.S. Food and Drug Administration ("FDA") had already invalidated Brainstorm's "floor effect" hypothesis, which was based on misleading, post hoc analysis; (ii) certain Chemistry, Manufacturing, and Control issues were not "trivial," and instead, the FDA informed the Company in a Refuse to File letter that manufacturing was "grossly deficient" and "critical information" was left out; (iii) the FDA had raised other "red flags," namely there were over three times the number of deaths in the treatment group for the Phase 3 trial of the Company's amyotrophic lateral sclerosis treatment, NurOwn, compared to placebo and more adverse events which raised serious safety concerns; and (iv) as a result of the foregoing, the Individual Defendants' statements about Brainstorm's business, operations, and prospects were materially false and misleading and/or lacked a reasonable basis at all relevant times.

The 220 Action was brought against Brainstorm to compel the inspection of Brainstorm's books and records pursuant to 8 *Del. C.* § 220 related to substantially the same wrongdoing alleged in the Derivative Action.

The Litigation Demands were served on Brainstorm's Board of Directors to investigate substantially the same wrongdoing as alleged in the Derivative Action.

Why is there a Settlement of the Derivative Matters?

The Court has not decided in favor of Defendants or Settling Plaintiff Parties. Instead, the Settling Parties agreed to the Settlement to avoid the distraction, costs, and risks of further litigation, and because the Settling Parties agree that the Reforms that the Company will adopt, implement, and maintain provide substantial benefits to Brainstorm and its stockholders.

Defendants deny and continue to deny that they have committed or engaged in any wrongdoing or violation of law whatsoever. Defendants further deny and continue to deny each and every contention alleged by Settling Plaintiff Parties in the Derivative Matters. Each of the Individual Defendants expressly denies and continues to deny all charges of wrongdoing or liability against himself, herself, or themselves arising out of, based upon, related to, or in connection with any of the conduct, statements, acts, or omissions alleged, which could have been alleged, or which could in the future be alleged in the Derivative Matters. Each of the Defendants contends that he/she/they or it has acted properly, lawfully, and in full accord with their fiduciary duties at all times, and deny that he/she/they or it has ever committed or attempted to commit any breach of fiduciary duty owed to the Company and its stockholders or engaged in any wrongdoing whatsoever. Had the terms of the Stipulation not been reached, Defendants would have continued to deny Settling Plaintiff Parties' claims, and each of the Defendants maintains that he/she/they or it had and has meritorious defenses to all of the claims and allegations in the Derivative Matters.

Without admitting the validity of any of the claims that Settling Plaintiff Parties have asserted in the Derivative Matters, or any liability with respect thereto, Defendants have considered the uncertainty and risks inherent in any litigation, the costs and burdens of continued litigation, the substantial benefits conferred by the Settlement, and related considerations, and have determined that it would be serve the interests of Brainstorm and its stockholders to settle the Derivative Matters in the manner and upon the terms and conditions set forth in this Stipulation.

The Settlement Hearing, and Your Right to Object to the Settlement

On _____ __, 2026, the Court entered an order preliminarily approving the Stipulation and the Settlement contemplated therein (the "Preliminary Approval Order") and providing for notice of the Settlement to be provided to Current Brainstorm Stockholders. The Preliminary Approval Order further provides that the Court will hold a hearing on _____ __, 2026 at __:__ _.m. before the Honorable Dale E. Ho, at the United States District Court for the Southern District of New York, Thurgood Marshall United States Courthouse, 40 Foley Square, New York, NY 10007, in Courtroom 905 (the "Settlement Hearing") to, among other things, determine: (i) whether the terms of the Stipulation should be approved as fair, reasonable, and adequate; (ii) whether the notice of the Settlement fully satisfied the requirements of Rule 23.1 of the Federal Rules of Civil Procedure and the requirements of due process; (iii) whether all Released Claims against the Released Persons should be fully and finally released; (iv) whether the agreed-to Fee and Expense Amount and Service Awards should be approved; and (v) such other matters as the Court may deem appropriate.

