

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2021 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	☐

Part II	Basic Plan Information—enter all requested information				
1a Name of plan <u>BRAINSTORM, INC. 401(K) PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>002</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>05/06/2018</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>002</u>	1c Effective date of plan <u>05/06/2018</u>	
1b Three-digit plan number (PN) ▶	<u>002</u>				
1c Effective date of plan <u>05/06/2018</u>					
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>BRAINSTORM, INC.</u> <u>10 S. CENTER ST.,</u> <u>AMERICAN FORK, UT 84003</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>87-0535674</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>801-229-1337</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>511210</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>87-0535674</u>	2c Plan Sponsor's telephone number <u>801-229-1337</u>	2d Business code (see instructions) <u>511210</u>	
2b Employer Identification Number (EIN) <u>87-0535674</u>					
2c Plan Sponsor's telephone number <u>801-229-1337</u>					
2d Business code (see instructions) <u>511210</u>					

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/17/2022	SETH SMITH
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2021)
v. 210624

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 211
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 142 6a(2) 118 6b 0 6c 0 6d 118 6e 0 6f 118 6g 110 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 3F 2E 2F 2T 2A 2G 2J 2K 2S 3D b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ <u>0</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2021
		This Form is Open to Public Inspection.
For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan BRAINSTORM, INC. 401(K) PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 BRAINSTORM, INC.	D Employer Identification Number (EIN) 87-0535674	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL
04-2647786

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

CALIBER WEALTH MANAGEMENT

980 E 800 N
SUITE 203
OREM, UT 84097

47-1873640

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	INVESTMENT ADVISOR	30559	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

TOUCHSTONE (TRPC)

303 BROADWAY
1100
CINCINNATI, OH 45202

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
51 64	RECORDKEEPER	23671	Yes ☒ No ☐	Yes ☒ No ☐	1152	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64 65	RECORDKEEPER	621	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>		
A Name of plan <u>BRAINSTORM, INC. 401(K) PLAN</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>BRAINSTORM, INC.</u>	D Employer Identification Number (EIN) <u>87-0535674</u>	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a	34	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	500	0
(2) Participant contributions.....	1b(2)	819	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	196228	231570
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	3894	2123
(9) Value of interest in common/collective trusts.....	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts.....	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	5265979	6721792
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	0	0
(15) Other.....	1c(15)	0	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	0	0
(2) Employer real property.....	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	5467454	6955485

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness.....	1i	0	0
j Other liabilities.....	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	5467454	6955485
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	358642	
(B) Participants	2a(1)(B)	826806	
(C) Others (including rollovers).....	2a(1)(C)	212830	
(2) Noncash contributions.....	2a(2)	0	1398278
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans.....	2b(1)(E)	154	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		154
(2) Dividends: (A) Preferred stock.....	2b(2)(A)	0	164931
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	164931	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		164931
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	0
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	0
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		502963
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		2066326
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	523444	
(2) To insurance carriers for the provision of benefits.....	2e(2)	0	
(3) Other.....	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		523444
f Corrective distributions (see instructions).....	2f		0
g Certain deemed distributions of participant loans (see instructions).....	2g		0
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees.....	2i(1)	23671	
(2) Contract administrator fees.....	2i(2)	0	
(3) Investment advisory and management fees.....	2i(3)	30559	
(4) Other.....	2i(4)	621	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		54851
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		578295
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		1488031
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan.....	2l(2)		0

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: HAYNIE AND COMPANY

(2) EIN: 87-0325228

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

	Yes	No	Amount
4a		X	

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		546746
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	X		
4m	X		
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	X		
4n	X		
5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☐ Yes ☒ No If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.			
5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)			
5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)	
5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.			

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection.
---	--	---

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan BRAINSTORM, INC. 401(K) PLAN	B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 BRAINSTORM, INC.	D Employer Identification Number (EIN) 87-0535674

Part I	Distributions
--------	---------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 75-3182874 04-6568107		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
---------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
----------	------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
---------	--

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2021
v. 201209

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

14a

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14b

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14c

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year.....

15a

b The corresponding number for the second preceding plan year.....

15b

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year.....

16a

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....

16b

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

**BRAINSTORM, INC. 401(K)
RETIREMENT PLAN**

Financial Statements and
Independent Auditor's Report with
Supplemental Information

For the Years Ended December 31, 2021 and 2020



INDEX

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees and Management of
Brainstorm, Inc. 401(k) Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed an audit of the accompanying financial statements of Brainstorm, Inc. 401(k) Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) [ERISA Section 103(a)(3)(C) audit]. The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of Brainstorm, Inc. 401(k) Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section—

- the amounts and disclosures in the financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- the information in the financial statements referred to above related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Brainstorm, Inc. 401(k) Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Brainstorm, Inc. 401(k) Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Brainstorm, Inc. 401(k) Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Brainstorm, Inc. 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

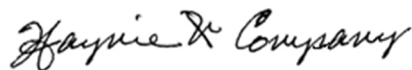
Other Matter - Supplemental Schedule Required by ERISA

The supplemental schedule of Schedule of Assets Held is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion—

- the form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).



Haynie & Company
Salt Lake City, Utah
October 17, 2022



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Salt Lake City, UT 84119

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees and Management of
Brainstorm, Inc. 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statement of Brainstorm, Inc. 401(k) Plan, which comprise the statement of net assets available for benefits as of December 31, 2020, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the 2020 financial statement based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

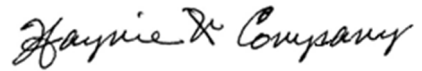
As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Matrix Trust Company, the trustee and custodian of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee and custodian hold the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee and custodian as of and for the year ended December 31, 2020, that the information provided to the plan administrator by the trustee and custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2020 financial statement. Accordingly, we do not express an opinion on this financial statement.

