
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

SCHEDULE 13D

**Under the Securities Exchange Act of 1934
(Amendment No. 12)**

International Stem Cell Corporation

(Name of Issuer)

Common Stock, par value \$0.001 per share

(Title of Class of Securities)

05577Y107

(CUSIP Number)

Ruslan Semechkin, President
X-Master, Inc.
1 Overlook Drive, Unit 11
Amherst, New Hampshire 03031
Tel. (603) 672-7070

(Name, Address and Telephone Number of Person Authorized to
Receive Notices and Communications)

Copy to:

Michael B. Tule
McLane, Graf, Raulerson & Middleton, Professional Association
900 Elm Street, P.O. Box 326
Manchester, New Hampshire 03105-0326
Tel. (603) 625-6464

June 11, 2014
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. ☐

CUSIP No. 05577Y107

1. Names of Reporting Persons.

X-Master, Inc.

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) ☐(b) ☒

3. SEC Use Only

4. Source of Funds (See Instructions)

WC, OO

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

£

6. Citizenship or Place of Organization

A New Hampshire Corporation

7. Sole Voting Power

8. Shared Voting Power

Number of Shares
Beneficially
Owned by
Each Reporting
Person With:

143,394,084¹

9. Sole Dispositive Power

10. Shared Dispositive Power

143,394,084¹

11. Aggregate Amount Beneficially Owned by Each Reporting Person

143,394,084¹

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

£

13. Percent of Class Represented by Amount in Row (11)

46.95%²

14. Type of Reporting Person (See Instructions)

CO

¹ Of the 143,394,084 shares of common stock, \$.001 par value ("Common Shares") reported, 8,000,000 Common Shares are held by the Reporting Person and 14,427,014 Common Shares are issuable upon conversion of 10 shares of Series D Preferred Stock issued to the Reporting Person. An additional 39,466,204 Common Shares are held by A. Semechkin and 47,897,690 Common Shares are issuable upon conversion of 33.2 shares of Series D Preferred Stock held by A. Semechkin, the exercise of warrants to purchase 5,250,000 Common Shares presently exercisable, and the exercise of options to purchase 3,876,000 Common Shares presently exercisable or which A. Semechkin has the right to exercise within 60 days, of which the Reporting Person may be deemed the indirect beneficial owner. 4,124,497 Common Shares are held by R. Semechkin, and an additional 853,400 Common Shares are issuable upon the exercise of options to purchase 853,400 Common Shares presently exercisable or which R. Semechkin has the right to exercise within 60 days, of which the Reporting Person may also be deemed the indirect beneficial owner. 19,499,279 Common Shares are issuable upon conversion of 5,000,000 shares of Series G Preferred Stock issued to AR Partners, LLC, of which the Reporting Person may be deemed the indirect beneficial owner.

² The calculation of the percentage is based on (i) 213,590,669 Common Shares outstanding as of June 26, 2014, and (ii) 91,803,383 Common Shares to be issued upon the conversion of 43.2 shares of Series D Preferred Stock, 5,000,000 shares of Series G Preferred Stock, the exercise of warrants to purchase 5,250,000 Common Shares, and the exercise of options to purchase 4,729,400 Common Shares of the Issuer.

CUSIP No. 05577Y107

1. Names of Reporting Persons.

Andrey Semechkin

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) ☐(b) ☒

3. SEC Use Only

4. Source of Funds (See Instructions)

PF, OO

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

£

6. Citizenship or Place of Organization

Citizen of Russia

7. Sole Voting Power

8. Shared Voting Power

Number of Shares
Beneficially
Owned by
Each Reporting
Person With:

143,394,084³

9. Sole Dispositive Power

10. Shared Dispositive Power

143,394,084³

11. Aggregate Amount Beneficially Owned by Each Reporting Person

143,394,084³

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

£

13. Percent of Class Represented by Amount in Row (11)

46.95%⁴

14. Type of Reporting Person (See Instructions)

IN

³ Of the 143,394,084 Common Shares reported, 39,466,204 Common Shares are held by the Reporting Person and an additional 47,897,690 Common Shares are issuable upon conversion of 33.2 shares of Series D Preferred Stock held by the Reporting Person, the exercise of warrants to purchase 5,250,000 Common Shares presently exercisable, and the exercise of options to purchase 3,876,000 Common Shares presently exercisable or which the Reporting Person has the right to exercise within 60 days. 8,000,000 Common Shares are held by X-Master and 14,427,014 Common Shares are issuable upon conversion of 10 shares of Series D Preferred Stock held by X-Master, of which the Reporting Person may be deemed the indirect beneficial owner. 4,124,497 Common Shares are held by R. Semechkin, and an additional 853,400 Common Shares are issuable upon the exercise of options to purchase 853,400 Common Shares presently exercisable or which R. Semechkin has the right to exercise within 60 days, of which the Reporting Person may also be deemed the indirect beneficial owner. 19,499,279 Common Shares are issuable upon conversion of 5,000,000 shares of Series G Preferred Stock issued to AR Partners, LLC, of which the Reporting Person may be deemed the indirect beneficial owner.

⁴ The calculation of the percentage is based on (i) 213,590,669 Common Shares outstanding as of June 26, 2014, and (ii) 91,803,383 Common Shares to be issued upon the conversion of 43.2 shares of Series D Preferred Stock, 5,000,000 shares of Series G Preferred Stock, the exercise of warrants to purchase 5,250,000 Common Shares, and the exercise of options to purchase 4,729,400 Common Shares of the Issuer.

CUSIP No. 05577Y107

1. Names of Reporting Persons.

Ruslan Semechkin

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) ☐(b) ☒

3. SEC Use Only

4. Source of Funds (See Instructions)

PF, OO

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

£

6. Citizenship or Place of Organization

Citizen of Russia

7. Sole Voting Power

8. Shared Voting Power

Number of Shares
Beneficially
Owned by
Each Reporting
Person With:

143,394,084⁵

9. Sole Dispositive Power

10. Shared Dispositive Power

143,394,084⁵

11. Aggregate Amount Beneficially Owned by Each Reporting Person

143,394,084⁵

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

£

13. Percent of Class Represented by Amount in Row (11)

46.95%⁶

14. Type of Reporting Person (See Instructions)

IN

⁵ Of the 143,394,084 Common Shares reported, 4,124,497 Common Shares are held by the Reporting Person and an additional 853,400 Common Shares are issuable upon the exercise of options to purchase 853,400 Common Shares presently exercisable or which R. Semechkin has the right to exercise within 60 days. 8,000,000 Common Shares are held by X-Master and 14,427,014 Common Shares are issuable upon conversion of 10 shares of Series D Preferred Stock held by X-Master, of which the Reporting Person may be deemed the indirect beneficial owner. 39,466,204 Common Shares are held by A. Semechkin and an additional 47,897,690 Common Shares are issuable upon conversion of 33.2 shares of Series D Preferred Stock held by A. Semechkin, the exercise of warrants to purchase 5,250,000 Common Shares presently exercisable, and the exercise of options to purchase 3,876,000 Common Shares presently exercisable or which A. Semechkin has the right to exercise within 60 days, of which the Reporting Person may also be deemed the indirect beneficial owner. 19,499,279 Common Shares are issuable upon conversion of 5,000,000 shares of Series G Preferred Stock issued to AR Partners, LLC, of which the Reporting Person may be deemed the indirect beneficial owner.

⁶ The calculation of the percentage is based on (i) 213,590,669 Common Shares outstanding as of June 26, 2014, and (ii) 91,803,383 Common Shares to be issued upon the conversion of 43.2 shares of Series D Preferred Stock, 5,000,000 shares of Series G Preferred Stock, the exercise of warrants to purchase 5,250,000 Common Shares, and the exercise of options to purchase 4,729,400 Common Shares of the Issuer.