The Court may, in its discretion, change the date and/or time of the Settlement Hearing without further notice to you. If you intend to attend the Settlement Hearing, please consult the Court's calendar or the Investors & Media page of the Company's website, www._____, for any change to the date and/or time of the Settlement Hearing.

Any Current Brainstorm Stockholder who wishes to object to the fairness, reasonableness, or adequacy of the Settlement as set forth in the Stipulation, or to the Fee and Expense Amount or Service Awards, may file with the Court a written objection. An objector must, at least twenty-one (21) days prior to the Settlement Hearing: (1) file with the Clerk of the Court and serve (either by hand delivery or by first class mail) upon the below listed counsel a written objection to the Settlement setting forth (i) a written notice of objection with the case name and number (*In re Brainstorm Cell Therapeutics, Inc. Derivative Litigation*, Lead Case No. 1:24-cv-01095-DEH (S.D.N.Y.)); (ii) the Person's name, legal address, and telephone number; (iii) notice of whether such Person intends to appear at the Settlement Hearing and the reasons such Person desires to appear and be heard, and whether such Person is represented by counsel and if so, contact information for counsel; (iv) competent evidence that such Person held shares of Brainstorm common stock as of the date of the Stipulation and continues to hold such stock as of the date the objection is made, including the date(s) such shares were acquired; (v) the identities of any cases, by name, court, and docket number, in which the shareholder or his, her, or its attorney has objected to a settlement in the last three years; (vi) a statement of objections to any matters before the Court, the grounds therefor, as well as all documents or writings such Person desires the Court to consider; and (vii) the identities of any witnesses such Person plans on calling at the Settlement Hearing, along with a summary description of their expected testimony. Any objector who does not timely file and serve a notice of intention to appear in accordance with this paragraph shall be foreclosed

from raising any objection to the Settlement and from objecting at the Settlement Hearing, except for good cause shown.

IF YOU MAKE A WRITTEN OBJECTION, IT MUST BE RECEIVED BY THE CLERK OF THE COURT NO LATER THAN _____ __, 2026. The Clerk's address is:

Clerk of the Court
United States District Court for the Southern District of New York
Thurgood Marshall United States Courthouse
40 Foley Square
New York, NY 10007

YOU ALSO MUST DELIVER COPIES OF THE MATERIALS TO SETTLING PLAINTIFF PARTIES' COUNSEL AND DEFENDANTS' COUNSEL SO THEY ARE RECEIVED NO LATER THAN _____ __, 2026. Counsel's addresses are:

Co-Lead Counsel for Plaintiffs:
THE BROWN LAW FIRM, P.C.
Timothy Brown
1350 Avenue of the Americas, Suite 1200
New York, NY 10019
Telephone: (516) 922-5427

BRAGAR EAGEL & SQUIRE, P.C.
J. Brandon Walker
1675 Broadway, 14th Floor
New York, NY 10019
Telephone: (212) 308-5858

Counsel for Defendants:
GOODWIN PROCTER LLP
Douglas H. Flaum
Charles A. Brown
The New York Times Building
620 Eighth Avenue
New York, NY 10018
Telephone: (212) 813-8800

An objector may file an objection on his, her, or its own or through an attorney hired at his, her, or its own expense. If an objector hires an attorney to represent him, her, or it for the purposes of making such objection, the attorney must serve (either by hand delivery or by first class mail) a notice of appearance on the counsel listed above and file such notice with the Court no later than twenty-one (21) calendar days before the Settlement Hearing. Any Brainstorm stockholder who does not timely file and serve a written objection complying with the above terms shall be deemed to have waived, and shall be foreclosed from raising, any objection to the Settlement, and any untimely objection shall be barred.

Any objector who files and serves a timely, written objection in accordance with the instructions above, may appear at the Settlement Hearing either in person or through counsel retained at the objector's expense. Objectors need not attend the Settlement Hearing, however, in order to have their objections considered by the Court.

If you are a Current Brainstorm Stockholder and do not take steps to appear in this action and object to the proposed Settlement, you will be bound by the Judgment of the Court and will forever be barred from raising an objection to the settlement in the Derivative Matters, and from pursuing any of the Released Claims.