Report on Form and Content in Compliance With DOL Rules and Regulations

The form and content of the information included in the 2020 financial statement, other than that derived from the information certified by the trustee and custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

A handwritten signature in cursive script that reads "Haynie & Company".

Haynie & Company
Salt Lake City, Utah
October 17, 2022

Brainstorm, Inc. 401(k) Retirement Plan

Statements of Net Assets Available for Benefits

	December 31,	
	2021	2020
Assets		
Cash	\$ -	\$ 34
Investments at fair value:		
Money market funds	231,570	196,228
Mutual funds	<u>6,721,792</u>	<u>5,265,979</u>
Total investments at fair value	6,953,362	5,462,207
Contributions receivable:		
Participant contributions	63,826	819
Employer contributions	28,505	500
Note receivable from participant	<u>2,123</u>	<u>3,894</u>
Total receivables	94,454	5,213
 Total assets	 <u>7,047,816</u>	 <u>5,467,454</u>
 Net assets available for benefits	 <u><u>\$ 7,047,816</u></u>	 <u><u>\$ 5,467,454</u></u>

The accompanying notes are an integral part of these financial statements

Brainstorm, Inc. 401(k) Retirement Plan
Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2021

Additions to net assets attributed to:

Investment income:

Dividend and interest income	\$ 164,931
Net appreciation in fair value of investments	502,963
Earnings on participant loans	<u>154</u>
Total investment income	668,048
Less investment expenses	<u>(30,559)</u>
Net investment income	<u>637,489</u>

Contributions:

Participant	890,632
Employer	387,147
Rollovers	<u>212,830</u>
Total contributions	<u>1,490,609</u>

Total additions	<u>2,128,098</u>
------------------------	-------------------------

Deductions from net assets attributed to:

Benefits paid to participants	523,444
Administrative expenses	<u>24,292</u>
Total deductions	<u>547,736</u>

Net increase in net assets available for benefits	1,580,362
--	------------------

Net assets available for benefits, beginning of year	<u>5,467,454</u>
---	-------------------------

Net assets available for benefits, end of year	<u><u>\$ 7,047,816</u></u>
---	-----------------------------------

The accompanying notes are an integral part of these financial statements

Brainstorm, Inc. 401(k) Retirement Plan
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020

1. Description of Plan

The following brief description of Brainstorm, Inc. 401(k) Retirement Plan (the “Plan”) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan’s provisions.

General

The Plan was established on May 5, 2018 and is a defined contribution plan and trust covering employees of Brainstorm, Inc. (the “Plan Sponsor”) who have completed two months of service and are age eighteen years or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

CARES and SECURE Act

The Plan has implemented certain requirements by the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act) and the Setting Every Community Up for Retirement Enhancement Act of 2019 (the SECURE Act), which laws change the Plan to, among others, allow certain eligible individuals to receive coronavirus-related relief for loan repayment, suspend required minimum distributions, and delay the commencement date for required minimum distributions. The optional features within these acts are currently being assessed but have not been implemented to date. The Plan has been amended as in October 2021 to reflect these operational changes will be adopted at a later date in accordance with applicable law and IRS guidance.

Custodian and Administration of the Plan

The record-keeper of the Plan is Fidelity Workplace Services LLC for the period from October 1, 2021 to December 31, 2021. The record-keeper of the Plan was Touchstone Retirement Group (a subsidiary of the Retirement Plan Company, LLC) as of December 31, 2020 and for the period from January 1, 2021 to September 30, 2021. The administrator of the Plan is the Plan Sponsor.

Fidelity Management Trust Company (the “Custodian”) held the assets of the Plan for the period October 1, 2021 to December 31, 2021 and acts as the Custodian and Trustee. Matrix Trust Company (the “Custodian”) held the assets of the Plan as of December 31, 2020 and for the period from January 1, 2021 to September 30, 2021 and acted as the Custodian and Trustee. The Custodian holds all assets of the Plan in accordance with the provisions of the service provider contract with the Plan Sponsor. All assets of the Plan are in investment accounts of the Custodian.

Participant Contributions

Under the provisions of the Plan, all eligible participants are automatically enrolled in the Plan, unless they specifically elect to not participate. Automatically enrolled participants have an initial deferral rate at 3% of eligible compensation, which will automatically increase by 1% each year until reaching a total of 6% of eligible compensation. Participants may elect to defer more or less than the auto-enrolled amounts. Additionally, participants who are at least age 50 or will attain age 50 before the end of the calendar year are eligible to defer additional amounts (“catch-up contribution”) to the Plan. The maximum catch-up contribution that one eligible participant could make was \$6,500 in 2021 and 2020. Participant deferrals may not exceed the yearly limits, as established by the Internal Revenue Service guidelines, which were \$19,500 for 2021 and 2020, respectively.

Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans and certain IRAs (“rollovers”). The Plan allows participants to designate contributions

Brainstorm, Inc. 401(k) Retirement Plan
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020

1. Description of Plan (continued)

Participant Contributions (continued)

as Roth 401(k) contributions. Participants direct the investment of their contributions into the various investment options offered by the Plan.

