

Edgar Filing: BRAINSTORM CELL THERAPEUTICS INC - Form 8-K

Item 1.01 Entry into a Material Definitive Agreement.

On March 26, 2006, BrainStorm Cell Therapeutics Inc. (the "Company") completed lock-up agreements (the "Lock-Up Agreements") with each of Zegal & Ross Capital LLC, Irit Arbel, Based Holdings LTD, Ofilam LLC, and Yoram Drucker, with respect to 7,810,000 shares of the Company's common stock held by them. These Lock-Up Agreements amend and restate the previous lock-up agreements executed by these shareholders in March 2005. Under the Lock-Up Agreements, these shareholders may not sell or otherwise transfer their shares to anyone other than permitted transferees without the prior written consent of the Company's Board of Directors, as follows: (i) eighty-five percent (85%) of the shares will be restricted from transfer until December 31, 2006 and (ii) fifteen percent (15%) of the shares will be free from the transfer restrictions. All of the restrictions under the Lock-Up Agreements will automatically terminate upon the effectiveness of any registration statement filed by the Company for the benefit of Ramot at Tel Aviv University Ltd.

The foregoing description is subject to, and qualified in its entirety by, the Form of Lock-Up Agreement filed as an exhibit hereto and incorporated herein by reference. A press release relating to the Lock-Up Agreements is attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

10.1 Form of Lock-Up Agreement, dated March 26, 2006, as executed by Zegal & Ross Capital LLC (2,600,000 shares), Irit Arbel (2,300,000 shares), Based Holdings LTD (1,610,000 shares), Ofilam LLC (900,000 shares) and Yoram Drucker (400,000 shares).

99.1 Press release dated March 29, 2006.

SIGNATURE

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

BRAINSTORM CELL THERAPEUTICS INC.

By: /s/ Yoram Drucker

Yoram Drucker
Chief Operating Officer
(Principal executive officer)

Date: March 29, 2006

EXHIBIT INDEX

Exhibit No. Description
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