CURRENT BRAINSTORM STOCKHOLDERS AS OF NOVEMBER 2, 2026 WHO HAVE NO OBJECTION TO THE SETTLEMENT DO NOT NEED TO APPEAR AT THE SETTLEMENT HEARING OR TAKE ANY OTHER ACTION.

Interim Stay and Injunction

Pending the Court's determination as to final approval of the Settlement, Settling Plaintiff Parties and all other Brainstorm stockholders, derivatively on behalf of Brainstorm, are barred and enjoined from commencing, prosecuting, instigating, continuing, or in any way participating in the commencement or prosecution of any action asserting any Settling Plaintiff Parties' Released Claims derivatively against any of the Defendants' Released Persons.

Scope of the Notice

This Notice is a summary description of the Derivative Matters, the complaints, the demands, the terms of the Settlement, and the Settlement Hearing. For a more detailed statement of the matters involved in the Derivative Matters, reference is made to them in the Stipulation and its exhibits, copies of which may be reviewed and downloaded at the Investors & Media page of the Company's website, www._____.

* * *

You may obtain further information by contacting Settling Plaintiff Parties' Counsel at: Timothy Brown, The Brown Law Firm, P.C., 1350 Avenue of the Americas, Suite 1200, New York, NY 10019, Telephone: (516) 922-5427, E-mail: tbrown@thebrownlawfirm.net or J. Brandon Walker, Bragar Eagel & Squire, P.C., 1675 Broadway, 14th Floor, New York, NY 10019, Telephone: (212) 308-5858, E-mail: walker@bespc.com.

PLEASE DO NOT CALL THE COURT OR DEFENDANTS WITH QUESTIONS ABOUT THE SETTLEMENT.

EXHIBIT D

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE BRAINSTORM CELL THERAPEUTICS, INC. DERIVATIVE LITIGATION	Lead Case No. 1:24-cv-01095-DEH **EXHIBIT D**

SUMMARY NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF STOCKHOLDER DERIVATIVE MATTERS

TO: **ALL RECORD HOLDERS AND BENEFICIAL OWNERS OF BRAINSTORM CELL THERAPEUTICS INC. ("BRAINSTORM" OR THE "COMPANY") COMMON STOCK AS OF NOVEMBER 2, 2026, WHO CONTINUE TO OWN SUCH SHARES ("CURRENT BRAINSTORM STOCKHOLDERS").**

PLEASE READ THIS SUMMARY NOTICE CAREFULLY AND IN ITS ENTIRETY AS YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THE LITIGATION.

YOU ARE HEREBY NOTIFIED that: (i) the above-captioned consolidated stockholder derivative action (the "Derivative Action"); (ii) the action pending in the Delaware Court of Chancery to compel inspection of Brainstorm's books and records pursuant to 8 *Del. C.* § 220, styled *Shari Roth v. Brainstorm Cell Therapeutics Inc.*, C.A. No. 2025-1507-DG (Del. Ch.) (the "220 Action") and the associated inspection demand pursuant to 8 *Del. C.* § 220 (the "220 Demand"); and (iii) the two litigation demands served on the Board of Directors of Brainstorm (the "Litigation Demands," and together with the Derivative Action, 220 Action, and 220 Demand, the "Derivative Matters"), are being settled on the terms set forth in the Stipulation and Agreement of Settlement dated November 2, 2026 (the "Stipulation"). [1]