Employer Contributions

The Plan Sponsor can provide a discretionary Safe Harbor matching contribution per pay period for all participants employed by the Plan Sponsor. In 2021, the Plan Sponsor elected to make a discretionary match contribution for 100% of deferrals, up to 1% of eligible compensation. In addition, for any participant deferring greater than 1%, the Plan Sponsor will include an additional 50% of deferrals over 1%, not to exceed 6% of eligible compensation. Additional amounts may be contributed at the discretion of management as well as nonelective contributions. No such contributions were made in 2021. The total employer match in 2021 was \$387,147.

Participant Accounts

An account is maintained for each participant. Each participant directs employee and employer contributions to his or her account. Each participant's account is credited with the participant's and the Plan Sponsor's contributions plus the participant's plan earnings and/or losses. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant's earnings, account balances, or specific participant transactions, as defined by the Plan Document. The benefit to which the participant is entitled is the benefit that can be provided from the vested account.

Contributions Receivable

The Plan records contributions receivable for any contributions owed to the Plan, and not yet paid as of year-end. This includes payroll that was paid before year end, but contributions were not yet funded, and/or for employer contributions related to 2021 and 2020 that were not yet funded for the year then ended. For the years ended December 31, 2021 and 2020 employee contribution receivables were \$63,826 and \$819, respectively, and employer contributions receivable were \$28,505 and \$500, respectively.

Notes Receivable from Participants

As described in the Plan Document, loans are not permitted under the current Plan; however, any loans taken out under any previous plans are grandfathered into the current plan. The notes are secured by the balance in the participant's account and bear interest at rates commensurate with the prevailing rates at the time the funds were borrowed, as determined quarterly by the Plan administrator. Principal and interest is paid ratably through payroll deductions over a period not to exceed five years, unless the proceeds were used to acquire the participant's residence, in which cases the loan will not exceed 15 years.

Vesting

Participants are immediately 100% vested in their accounts attributable to the elective deferrals including catch-up contributions and rollover contributions, plus actual earnings thereon. Vesting in the Plan Sponsor's discretionary safe harbor match and discretionary nonelective contributions ("profit sharing") of their accounts is based on years of continuous service. For any discretionary profit share contributions, a participant is 100% vested after four years of credited service, 25% each year. For discretionary safe harbor match contributions, a participant is 100% vested after two years of credited service. A participant is 100% vested at normal or early retirement age, or in the event of disability or death.

Brainstorm, Inc. 401(k) Retirement Plan
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020

1. Description of Plan (continued)

Payment of Benefits

On termination of employment, a participant may elect to receive a distribution of the vested portion of the account balance in a lump-sum distribution, as defined by the Plan Document. If the participant dies, the account balance will be paid to the designated beneficiary or beneficiaries. Terminated participants with a vested account balance of less than \$1,000 may be automatically paid out by the Plan upon termination. Terminated participants with a vested account balance between \$1,000 and \$5,000 may also be automatically paid out by rolling the balance into a qualified Individual Retirement Account (IRA). Distributions may be made at the participant's election prior to termination upon attainment of age 59 ½ or based on financial hardship, as defined in the Plan Document.

Forfeitures

The non-vested portion of the terminated participant's account balance is called a forfeiture and remains in the Plan. Forfeitures are used to reduce the Plan Sponsor's matching contribution and/or to reduce the administration expenses. As of December 31, 2021 and 2020, forfeited non-vested accounts totaled \$12,350 and \$17,595, respectively. During the year ended December 31, 2021, the Plan Sponsor did not elect to use forfeiture balances to reduce matching contributions or administration fees.

Administration Expenses

The Plan Sponsor and the participants share the administrative fees of the Plan. The Plan expenses may be charged pro rata to each participant in relation to the size of each participant's account balance or may be charged equally to each participant. Substantially all expenses incurred for administering the Plan are paid by the Plan Sponsor; however, some types of expenses may be charged only to some participants based upon their use of a plan feature or receipt of a plan distribution. During 2021, total administrative expenses totaled \$24,292 and investment fees were \$30,559.

2. Significant Accounting Policies

Investment Valuation and Income Recognition

Investments are reported at fair value and consist of investments in money market and mutual funds. Quoted market prices are used to value the investments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income and dividends are recorded on the ex-dividend date on the accrual basis. Net appreciation includes the Plan's gains and losses on investments bought and/or sold as well as held during the year.

Brainstorm, Inc. 401(k) Retirement Plan
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020

2. Significant Accounting Policies (continued)

Payment of Benefits

Benefits are recorded when distributed and accrued for any approved distributions not yet paid at year end. Total distributions for 2021 were \$523,444. As of December 31, 2021 and 2020, there were no benefits payable.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable are reclassified as deemed distributions based upon the occurrence of a distributable event as described in the terms of the Plan document. As of December 31, 2021 and 2020, the notes receivable from participants had a balance of \$2,123 and \$3,894, respectively. The balance at December 31, 2020 was not certified by the custodian. Management of the Plan estimates that these notes receivable from participants are fully collectible, and therefore, has no reserve for bad debt against them.

Basis of Presentation & Use of Estimates

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting and present the net assets available for plan benefits and the changes in those net assets in accordance with accounting principles accepted in the United States of America.

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market fluctuations, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in market values, interest rates, or other factors in the near term could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits and the statement of changes in net assets available for benefits.

Plan Termination

Although it has not expressed any intent to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provision of ERISA. In the event of plan termination, participants will have a 100% vested interest in their accounts. The plan administrator will facilitate distribution of account balances in single lump sum payments in accordance with Plan provisions.