CUSIP No. 05577Y107

1. Names of Reporting Persons.

AR Partners, LLC

2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a) ☐(b) ☒

3. SEC Use Only

4. Source of Funds (See Instructions)

WC, OO

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e)

£

6. Citizenship or Place of Organization

A Delaware Limited Liability Company

7. Sole Voting Power

8. Shared Voting Power

Number of Shares
Beneficially
Owned by
Each Reporting
Person With:

143,394,084⁷

9. Sole Dispositive Power

10. Shared Dispositive Power

143,394,084⁷

11. Aggregate Amount Beneficially Owned by Each Reporting Person

143,394,084⁷

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

£

13. Percent of Class Represented by Amount in Row (11)

46.95%⁸

14. Type of Reporting Person (See Instructions)

CO

⁷ Of the 143,394,084 Common Shares reported, 19,499,279 Common Shares are issuable upon conversion of 5,000,000 shares of Series G Preferred Stock issued to the Reporting Person. 8,000,000 Common Shares are held by X-Master and 14,427,014 Common Shares are issuable upon conversion of 10 shares of Series D Preferred Stock held by X-Master, of which the Reporting Person may be deemed the indirect beneficial owner. 4,124,497 Common Shares are held by R. Semechkin, and an additional 853,400 Common Shares are issuable upon the exercise of options to purchase 853,400 Common Shares presently exercisable or which R. Semechkin has the right to exercise within 60 days, of which the Reporting Person may also be deemed the indirect beneficial owner. An additional 39,466,204 Common Shares are held by A. Semechkin and 47,897,690 Common Shares are issuable upon conversion of 33.2 shares of Series D Preferred Stock held by A. Semechkin, the exercise of warrants to purchase 5,250,000 Common Shares presently exercisable, and the exercise of options to purchase 3,876,000 Common Shares presently exercisable or which A. Semechkin has the right to exercise within 60 days, of which the Reporting Person may be deemed the indirect beneficial owner.

⁸ The calculation of the percentage is based on (i) 213,590,669 Common Shares outstanding as of June 26, 2014, and (ii) 91,803,383 Common Shares to be issued upon the conversion of 43.2 shares of Series D Preferred Stock, 5,000,000 shares of Series G Preferred Stock, the exercise of warrants to purchase 5,250,000 Common Shares, and the exercise of options to purchase 4,729,400 Common Shares of the Issuer.

Amendment No. 12 to Schedule 13D

This Schedule 13D represents Amendment No. 12 to Schedule 13D (“Amendment”) amending and supplementing the Schedule 13D filed with the Securities and Exchange Commission on January 9, 2009, as amended by Amendment No. 1 to Schedule 13D dated January 22, 2009, Amendment No. 2 to Schedule 13D dated March 16, 2009, Amendment No. 3 to Schedule 13D dated June 30, 2009, Amendment No. 4 to Schedule 13D dated September 30, 2009, Amendment No. 5 to Schedule 13D dated October 13, 2009, and Amendment No. 6 to Schedule 13D dated January 18, 2011 by and on behalf of X-Master, Inc. (“X-Master”), Andrey Semechkin (“A. Semechkin”), and Ruslan Semechkin (“R. Semechkin”), and Amendment No. 7 to Schedule 13D dated March 13, 2012, Amendment No. 8 to Schedule 13D dated January 29, 2013, Amendment No. 9 to Schedule 13D dated August 6, 2013, Amendment No. 10 to Schedule 13D dated October 30, 2013, and Amendment No. 11 to Schedule 13D dated May 29, 2014, by and on behalf of X-Master, A. Semechkin, R. Semechkin, and AR Partners, LLC (“AR Partners”) (the “Schedule 13D”). AR Partners, X-Master, A. Semechkin, and R. Semechkin are each a “Reporting Person” and collectively, the “Reporting Persons”. Unless otherwise stated herein, all capitalized terms used in this Amendment have the same meanings as those set forth in the Schedule 13D.

ITEM 4. PURPOSE OF TRANSACTION

The Reporting Persons consummated the transactions described herein for investment purposes. The Reporting Persons have no present plans or proposals that relate to or would result in any of the actions described in subparagraphs (a) through (j) of Item 4 of Schedule 13D. The Reporting Persons do, however, reserve the right in the future to adopt such plans or proposals subject to compliance with applicable regulatory requirements.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER

Item 5 is hereby amended and restated in its entirety as follows:

(a) As of June 26, 2014, X-Master, by virtue of its beneficial ownership of the Group Shares, beneficially owned the equivalent of 143,394,084 Common Shares. The Group Shares represent approximately 46.95% of the total number of shares of Common Shares outstanding as of June 26, 2014 (plus the 91,803,383 Common Shares which would be outstanding upon the conversion of the Series D and Series G Preferred Stock, exercise of warrants, and exercise of stock options and assuming that no other shares of preferred stock, warrants, or stock options held by others have been previously, or are simultaneously, converted to Common Shares).

