

STEMCELLS INC

Form 4

March 21, 2016

**FORM 4**
**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

Check this box  
if no longer  
subject to  
Section 16.  
Form 4 or  
Form 5  
obligations  
may continue.  
See Instruction  
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF  
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
30(h) of the Investment Company Act of 1940

## OMB APPROVAL

OMB  
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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**SCHIFFMAN GREGORY T**

(Last) (First) (Middle)

7707 GATEWAY BLVD

(Street)

NEWARK, CA 94560

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading  
Symbol  
**STEMCELLS INC [STEM]**

3. Date of Earliest Transaction  
(Month/Day/Year)  
03/14/2016

4. If Amendment, Date Original  
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_X\_ Officer (give title below) \_\_\_\_ Other (specify  
below)

Chief Financial Officer

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_X\_ Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting  
Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
Common Stock	03/14/2016		A	166,000	A 0.3 (1)	879,717 (2)	D
Common Stock					21,211	I	By 401(k) plan (3)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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information contained in this form are not  
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SEC 1474  
(9-02)

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
Series A Warrants (right to buy)	\$ 0.3	03/14/2016		A	83,000	03/14/2016 03/14/2018	Common Stock 8
Series B Warrants (right to buy)	\$ 0.42	03/14/2016		A	124,500	03/14/2017 <sup>(5)</sup> 03/14/2022 <sup>(5)</sup>	Common Stock 12

## Reporting Owners

Reporting Owner Name / Address	Relationships
SCHIFFMAN GREGORY T 7707 GATEWAY BLVD NEWARK, CA 94560	Director 10% Owner Officer Other Chief Financial Officer

## Signatures

/s/ Ken Stratton,  
attorney-in-fact 03/21/2016

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Represents common shares purchased by the reporting person in an underwritten public offering by the issuer, in which investors  
(1) acquired a fixed ratio of common stock at a purchase price of \$0.2999998 per share, Series A common stock warrants at a purchase price of \$0.0000001 per Series A warrant, and Series B common stock warrants at a purchase price of \$0.0000001 per Series B warrant.

Includes (1) 175,000 restricted stock units, with 87,500 of these vesting on each of January 1, 2017 and January 1, 2018; and (2) 118,666  
(2) restricted stock units, with 59,333 of these vesting on each of January 8, 2017 and January 8, 2018; and (3) 250,000 restricted stock units with performance based vesting.

(3) Shares held in 401(k) account in accordance with issuer's employer-match policies.

Represents warrants purchased by the reporting person in an underwritten public offering by the issuer, in which investors acquired a  
(4) fixed ratio of common stock at a purchase price of \$0.2999998 per share, Series A common stock warrants at a purchase price of \$0.0000001 per Series A warrant, and Series B common stock warrants at a purchase price of \$0.0000001 per Series B warrant.

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- (5) The Series B Warrants issued in the issuer's underwritten public offering on March 14, 2016 will become exercisable upon the later of (i) issuer's receipt of stockholder approval to effect a reverse stock split so as to permit the exercise in full of the outstanding Series B Warrants and (ii) 12 months from the date of issuance, and will expire five years from the date on which such Series B Warrants become exercisable.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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