Brainstorm, Inc. 401(k) Retirement Plan
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020

3. Unaudited Information Prepared and Certified by Custodian

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by Fidelity Management Trust Company and Matrix Trust Company, respectively for the year ended December 31, 2021 and 2020 :

- a. Total noninterest bearing cash as shown in the accompanying Statements of Net Assets Available for Plan Benefits of \$0 and \$34 as of December 31, 2021 and 2020, respectively.
- b. Total investments as shown in the accompanying Statements of Net Assets Available for Plan Benefits of \$6,953,362 and \$5,462,207 as of December 31, 2021 and 2020, respectively.
- c. Net investment appreciation as shown in the accompanying Statement of Changes in Net Assets Available for Plan Benefits of \$502,963 for the year ended 2021.
- d. Schedule H. Line 4i – Schedule of Assets (Held at End of Year).

Notes receivable of \$3,894 as of December 31, 2020, was not certified by the custodian.

The Plan Sponsor has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As such, the Plan's independent accountants did not perform any auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

4. Fair Value Measurements

The Plan's investments are reported at fair value in the accompanying statement of net assets available for plan benefit. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Brainstorm, Inc. 401(k) Retirement Plan
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020

4. Fair Value Measurements (continued)

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the techniques and inputs used at December 31, 2021 and 2020.

Mutual Funds and Money Market Fund: Valued at the daily closing price reported on the active market as reported by the Custodian. Mutual funds held by the Plan are open-ended funds that are registered with the U.S. Securities and Exchange Commission. The mutual funds held by the Plan are deemed to be actively traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methodologies or assumptions to determine fair value of certain financial instruments could result in a difference fair value measurement at the reporting date.

The following sets forth by level, within the fair value hierarchy, the Plan's assets at fair value at December 31, 2021.

	Assets Measured at Fair Value	Fair Value Hierarchy Level:		
		Level 1	Level 2	Level 3
Mutual funds	\$ 6,721,792	\$ 6,721,792	\$ -	\$ -
Money market funds	231,570	231,570	-	-
Investments at fair value	<u>\$ 6,953,362</u>	<u>\$ 6,953,362</u>	<u>\$ -</u>	<u>\$ -</u>

Brainstorm, Inc. 401(k) Retirement Plan
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020

3. Fair Value Measurements (continued)

The following sets forth by level, within the fair value hierarchy, the Plan's assets at fair value at December 31, 2020.

	Assets Measured at Fair Value	Fair Value Hierarchy Level:		
		Level 1	Level 2	Level 3
Mutual funds	\$ 5,265,979	\$ 5,265,979	\$ -	\$ -
Money market funds	196,228	196,228	-	-
Investments at fair value	<u>\$ 5,462,207</u>	<u>\$ 5,462,207</u>	<u>\$ -</u>	<u>\$ -</u>

5. Related-Party and Party-In-Interest Transactions

Related parties and parties-in-interest include any person or entity who provides services to the Plan. This includes the Plan Sponsor, the Custodian, the Auditor, the Investment Advisor, and the Third-Party Administrator. In addition, certain employees of the Plan Sponsor are considered to be parties in interest, such as the Plan Administrator, owners, directors, executives or members of the investment committee.

As described in Note 1, the Plan pays for certain expenses related to the Plan operations and investment activities to various service providers. These transactions are considered to be parties in interest transactions. During 2021, employees, including some of the related parties and parties-in-interest mentioned above, contributed to the plan and received an employer match. None of the transactions mentioned above were deemed as prohibited transactions.

6. Tax and Plan Status

On March 31, 2014, the United States Treasury Department advised Touchstone Retirement Group (the TPA) that the Volume Submitter Profit Sharing Plan was acceptable under Section 401(a) of the IRC, and was therefore exempt from federal income taxes. Although the Plan has been amended since receiving the IRS determination letter, the Plan administrator and the Plan's management believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the Internal Revenue Code, and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would be sustained upon examination by the applicable taxing authorities. Plan management has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. With few exceptions, the Plan is no longer subject to tax examinations by the U.S. federal, state, or local tax authorities for the years before 2018.

Brainstorm, Inc. 401(k) Retirement Plan
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020

7. Reconciliation of the Financial Statements to the Form 5500

The following is a reconciliation of Net Assets Available for Plan Benefits per the financial statements and the Form 5500 as of December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Net assets available for Plan benefits per financial statements	\$ 7,047,816	\$ 5,467,454
Employer receivable	(63,826)	(819)
Employee receivable	<u>(28,505)</u>	<u>(500)</u>
Net assets available for Plan benefits per Form 5500	<u>\$ 6,955,485</u>	<u>\$ 5,466,135</u>
Net increase in net assets available for benefits per financial statements	\$ 1,580,362	
Employer contributions	(63,826)	
Employee contributions	<u>(28,505)</u>	
Net increase in net assets available for Plan benefits per Form 5500	<u>\$ 1,488,031</u>	

8. Subsequent Events

The Plan evaluated all events or transactions that occurred after December 31, 2021 through October 17, 2022, the date these financial statements were available to be issued. During this period, the Company was not aware of any material recognizable subsequent events that require disclosure.