As of June 26, 2014, A. Semechkin, by virtue of his beneficial ownership of the Group Shares, beneficially owned the equivalent of 143,394,084 Common Shares. The Group Shares represent approximately 46.95% of the total number of shares of Common Shares outstanding as of June 26, 2014 (plus the 91,803,383 Common Shares which would be outstanding upon the conversion of the Series D and Series G Preferred Stock, exercise of warrants, and exercise of stock options and assuming that no other shares of preferred stock, warrants, or stock options held by others have been previously, or are simultaneously, converted to Common Shares).

As of June 26, 2014, R. Semechkin, by virtue of his beneficial ownership of the Group Shares, beneficially owned the equivalent of 143,394,084 Common Shares. The Group Shares represent approximately 46.95% of the total number of shares of Common Shares outstanding as of June 26, 2014 (plus the 91,803,383 Common Shares which would be outstanding upon the conversion of the Series D and Series G Preferred Stock, exercise of warrants, and exercise of stock options and assuming that no other shares of preferred stock, warrants, or stock options held by others have been previously, or are simultaneously, converted to Common Shares).

As of June 26, 2014, AR Partners, by virtue of its beneficial ownership of the Group Shares, beneficially owned the equivalent of 143,394,084 Common Shares. The Group Shares represent approximately 46.95% of the total number of shares of Common Shares outstanding as of June 26, 2014 (plus the 91,803,383 Common Shares which would be outstanding upon the conversion of the Series D and Series G Preferred Stock, exercise of warrants, and exercise of stock options and assuming that no other shares of preferred stock, warrants, or stock options held by others have been previously, or are simultaneously, converted to Common Shares).

(b) Number of shares as to which X-Master has:

- (i) Sole power to vote or to direct the vote: 0
- (ii) Shared power to vote or to direct the vote: 143,394,084
- (iii) Sole power to dispose or to direct the disposition of: 0
- (iv) Shared power to dispose or to direct the disposition of: 143,394,084

Number of shares as to which A. Semechkin has:

- (i) Sole power to vote or to direct the vote: 0
- (ii) Shared power to vote or to direct the vote: 143,394,084
- (iii) Sole power to dispose or to direct the disposition of: 0
- (iv) Shared power to dispose or to direct the disposition of: 143,394,084

Number of shares as to which R. Semechkin has:

- (i) Sole power to vote or to direct the vote: 0
- (ii) Shared power to vote or to direct the vote: 143,394,084
- (iii) Sole power to dispose or to direct the disposition of: 0
- (iv) Shared power to dispose or to direct the disposition of: 143,394,084

Number of shares as to which AR Partners has:

- (i) Sole power to vote or to direct the vote: 0
- (ii) Shared power to vote or to direct the vote: 143,394,084
- (iii) Sole power to dispose or to direct the disposition of: 0
- (iv) Shared power to dispose or to direct the disposition of: 143,394,084

(c) On June 11, 2014, A. Semechkin participated in a warrant exchange along with the holders of Series A Warrants and Placement Agent Warrants previously issued by the Company. A. Semechkin agreed to exchange warrants to purchase 8,753,820 shares of common stock for 10,504,584 shares of common stock. The purchase was made pursuant to a certain Warrant Exchange Agreement dated June 11, 2014.

On June 11, 2014, R. Semechkin participated in a warrant exchange along with the holders of Series A Warrants and Placement Agent Warrants previously issued by the Company. R. Semechkin agreed to exchange warrants to purchase 1,334,334 shares of common stock for 1,601,200 shares of common stock. The purchase was made pursuant to a certain Warrant Exchange Agreement dated June 11, 2014.

On June 26, 2014, A. Semechkin purchased 4,800,000 shares of common stock at \$0.10 per share, for a total purchase price of \$480,000. The purchase was made pursuant to a certain Securities Purchase Agreement dated June 26, 2014.

On June 26, 2014, Ruslan purchased 700,000 shares of common stock at \$0.10 per share, for a total purchase price of \$70,000. The purchase was made pursuant to a certain Securities Purchase Agreement dated June 26, 2014.

