

# SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

## FORM 8-K

### CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE

SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): **July 30, 2008**

## INTERNATIONAL STEM CELL CORPORATION

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction  
of incorporation)

**000-51891**

(Commission File Number)

**20-4494098**

(IRS Employer Identification  
Number)

**2595 Jason Court, Oceanside, California 92056**

(Address of principal executive offices, including zip code)

**(760) 940-6383**

(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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## **ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.**

On July 30, 2008, to obtain funding for working capital, International Stem Cell Corporation (the "Company") entered into a series of subscription agreements (the "Agreement") with a total of two accredited investors (the "Investors") for the sale of a total of 150,000 Units, each Unit consisting of one share of Series B Preferred Stock ("Preferred") and two Warrants ("Warrants") to purchase Common Stock for each \$1.00 invested. The total purchase price received by the Company was \$150,000 thousand. The Preferred is convertible into shares of common stock at the initial conversion ratio of two shares of common stock for each share of Preferred converted (which was established based on an initial conversion price of \$0.50 per share), and the warrants will be exercisable at \$0.50 per share until five years from the issuance of the warrants. The Preferred and Warrants contain anti-dilution clauses whereby, (subject to the exceptions contained in those instruments) if the Company issues equity securities or securities convertible into equity at a price below the respective conversion price of the Preferred or the exercise price of the Warrant, such conversion and exercise prices shall be adjusted downward to equal the price of the new securities. The Preferred has a priority (senior to the shares of common stock, but junior to the shares of Series A Preferred Stock) on any sale or liquidation of the Company equal to the purchase price of the Units, plus a liquidation premium of 6% per year. If the Company elects to declare a dividend in any year, it must first pay to the Preferred a dividend equal to the amount of the dividend the Preferred holder would receive if the Preferred were converted just prior to the dividend declaration. Each share of Preferred has the same voting rights as the number of shares of Common Stock into which it would be convertible on the record date.

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

**International Stem Cell Corporation**

By: /s/ William B. Adams  
William B. Adams  
Chief Financial Officer

Dated: July 30, 2008

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Exhibit No.	Exhibit Description
4.1	Certificate of designation or rights, preferences, privileges and restrictions of Series B Preferred Stock of International Stem Cell Corporation (incorporated by reference to Exhibit 4.1 of the Registrants form 8-K filed on May 12, 2008)
10.1	Form of Subscription Agreement (incorporated by reference to Exhibit 10.1 of the Registrants form 8-K filed on May 12, 2008)
10.2	Form of Warrant Certificate (incorporated by reference to Exhibit 10.2 of the Registrants form 8-K filed on May 12, 2008)