Supplemental Information

Brainstorm, Inc. 401(k) Retirement Plan
EIN#87-0500333 Plan 001
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
December 31, 2021

(a)*	(b) Identity of Issuer, borrower, lessor, or similar party	(c) Description of Investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost **	(e) Current Value
Money market accounts				
*	Fidelity Trust Company	FID GOVT MMKT	**	\$ 231,570
Total assets held in money market accounts				231,570
Mutual funds				
*	Fidelity Trust Company	VANG GROWTH IDX ADM	**	39,171
*	Fidelity Trust Company	VANG HI YLD CORP ADM	**	12,729
*	Fidelity Trust Company	VANG INTL GROWTH ADM	**	10,806
*	Fidelity Trust Company	VANG SM CAP INX ADM	**	14,881
*	Fidelity Trust Company	VANG MIDCAP IDX ADM	**	15,882
*	Fidelity Trust Company	PGIM TOTAL RTN BD R6	**	66
*	Fidelity Trust Company	AF AMER MUTUAL R6	**	19,756
*	Fidelity Trust Company	FID 500 INDEX	**	336
*	Fidelity Trust Company	FID EMRG MKTS IDX	**	7,815
*	Fidelity Trust Company	FID FDM IDX 2020 IPR	**	78,992
*	Fidelity Trust Company	FID FDM IDX 2025 IPR	**	807,470
*	Fidelity Trust Company	FID RDM IDX 2030 IPR	**	188,857
*	Fidelity Trust Company	FID FDM IDX 2035 IPR	**	1,372,936
*	Fidelity Trust Company	FID FDM IDX 2040 IPR	**	1,020,418
*	Fidelity Trust Company	FID FDM IDX 2045 IPR	**	838,126
*	Fidelity Trust Company	FID FDM IDX 2050 IPR	**	1,100,396
*	Fidelity Trust Company	FID FDM IDX 2055 IPR	**	964,469
*	Fidelity Trust Company	FID FDM IDX 2060 IPR	**	220,568
*	Fidelity Trust Company	FID FDM IDX 2065 IPR	**	8,118
Total assets held in mutual funds				6,721,792
Total investments				6,953,362
*	Participant loan receivable	Secured by participant vested account, interest rate at 5.50%	\$ -0-	2,123
*	Participant contribution receivable			63,826
*	Employer matching receivable			28,505
Total				\$ 7,047,816

* A party-in-interest as defined by ERISA

** Cost omitted for participant-directed investments

**BRAINSTORM, INC. 401(K)
RETIREMENT PLAN**

Financial Statements and
Independent Auditor's Report with
Supplemental Information

For the Years Ended December 31, 2021 and 2020



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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees and Management of
Brainstorm, Inc. 401(k) Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed an audit of the accompanying financial statements of Brainstorm, Inc. 401(k) Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) [ERISA Section 103(a)(3)(C) audit]. The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of Brainstorm, Inc. 401(k) Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section—

- the amounts and disclosures in the financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- the information in the financial statements referred to above related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Brainstorm, Inc. 401(k) Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Brainstorm, Inc. 401(k) Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Brainstorm, Inc. 401(k) Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Brainstorm, Inc. 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

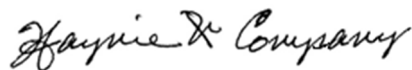
Other Matter - Supplemental Schedule Required by ERISA

The supplemental schedule of Schedule of Assets Held is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion—

- the form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).



Haynie & Company
Salt Lake City, Utah
October 17, 2022



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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees and Management of
Brainstorm, Inc. 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statement of Brainstorm, Inc. 401(k) Plan, which comprise the statement of net assets available for benefits as of December 31, 2020, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the 2020 financial statement based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

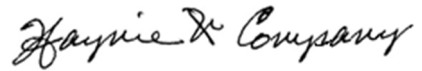
As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Matrix Trust Company, the trustee and custodian of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee and custodian hold the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee and custodian as of and for the year ended December 31, 2020, that the information provided to the plan administrator by the trustee and custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2020 financial statement. Accordingly, we do not express an opinion on this financial statement.

Report on Form and Content in Compliance With DOL Rules and Regulations

The form and content of the information included in the 2020 financial statement, other than that derived from the information certified by the trustee and custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

A handwritten signature in cursive script that reads "Haynie & Company".

Haynie & Company
Salt Lake City, Utah
October 17, 2022

Brainstorm, Inc. 401(k) Retirement Plan

Statements of Net Assets Available for Benefits

	December 31,	
	<u>2021</u>	<u>2020</u>
Assets		
Cash	\$ -	\$ 34
Investments at fair value:		
Money market funds	231,570	196,228
Mutual funds	<u>6,721,792</u>	<u>5,265,979</u>
Total investments at fair value	6,953,362	5,462,207
Contributions receivable:		
Participant contributions	63,826	819
Employer contributions	28,505	500
Note receivable from participant	<u>2,123</u>	<u>3,894</u>
Total receivables	94,454	5,213
 Total assets	 <u>7,047,816</u>	 <u>5,467,454</u>
 Net assets available for benefits	 <u><u>\$ 7,047,816</u></u>	 <u><u>\$ 5,467,454</u></u>

The accompanying notes are an integral part of these financial statements

Brainstorm, Inc. 401(k) Retirement Plan
Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2021

Additions to net assets attributed to:

Investment income:

Dividend and interest income	\$ 164,931
Net appreciation in fair value of investments	502,963
Earnings on participant loans	<u>154</u>
Total investment income	668,048
Less investment expenses	<u>(30,559)</u>
Net investment income	<u>637,489</u>

Contributions:

Participant	890,632
Employer	387,147
Rollovers	<u>212,830</u>
Total contributions	<u>1,490,609</u>

Total additions	<u>2,128,098</u>
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Deductions from net assets attributed to:

Benefits paid to participants	523,444
Administrative expenses	<u>24,292</u>
Total deductions	<u>547,736</u>

Net increase in net assets available for benefits	1,580,362
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Net assets available for benefits, beginning of year	<u>5,467,454</u>
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Net assets available for benefits, end of year	<u><u>\$ 7,047,816</u></u>
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The accompanying notes are an integral part of these financial statements

Brainstorm, Inc. 401(k) Retirement Plan
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020

1. Description of Plan

The following brief description of Brainstorm, Inc. 401(k) Retirement Plan (the “Plan”) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan’s provisions.