The Derivative Action is brought derivatively on behalf of nominal defendant Brainstorm and alleges that between February 18, 2020, and September 27, 2023, the Individual Defendants breached their fiduciary duties to the Company by personally making and/or causing the Company to make to the investing public a series of materially false and misleading statements regarding the Company's business, operations, and prospects. Settling Plaintiff Parties specifically allege that the Individual Defendants willfully or recklessly made and/or caused the Company to make false and misleading statements that failed to disclose, *inter alia*, that: (i) the U.S. Food and Drug Administration ("FDA") had already invalidated Brainstorm's "floor effect" hypothesis, which was based on misleading, post hoc analysis; (ii) certain Chemistry, Manufacturing, and Control issues were not "trivial," and instead, the FDA informed the Company in a Refuse to File letter that manufacturing was "grossly deficient" and "critical information" was left out; (iii) the FDA had raised other "red flags," namely there were over three times the number of deaths in the treatment group for the Phase 3 trial of the Company's amyotrophic lateral sclerosis treatment, NurOwn, compared to placebo and more adverse events which raised serious safety concerns; and (iv) as a result of the foregoing, the Individual Defendants' statements about Brainstorm's business, operations, and prospects were materially false and misleading and/or lacked a reasonable basis at all relevant times. The 220 Action was brought against Brainstorm to compel the inspection of Brainstorm's books and records pursuant to 8 *Del. C.* § 220 related to substantially the same wrongdoing alleged in the Derivative Action. The Litigation Demands were served on Brainstorm's Board of Directors to investigate substantially the same wrongdoing as alleged in the Derivative Action. Defendants have denied and continue to deny each and all of the claims and allegations of wrongdoing asserted in the Derivative Matters.

[1] Except as otherwise expressly provided below, all capitalized terms contained herein shall have the same meaning as set forth in the Stipulation.

Pursuant to the terms of the Settlement, Brainstorm agrees to implement and maintain certain corporate governance reforms that are outlined in Exhibit A to the Stipulation (the "Reforms"). The Reforms shall be maintained for a minimum of four (4) years. Brainstorm's Board acknowledges that the Derivative Matters and Settling Plaintiff Parties' and Settling Plaintiff Parties' Counsel's efforts in connection therewith caused the Company to adopt, implement and maintain the Reforms for the agreed upon term, and that the Reforms provide substantial and material benefits to the Company and its stockholders.

After negotiating the material terms of the Settlement, counsel for the Settling Parties negotiated the attorneys' fees and expenses to be paid to Settling Plaintiff Parties' Counsel, subject to Court approval. In light of the substantial benefits conferred upon the Company and its stockholders, Defendants' insurers shall pay to Settling Plaintiff Parties' Counsel seven hundred twenty-five thousand dollars ($725,000.00) for their attorneys' fees and expenses (the "Fee and Expense Amount"), subject to Court approval. Defendants also agreed not to object to the request for the Court to approve Service Awards of up to two thousand five hundred dollars ($2,500.00) for each of the six Settling Plaintiff Parties to be paid from the Fee and Expense Amount.

On _____ __, 2026 at __:__ _.m., a hearing (the "Settlement Hearing") will be held before the Honorable Dale E. Ho, at the United States District Court for the Southern District of New York, Thurgood Marshall United States Courthouse, 40 Foley Square, New York, NY 10007, in Courtroom 905, for the purpose of determining whether the Settlement should be approved as fair, reasonable, and adequate and whether the Court should approve the agreed-to Fee and Expense Amount and the Service Awards for Settling Plaintiff Parties. ***Because this is not a class action, except as otherwise provided for in the Stipulation with respect to the Settling Plaintiff Parties, no Current Brainstorm Stockholder has the right to receive any individual compensation as a result of the Settlement.***

This Summary Notice provides a condensed overview of certain provisions of the Stipulation and the full Notice of Pendency and Proposed Settlement of Stockholder Derivative Matters (the "Notice"). It is not a complete statement of the events of the Derivative Matters or the terms set forth in the Stipulation. This summary should be read in conjunction with, and is qualified in its entirety by reference to, the text of the Stipulation. For additional information about the claims asserted in the Derivative Matters, and the terms of the proposed Settlement, you may inspect the Stipulation and its exhibits and other papers at the Clerk's office in the Court at any time during regular business hours. In addition, copies of the Stipulation and its exhibits and the Notice are available on the Investors & Media page of the Company's website, www._____.

The Court may, in its discretion, change the date and/or time of the Settlement Hearing without further notice to you. If you intend to attend the Settlement Hearing, please consult the Court's calendar or the Investors & Media page of the Company's website, _____, for any change in the format, date or time of the Settlement Hearing.