(d) Not applicable.

(e) Not applicable.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER

On June 11, 2014, the Reporting Persons entered into a series of warrant exchange agreements (the “Warrant Exchange Agreements”) with the holders of Series A Warrants and Placement Agent Warrants, as described in Item 5 above. The description of the Warrant Exchange Agreements above is incorporated herein by reference and similarly qualified in its entirety by reference to the full text of the Warrant Exchange Agreement, which is attached as Exhibit 6.

On June 26, 2014, the Reporting Persons entered into a Securities Purchase Agreement with the Company for the purchase of common stock, as described in Item 5 above. The description of the Agreement above is incorporated herein by reference and similarly qualified in its entirety by reference to the full text of the Securities Purchase Agreement, which is attached as Exhibit 7.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS

- | | |
|------------|---|
| Exhibit 1 | Agreement of Joint Filing, dated July 1, 2014, by and among X-Master, Inc., AR Partners, LLC, Andrey Semechkin, and Ruslan Semechkin. |
| Exhibit 2: | Power of Attorney, dated November 19, 2008, relating to X-Master, Inc. (incorporated by reference to Exhibit 24 of the Reporting Persons’ statement on Form 4 with respect to International Stem Cell Corporation, filed on January 2, 2009). |
| Exhibit 3: | Power of Attorney, dated November 19, 2008, relating to Andrey Semechkin (incorporated by reference to Exhibit 24 of the Reporting Persons’ statement on Form 4 with respect to International Stem Cell Corporation, filed on January 2, 2009). |
| Exhibit 4: | Power of Attorney, dated November 19, 2008, relating to Ruslan Semechkin (incorporated by reference to Exhibit 24 of the Reporting Persons’ statement on Form 4 with respect to International Stem Cell Corporation, filed on January 2, 2009). |
| Exhibit 5: | Power of Attorney, dated March 8, 2012, relating to AR Partners, LLC (incorporated by reference to Exhibit 24 of the Reporting Persons’ statement on Form 3 with respect to International Stem Cell Corporation, filed on March 12, 2012). |
| Exhibit 6: | Warrant Exchange Agreement, dated June 11, 2014 (incorporated by reference to Exhibit 10.1 of International Stem Cell Corporation’s Current Report on Form 8-K, filed on June 12, 2014). |
| Exhibit 7: | Securities Purchase Agreement, dated June 26, 2014 (incorporated by reference to Exhibit 10.1 of International Stem Cell Corporation’s Current Report on Form 8-K, filed on July 1, 2014). |

[Signature page follows]

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: July 1, 2014

X-Master, Inc.

By: /s/ Michael B. Tule
Name: Michael B. Tule
Title: Attorney in fact

Andrey Semechkin

By: /s/ Michael B. Tule
Name: Michael B. Tule
Title: Attorney in fact

Ruslan Semechkin

By: /s/ Michael B. Tule
Name: Michael B. Tule
Title: Attorney in fact

AR Partners, LLC

By: /s/ Michael B. Tule
Name: Michael B. Tule
Title: Attorney in fact

Signature page to AMENDMENT NO. 12 TO SCHEDULE 13D – CUSIP Number 05577Y107

AGREEMENT OF JOINT FILING

Pursuant to Rule 13d-1(k)(1) under the Securities Exchange Act of 1934, as amended, the undersigned hereby consent to the joint filing on their behalf of a single Schedule 13D and any amendments thereto, with respect to the beneficial ownership by each of the undersigned of shares of common stock, \$0.001 par value, of International Stem Cell Corporation, a Delaware corporation. The undersigned hereby further agree that this statement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but all of which counterparts shall together constitute one and the same instrument.

Dated: July 1, 2014

X-Master, Inc.

By: /s/ Michael B. Tule
Name: Michael B. Tule
Title: Attorney in fact

Andrey Semechkin

By: /s/ Michael B. Tule
Name: Michael B. Tule
Title: Attorney in fact

Ruslan Semechkin

By: /s/ Michael B. Tule
Name: Michael B. Tule
Title: Attorney in fact

AR Partners, LLC

By: /s/ Michael B. Tule
Name: Michael B. Tule
Title: Attorney in fact