General

The Plan was established on May 5, 2018 and is a defined contribution plan and trust covering employees of Brainstorm, Inc. (the “Plan Sponsor”) who have completed two months of service and are age eighteen years or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

CARES and SECURE Act

The Plan has implemented certain requirements by the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act) and the Setting Every Community Up for Retirement Enhancement Act of 2019 (the SECURE Act), which laws change the Plan to, among others, allow certain eligible individuals to receive coronavirus-related relief for loan repayment, suspend required minimum distributions, and delay the commencement date for required minimum distributions. The optional features within these acts are currently being assessed but have not been implemented to date. The Plan has been amended as in October 2021 to reflect these operational changes will be adopted at a later date in accordance with applicable law and IRS guidance.

Custodian and Administration of the Plan

The record-keeper of the Plan is Fidelity Workplace Services LLC for the period from October 1, 2021 to December 31, 2021. The record-keeper of the Plan was Touchstone Retirement Group (a subsidiary of the Retirement Plan Company, LLC) as of December 31, 2020 and for the period from January 1, 2021 to September 30, 2021. The administrator of the Plan is the Plan Sponsor.

Fidelity Management Trust Company (the “Custodian”) held the assets of the Plan for the period October 1, 2021 to December 31, 2021 and acts as the Custodian and Trustee. Matrix Trust Company (the “Custodian”) held the assets of the Plan as of December 31, 2020 and for the period from January 1, 2021 to September 30, 2021 and acted as the Custodian and Trustee. The Custodian holds all assets of the Plan in accordance with the provisions of the service provider contract with the Plan Sponsor. All assets of the Plan are in investment accounts of the Custodian.

Participant Contributions

Under the provisions of the Plan, all eligible participants are automatically enrolled in the Plan, unless they specifically elect to not participate. Automatically enrolled participants have an initial deferral rate at 3% of eligible compensation, which will automatically increase by 1% each year until reaching a total of 6% of eligible compensation. Participants may elect to defer more or less than the auto-enrolled amounts. Additionally, participants who are at least age 50 or will attain age 50 before the end of the calendar year are eligible to defer additional amounts (“catch-up contribution”) to the Plan. The maximum catch-up contribution that one eligible participant could make was \$6,500 in 2021 and 2020. Participant deferrals may not exceed the yearly limits, as established by the Internal Revenue Service guidelines, which were \$19,500 for 2021 and 2020, respectively.

Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans and certain IRAs (“rollovers”). The Plan allows participants to designate contributions

Brainstorm, Inc. 401(k) Retirement Plan
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020

1. Description of Plan (continued)

Participant Contributions (continued)

as Roth 401(k) contributions. Participants direct the investment of their contributions into the various investment options offered by the Plan.

Employer Contributions

The Plan Sponsor can provide a discretionary Safe Harbor matching contribution per pay period for all participants employed by the Plan Sponsor. In 2021, the Plan Sponsor elected to make a discretionary match contribution for 100% of deferrals, up to 1% of eligible compensation. In addition, for any participant deferring greater than 1%, the Plan Sponsor will include an additional 50% of deferrals over 1%, not to exceed 6% of eligible compensation. Additional amounts may be contributed at the discretion of management as well as nonelective contributions. No such contributions were made in 2021. The total employer match in 2021 was \$387,147.

Participant Accounts

An account is maintained for each participant. Each participant directs employee and employer contributions to his or her account. Each participant's account is credited with the participant's and the Plan Sponsor's contributions plus the participant's plan earnings and/or losses. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant's earnings, account balances, or specific participant transactions, as defined by the Plan Document. The benefit to which the participant is entitled is the benefit that can be provided from the vested account.

Contributions Receivable

The Plan records contributions receivable for any contributions owed to the Plan, and not yet paid as of year-end. This includes payroll that was paid before year end, but contributions were not yet funded, and/or for employer contributions related to 2021 and 2020 that were not yet funded for the year then ended. For the years ended December 31, 2021 and 2020 employee contribution receivables were \$63,826 and \$819, respectively, and employer contributions receivable were \$28,505 and \$500, respectively.

Notes Receivable from Participants

As described in the Plan Document, loans are not permitted under the current Plan; however, any loans taken out under any previous plans are grandfathered into the current plan. The notes are secured by the balance in the participant's account and bear interest at rates commensurate with the prevailing rates at the time the funds were borrowed, as determined quarterly by the Plan administrator. Principal and interest is paid ratably through payroll deductions over a period not to exceed five years, unless the proceeds were used to acquire the participant's residence, in which cases the loan will not exceed 15 years.

Vesting

Participants are immediately 100% vested in their accounts attributable to the elective deferrals including catch-up contributions and rollover contributions, plus actual earnings thereon. Vesting in the Plan Sponsor's discretionary safe harbor match and discretionary nonelective contributions ("profit sharing") of their accounts is based on years of continuous service. For any discretionary profit share contributions, a participant is 100% vested after four years of credited service, 25% each year. For discretionary safe harbor match contributions, a participant is 100% vested after two years of credited service. A participant is 100% vested at normal or early retirement age, or in the event of disability or death.