Inquiries about the Derivative Matters or the Settlement may be made to: Timothy Brown, The Brown Law Firm, P.C., 1350 Avenue of the Americas, Suite 1200, New York, NY 10019, Telephone: (516) 922-5427, E-mail: tbrown@thebrownlawfirm.net or J. Brandon Walker, Bragar

Eagel & Squire, P.C., 1675 Broadway, 14th Floor, New York, NY 10019, Telephone: (212) 308-5858, E-mail: walker@bespc.com.

You may enter an appearance before the Court, at your own expense, individually or through counsel of your choice. If you want to object at the Settlement Hearing, you must be a Current Brainstorm Stockholder and you must first comply with the procedures for objecting that are set forth in the Notice. **Any objection to any aspect of the Settlement must be filed with the Clerk of the Court and served on Settling Plaintiff Parties' Counsel and Defendants' Counsel no later than _____ __, 2026 (21 days before the Settlement Hearing)**, in accordance with the procedures set forth in the Stipulation and the Notice. Any Current Brainstorm Stockholder who fails to object in accordance with such procedures will be bound by the Order and Final Judgment of the Court granting final approval to the Settlement and the releases of claims therein, and shall be deemed to have waived the right to object (including the right to appeal) and forever shall be barred, in this proceeding or in any other proceeding, from raising such objection.

PLEASE DO NOT CALL THE COURT OR DEFENDANTS WITH QUESTIONS ABOUT THE SETTLEMENT.

EXHIBIT E

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE BRAINSTORM CELL THERAPEUTICS, INC. DERIVATIVE LITIGATION	Lead Case No. 1:24-cv-01095-DEH **EXHIBIT E**

[PROPOSED] ORDER AND FINAL JUDGMENT

This matter came before the Court for hearing on _____, 2026, to consider approval of the proposed settlement ("Settlement") set forth in the Stipulation and Agreement of Settlement dated November 2, 2026 (the "Stipulation"). The Court has reviewed and considered all documents, evidence, objections (if any), and arguments presented in support of or against the Settlement. Good cause appearing therefore, the Court enters this Order and Final Judgment (the "Judgment").

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. This Judgment incorporates by reference the definitions in the Stipulation, and all capitalized terms used herein shall have the same meanings as set forth in the Stipulation.

2. This Court has jurisdiction over the subject matter of the Derivative Action, including all matters necessary to effectuate the Settlement, and over all Settling Parties.

3. The Court finds that the notice of the Settlement was published and disseminated in accordance with this Court's Preliminary Approval Order. This Court further finds that the form and contents of the Notice and Summary Notice, as previously preliminarily approved by the Court, and the means of dissemination of the notice of the Settlement fully satisfied the requirements of Rule 23.1 of the Federal Rules of Civil Procedure and the requirements of due process.

4. The Court hereby approves the Settlement set forth in the Stipulation and finds that the Settlement is, in all respects, fair, reasonable, and adequate to each of the Settling Parties, and further finds that the Settlement is in the best interests of Brainstorm and its stockholders.

5. The Derivative Action and all claims contained therein, as well as all of the Released Claims against Released Persons, are dismissed with prejudice. The Settling Parties are to bear their own costs, except as otherwise provided below.

6. Upon the Effective Date, Settling Plaintiff Parties and all Current Brainstorm Stockholders shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged any and all of the Settling Plaintiff Parties' Released Claims against Defendants' Released Persons, individually on behalf of themselves, and derivatively on behalf of the Company, and on behalf of their respective agents, spouses, heirs, executors, administrators, personal representatives, predecessors, successors, transferors, transferees, representatives, and assigns, in their capacities as such, and shall forever be barred and enjoined from instituting, commencing, or prosecuting derivatively on behalf of the Company any and all of the Settling Plaintiff Parties' Released Claims against the Defendants' Released Persons. In addition, upon the Effective Date, Brainstorm shall be deemed to have, and by operation of the law and of the Judgment shall have, fully, finally, and forever released, relinquished and discharged any and all of the Settling Plaintiff Parties' Released Claims against the Defendants' Released Persons, and shall forever be barred and enjoined from instituting, commencing, or prosecuting directly any and all of the Settling Plaintiff Parties' Released Claims against the Defendants' Released Persons except to enforce the releases and other terms and conditions contained in the Settlement and/or the Judgment.

