
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): April 17, 2019

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)

5950 Priestly Drive,
Carlsbad, California 92008
(Address of principal executive offices, including zip code)

(Registrant's telephone number, including area code) (760) 940-6383

(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01 Entry into a Material Definitive Agreement.

On April 17, 2019 to obtain funding for working capital purposes International Stem Cell Corporation (the “Company”) issued an unsecured, non-convertible promissory note in the principal amount of \$1,800,000 (the “Note”) to Dr. Andrey Semechkin. On January 21, 2019 the Noteholder was issued a Promissory Note in the principal amount of \$1,000,000 by the Company (“Original Note”). On April 17, 2019 the Noteholder provided additional \$800,000 of funds to the Company and surrendered the Original Note, in return for this Note. Dr. Semechkin is the Company’s Co-Chairman and Chief Executive Officer.

The outstanding principal amount under the Note accrues interest at a rate of four and a half Percent (4.5%) per annum. The Note is due and payable January 15, 2020 but may be pre-paid by the Company without penalty at any time.

The foregoing summary of the Note is qualified in its entirety by reference to the full text of the form of Note filed as Exhibit 10.1 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits**

<u>Exhibit Number</u>	<u>Description</u>
10.1	Form of Note issued on April 17, 2019

Signature(s)

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

Date: April 22, 2019

By: /s/ Sophia Garnette

Sophia Garnette

VP Legal Affairs and Operations

**INTERNATIONAL STEM CELL CORPORATION
PROMISSORY NOTE**

FOR VALUE RECEIVED, and subject to the terms and conditions set forth herein, on this 17th day of April, 2019 (the “**Issuance Date**”), International Stem Cell Corporation, a Delaware corporation, with offices located at 5950 Priestly Drive, Carlsbad, CA 92008 (the “**Borrower**”), hereby unconditionally promises to pay to the order of Andrey Semechkin or his assigns (the “**Noteholder**”), the principal amount of *one million eight hundred thousand U.S. dollars* (\$1,800,000) (the “**Loan**”), together with all accrued interest thereon, as provided in this Promissory Note (the “**Note**”).

On January 21, 2019 the Noteholder was issued a Promissory Note in the principal amount of *one million dollars* (\$1,000,000) by the Borrower (the “**Original Note**”). On April 17, 2019 the Noteholder agreed to provide an additional *eight hundred thousand dollars* (\$800,000) of funds to the Borrower and surrendered the Original Note, in return for which the Noteholder was issued this Note.

1. Loan Terms; Prepayment

1.1 Total Outstanding Principal. As of the date of this Note, the total principal amount outstanding shall equal to *one million and eight hundred thousand dollars* (\$1,800,000)

1.2 Final Payment Date. The aggregate unpaid principal amount of the Loan and all accrued and unpaid interest shall be due and payable on *January 15, 2020* (the “**Maturity Date**”).

1.3 Optional Prepayment. The Borrower may prepay the Loan in whole or in part at any time or from time to time without penalty or premium by paying the principal amount to be prepaid together with accrued interest thereon to the date of prepayment.

2. Interest.

2.1 Interest Rate. The outstanding principal amount of the Loan made hereunder shall bear interest at the annual rate of *four and a half percent* (4.5%) from the Issuance Date of this Note until the Loan is paid in full, whether at maturity, by prepayment or otherwise.

2.2 Interest Payment Dates. Interest shall be payable on maturity, or earlier with respect to any prepayment.

2.3 Computation of Interest. All computations of interest shall be made on the basis of a year of 360 days and the actual number of days elapsed. Interest shall begin to accrue on the Loan on the Issuance Date, and shall not accrue on any portion of the Loan (including all of the Loan if so paid) for the day on which such portion of the Loan is paid in full, whether at maturity, by prepayment, or otherwise.

2.4 Interest Rate Limitation. If at any time and for any reason whatsoever, the interest rate payable on the Loan shall exceed the maximum rate of interest permitted to be charged by the Noteholder to the Borrower under applicable law, such interest rate shall be reduced automatically to the maximum rate of interest permitted to be charged under applicable law, and that portion of any sum paid attributable to that portion of such interest rate that exceeds the maximum rate of interest permitted by applicable law shall be deemed a voluntary prepayment of principal.

3. Payment Mechanics

3.1 All payments of principal and interest shall be made in lawful money of the United States of America by check or by wire transfer of immediately available funds to the Noteholder's account at a bank specified by the Noteholder in writing to the Borrower from time to time.

4. Standard Provisions

4.1 Governing Law. This Note and any claim, controversy, dispute or cause of action based upon, arising out of or relating to this Note, and the transactions contemplated hereby, shall be governed by the laws of the State of California.

4.2 Counterparts. This Note may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Borrower has executed this Note as of the Issuance Date written above.

BORROWER
International Stem Cell Corporation

NOTEHOLDER
Andrey Semechkin

Signature

Signature

Sophia D. Garnette
VP Legal Affairs & Operations