Brainstorm, Inc. 401(k) Retirement Plan
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020

1. Description of Plan (continued)

Payment of Benefits

On termination of employment, a participant may elect to receive a distribution of the vested portion of the account balance in a lump-sum distribution, as defined by the Plan Document. If the participant dies, the account balance will be paid to the designated beneficiary or beneficiaries. Terminated participants with a vested account balance of less than \$1,000 may be automatically paid out by the Plan upon termination. Terminated participants with a vested account balance between \$1,000 and \$5,000 may also be automatically paid out by rolling the balance into a qualified Individual Retirement Account (IRA). Distributions may be made at the participant's election prior to termination upon attainment of age 59 ½ or based on financial hardship, as defined in the Plan Document.

Forfeitures

The non-vested portion of the terminated participant's account balance is called a forfeiture and remains in the Plan. Forfeitures are used to reduce the Plan Sponsor's matching contribution and/or to reduce the administration expenses. As of December 31, 2021 and 2020, forfeited non-vested accounts totaled \$12,350 and \$17,595, respectively. During the year ended December 31, 2021, the Plan Sponsor did not elect to use forfeiture balances to reduce matching contributions or administration fees.

Administration Expenses

The Plan Sponsor and the participants share the administrative fees of the Plan. The Plan expenses may be charged pro rata to each participant in relation to the size of each participant's account balance or may be charged equally to each participant. Substantially all expenses incurred for administering the Plan are paid by the Plan Sponsor; however, some types of expenses may be charged only to some participants based upon their use of a plan feature or receipt of a plan distribution. During 2021, total administrative expenses totaled \$24,292 and investment fees were \$30,559.

2. Significant Accounting Policies

Investment Valuation and Income Recognition

Investments are reported at fair value and consist of investments in money market and mutual funds. Quoted market prices are used to value the investments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income and dividends are recorded on the ex-dividend date on the accrual basis. Net appreciation includes the Plan's gains and losses on investments bought and/or sold as well as held during the year.

Brainstorm, Inc. 401(k) Retirement Plan
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020

2. Significant Accounting Policies (continued)

Payment of Benefits

Benefits are recorded when distributed and accrued for any approved distributions not yet paid at year end. Total distributions for 2021 were \$523,444. As of December 31, 2021 and 2020, there were no benefits payable.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable are reclassified as deemed distributions based upon the occurrence of a distributable event as described in the terms of the Plan document. As of December 31, 2021 and 2020, the notes receivable from participants had a balance of \$2,123 and \$3,894, respectively. The balance at December 31, 2020 was not certified by the custodian. Management of the Plan estimates that these notes receivable from participants are fully collectible, and therefore, has no reserve for bad debt against them.

Basis of Presentation & Use of Estimates

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting and present the net assets available for plan benefits and the changes in those net assets in accordance with accounting principles accepted in the United States of America.

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market fluctuations, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in market values, interest rates, or other factors in the near term could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits and the statement of changes in net assets available for benefits.

Plan Termination

Although it has not expressed any intent to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provision of ERISA. In the event of plan termination, participants will have a 100% vested interest in their accounts. The plan administrator will facilitate distribution of account balances in single lump sum payments in accordance with Plan provisions.

Brainstorm, Inc. 401(k) Retirement Plan
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020

3. Unaudited Information Prepared and Certified by Custodian

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by Fidelity Management Trust Company and Matrix Trust Company, respectively for the year ended December 31, 2021 and 2020 :

- a. Total noninterest bearing cash as shown in the accompanying Statements of Net Assets Available for Plan Benefits of \$0 and \$34 as of December 31, 2021 and 2020, respectively.
- b. Total investments as shown in the accompanying Statements of Net Assets Available for Plan Benefits of \$6,953,362 and \$5,462,207 as of December 31, 2021 and 2020, respectively.
- c. Net investment appreciation as shown in the accompanying Statement of Changes in Net Assets Available for Plan Benefits of \$502,963 for the year ended 2021.
- d. Schedule H. Line 4i – Schedule of Assets (Held at End of Year).

Notes receivable of \$3,894 as of December 31, 2020, was not certified by the custodian.

The Plan Sponsor has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As such, the Plan's independent accountants did not perform any auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

4. Fair Value Measurements

The Plan's investments are reported at fair value in the accompanying statement of net assets available for plan benefit. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Brainstorm, Inc. 401(k) Retirement Plan
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020

4. Fair Value Measurements (continued)

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the techniques and inputs used at December 31, 2021 and 2020.

Mutual Funds and Money Market Fund: Valued at the daily closing price reported on the active market as reported by the Custodian. Mutual funds held by the Plan are open-ended funds that are registered with the U.S. Securities and Exchange Commission. The mutual funds held by the Plan are deemed to be actively traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methodologies or assumptions to determine fair value of certain financial instruments could result in a difference fair value measurement at the reporting date.

The following sets forth by level, within the fair value hierarchy, the Plan's assets at fair value at December 31, 2021.

	Assets Measured at Fair Value	Fair Value Hierarchy Level:		
		Level 1	Level 2	Level 3
Mutual funds	\$ 6,721,792	\$ 6,721,792	\$ -	\$ -
Money market funds	231,570	231,570	-	-
Investments at fair value	<u>\$ 6,953,362</u>	<u>\$ 6,953,362</u>	<u>\$ -</u>	<u>\$ -</u>

Brainstorm, Inc. 401(k) Retirement Plan
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020

3. Fair Value Measurements (continued)

The following sets forth by level, within the fair value hierarchy, the Plan's assets at fair value at December 31, 2020.