7. Upon the Effective Date, Defendants shall be deemed to have, and by operation of the law and of the Judgment shall have, fully, finally and forever released, relinquished, and discharged any and all of the Defendants' Released Claims against the Settling Plaintiff Parties' Released Persons, and shall forever be barred and enjoined from instituting, commencing, or prosecuting any and all of Defendants' Released Claims against the Settling Plaintiff Parties Released Persons except to enforce the releases and other terms and conditions contained in the Stipulation and/or the Judgment.

8. During the course of the litigation, all parties and their respective counsel at all times complied with the requirements of Rule 11 of the Federal Rules of Civil Procedure, and all other similar laws or statutes.

9. The Court hereby approves the sum of seven hundred twenty-five thousand dollars ($725,000.00) for the payment by Defendants' insurers of Settling Plaintiff Parties' Counsel's attorneys' fees and expenses in the Derivative Matters (the "Fee and Expense Amount") and finds that the Fee and Expense Amount is fair and reasonable. No other fees, costs, or expenses may be awarded to Settling Plaintiff Parties' Counsel in connection with the Settlement. The Fee and Expense Amount shall be distributed in accordance with the terms of the Stipulation.

10. The Court hereby approves the service awards of two thousand five hundred dollars ($2,500.00) for each of the six Settling Plaintiff Parties to be paid from Settling Plaintiff Parties' Counsel's Fee and Expense Amount in recognition of Settling Plaintiff Parties' participation and effort in the prosecution of the Derivative Matters.

11. Neither the Stipulation, nor any of its terms or provisions, nor entry of this Judgment, nor any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement, may be construed as, or may be used as evidence of the validity of any of the claims released herein or an admission by or against the Individual Defendants of any fault, wrongdoing, or concession of liability whatsoever.

12. The Stipulation, including the exhibits thereto, the Settlement, the existence of any of the provisions contained in the Stipulation, the acts performed or negotiations, discussions and drafts leading to the execution of the Stipulation or the Settlement, and any proceedings pursuant to or in connection with the Stipulation or the approval of the Settlement (including any arguments proffered or statements made in connection therewith), shall not be deemed to prejudice in any

way the respective positions of the Settling Parties with respect to the Derivative Matters or any other action or proceeding, shall not be deemed a presumption, a concession, or an admission by any of the Settling Parties of any fault, liability, or wrongdoing or lack thereof as to any facts, claims, or defenses that have been, might have been, or might in the future be alleged or asserted in the Derivative Matters or with respect to any of the claims settled in the Derivative Matters, or that the consideration to be given thereunder represents the consideration that could be or would have been recovered after trial, and shall not be interpreted, construed, deemed, invoked, offered, or received in evidence or otherwise used by any person in the Derivative Matters, or in any other action or proceeding, except for any litigation or judicial proceeding arising out of or relating to the Stipulation or the Settlement, whether civil, criminal, or administrative, for any purpose other than as provided expressly in the Stipulation.

13. Any of the Defendants may file the Stipulation and/or the Judgment or any order of the Court related thereto in any action that has been or may be brought against him/her/them or it in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

14. Without affecting the finality of this Judgment in any way, this Court hereby retains continuing jurisdiction with respect to implementation and enforcement of the terms of the Stipulation.

15. Pursuant to Rule 23.1 of the Federal Rules of Civil Procedure, this Court hereby finally approves the Stipulation and Settlement in all respects and orders the Settling Parties to perform its terms to the extent the Settling Parties have not already done so.

16. This Judgment is a final judgment, and the Court finds that no just reason exists for

delay in entering the Judgment in accordance with the Stipulation. Accordingly, the Clerk is hereby directed to enter this Judgment forthwith in accordance with Rule 58 of the Federal Rules of Civil Procedure.

IT IS SO ORDERED.

DATED:

HONORABLE DALE E. HO
UNITED STATES DISTRICT JUDGE