

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): **December 29, 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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International Stem Cell Corporation (the "Company") has completed a series of transactions involving the issuance of shares of its common stock or convertible securities that collectively have resulted in the issuance of more than 5% of the number of shares the Company reported as being outstanding on its last periodic report under the Securities Exchange Act. These transactions consist of the following:

- (a) On December 29, 2008 the Company issued a total of 2,121,180 shares of common stock to seven executive officers and directors. The shares are subject to stock restriction provisions and vest upon the third anniversary of the date of grant, subject to accelerated vesting upon certain changes of control or terminations of service. The Company will reacquire any unvested shares for no cost upon the termination of the recipient's service to the Company. These shares were issued to the individuals in recognition of the fact that they had previously agreed to reduce (and in some cases completely eliminate) the cash compensation that would have otherwise been payable to them in 2008.
- (b) From January 28, 2009 through March 16, 2009, the holder of the OID Senior Secured Convertible Note issued in May 2008 converted an aggregate principal amount of \$400,000 into 1,600,000 shares of common stock of the Company. As a result of the anti-dilution clause contained in the note, the conversion price was \$0.25 per share.
- (c) On March 16, 2008 the Company issued 10 shares of Series D Convertible Preferred Stock pursuant to the Series D Preferred Stock Purchase Agreement of December 30, 2008 for a purchase price of \$1 million. The press release issued by the Company with respect to this financing is attached as Exhibit 99.1.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(d) EXHIBITS

<u>Exhibit No.</u>	<u>Exhibit Description</u>
99.1	Press Release dated March 17, 2009

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: March 17, 2009

EXHIBIT INDEX

Exhibit No.	Exhibit Description
99.1	Press Release dated March 17, 2009

International Stem Cell Corporation Receives Third \$1M Tranche under a \$5 Million Financing

Oceanside, California, March 17, 2009— International Stem Cell Corporation (OTCBB:ISCO) has received the third \$1 million tranche of an anticipated private equity financing of up to \$5 million to be funded over the next several months. The total amount of the financing will allow the Company to move forward with the construction of its new cGMP cell culture facility and to continue its therapeutic research, including ongoing pre-clinical trials. The money will also be allocated to fund equipment, product development and marketing requirements to increase revenues in the Company's subsidiary, Lifeline Cell Technology, which makes and sells specialty cells and growth media.

ISCO is the creator and developer of a new class of stem cells that remove two of the greatest barriers to the therapeutic use of stem cells: 1) immune rejection and 2) the ethical issues that surround the use of embryonic stem cells. ISCO's technology, called "parthenogenesis," results in the creation of cell lines that may allow cells from a single donor to be immune-matched to hundreds of millions of people - thus reducing the dangers of immune rejection. ISCO's parthenogenetic stem cells come from unfertilized human eggs, thus avoiding ethical issues associated with embryonic stem cells. To help promote therapeutic research, ISCO makes its stem cells available to qualified researchers worldwide.

To subscribe to receive ongoing corporate communications please click on the following link: <http://www.b2i.us/irpass.asp?BzID=1468&to=ea&s=0>.

For more news and information on International Stem Cell Corporation please visit www.IRGnews.com/coi/ISCO where you can find the CEO's video, a fact sheet on the company, investor presentations, and more.

ABOUT INTERNATIONAL STEM CELL CORPORATION (ISCO.OB):

International Stem Cell Corporation is a California biotechnology company focused on developing therapeutic and research products. ISCO's technology, Parthenogenesis, results in the creation of pluripotent human stem cell lines from unfertilized human eggs. ISCO scientists have created the first Parthenogenetic homozygous stem cell line (phSC-Hhom-4) that can be a source of therapeutic cells that will minimize immune rejection after transplantation into hundreds of millions of individuals of differing sexes, ages and racial groups. These advancements offer the potential to create the first true "Stem Cell Bank" and address ethical issues by eliminating the need to use or destroy fertilized embryos. ISCO also produces and markets specialized cells and growth media worldwide for therapeutic research through its subsidiary Lifeline Cell Technology. For more information, visit the ISCO website at: www.internationalstemcell.com.

FORWARD-LOOKING STATEMENTS:

Statements pertaining to anticipated future financial and/or operating results, future growth in research, technology, clinical development and potential joint venture and other opportunities for the company and its subsidiary, along with other statements about the future expectations, beliefs, goals, plans, or prospects expressed by management constitute forward-looking statements. Any statements that are not historical fact (including, but not limited to statements that contain words such as "will," "believes," "plans," "anticipates," "expects," "estimates,") should also be considered to be forward-looking statements. Forward-looking statements involve risks and uncertainties, including, without limitation, risks inherent in the development and/or commercialization of potential products, uncertainty in the results of clinical trials or regulatory approvals, need and ability to obtain future capital, application of capital resources among competing uses, and maintenance of intellectual property rights. Actual results may differ materially from the results anticipated in these forward-looking statements and as such should be evaluated together with the many uncertainties that affect the company's business, particularly those mentioned in the cautionary statements found in the company's Securities and Exchange Commission filings. The company disclaims any intent or obligation to update these forward-looking statements.

Key Words: Stem Cells, Biotechnology, Parthenogenesis

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