	Assets Measured at Fair Value	Fair Value Hierarchy Level:		
		Level 1	Level 2	Level 3
Mutual funds	\$ 5,265,979	\$ 5,265,979	\$ -	\$ -
Money market funds	196,228	196,228	-	-
Investments at fair value	<u>\$ 5,462,207</u>	<u>\$ 5,462,207</u>	<u>\$ -</u>	<u>\$ -</u>

5. Related-Party and Party-In-Interest Transactions

Related parties and parties-in-interest include any person or entity who provides services to the Plan. This includes the Plan Sponsor, the Custodian, the Auditor, the Investment Advisor, and the Third-Party Administrator. In addition, certain employees of the Plan Sponsor are considered to be parties in interest, such as the Plan Administrator, owners, directors, executives or members of the investment committee.

As described in Note 1, the Plan pays for certain expenses related to the Plan operations and investment activities to various service providers. These transactions are considered to be parties in interest transactions. During 2021, employees, including some of the related parties and parties-in-interest mentioned above, contributed to the plan and received an employer match. None of the transactions mentioned above were deemed as prohibited transactions.

6. Tax and Plan Status

On March 31, 2014, the United States Treasury Department advised Touchstone Retirement Group (the TPA) that the Volume Submitter Profit Sharing Plan was acceptable under Section 401(a) of the IRC, and was therefore exempt from federal income taxes. Although the Plan has been amended since receiving the IRS determination letter, the Plan administrator and the Plan's management believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the Internal Revenue Code, and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would be sustained upon examination by the applicable taxing authorities. Plan management has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. With few exceptions, the Plan is no longer subject to tax examinations by the U.S. federal, state, or local tax authorities for the years before 2018.

Brainstorm, Inc. 401(k) Retirement Plan
Notes to the Financial Statements
For the Years Ended December 31, 2021 and 2020

7. Reconciliation of the Financial Statements to the Form 5500

The following is a reconciliation of Net Assets Available for Plan Benefits per the financial statements and the Form 5500 as of December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Net assets available for Plan benefits per financial statements	\$ 7,047,816	\$ 5,467,454
Employer receivable	(63,826)	(819)
Employee receivable	<u>(28,505)</u>	<u>(500)</u>
Net assets available for Plan benefits per Form 5500	<u>\$ 6,955,485</u>	<u>\$ 5,466,135</u>
Net increase in net assets available for benefits per financial statements	\$ 1,580,362	
Employer contributions	(63,826)	
Employee contributions	<u>(28,505)</u>	
Net increase in net assets available for Plan benefits per Form 5500	<u>\$ 1,488,031</u>	

8. Subsequent Events

The Plan evaluated all events or transactions that occurred after December 31, 2021 through October 17, 2022, the date these financial statements were available to be issued. During this period, the Company was not aware of any material recognizable subsequent events that require disclosure.

Supplemental Information

Brainstorm, Inc. 401(k) Retirement Plan
EIN#87-0500333 Plan 001
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
December 31, 2021

(a)*	(b) Identity of Issuer, borrower, lessor, or similar party	(c) Description of Investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost **	(e) Current Value
Money market accounts				
*	Fidelity Trust Company	FID GOVT MMKT	**	\$ 231,570
Total assets held in money market accounts				231,570
Mutual funds				
*	Fidelity Trust Company	VANG GROWTH IDX ADM	**	39,171
*	Fidelity Trust Company	VANG HI YLD CORP ADM	**	12,729
*	Fidelity Trust Company	VANG INTL GROWTH ADM	**	10,806
*	Fidelity Trust Company	VANG SM CAP INX ADM	**	14,881
*	Fidelity Trust Company	VANG MIDCAP IDX ADM	**	15,882
*	Fidelity Trust Company	PGIM TOTAL RTN BD R6	**	66
*	Fidelity Trust Company	AF AMER MUTUAL R6	**	19,756
*	Fidelity Trust Company	FID 500 INDEX	**	336
*	Fidelity Trust Company	FID EMRG MKTS IDX	**	7,815
*	Fidelity Trust Company	FID FDM IDX 2020 IPR	**	78,992
*	Fidelity Trust Company	FID FDM IDX 2025 IPR	**	807,470
*	Fidelity Trust Company	FID RDM IDX 2030 IPR	**	188,857
*	Fidelity Trust Company	FID FDM IDX 2035 IPR	**	1,372,936
*	Fidelity Trust Company	FID FDM IDX 2040 IPR	**	1,020,418
*	Fidelity Trust Company	FID FDM IDX 2045 IPR	**	838,126
*	Fidelity Trust Company	FID FDM IDX 2050 IPR	**	1,100,396
*	Fidelity Trust Company	FID FDM IDX 2055 IPR	**	964,469
*	Fidelity Trust Company	FID FDM IDX 2060 IPR	**	220,568
*	Fidelity Trust Company	FID FDM IDX 2065 IPR	**	8,118
Total assets held in mutual funds				6,721,792
Total investments				6,953,362
*	Participant loan receivable	Secured by participant vested account, interest rate at 5.50%	\$ -0-	2,123
*	Participant contribution receivable			63,826
*	Employer matching receivable			28,505
Total				\$ 7,047,816

* A party-in-interest as defined by ERISA

** Cost omitted for participant-directed investments