

TSUKAMOTO ANN  
Form 4  
May 16, 2012

**FORM 4**

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
TSUKAMOTO ANN

(Last) (First) (Middle)

C/O STEMCELLS, INC., 7707  
GATEWAY BLVD, STE 140

(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)

05/15/2012

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
EVP, Research and Development

6. Individual or Joint/Group Filing(Check Applicable Line)  
 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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  | Code                           | V Amount (A) or (D) Price   |   |  |                                   |
| Common Stock                    | 05/15/2012                           |  | F <sup>(1)</sup>               | 1,089 D \$ 0.85   | 196,101 <sup>(2)</sup>  | D  |                                   |
| Common Stock                    |                                      |  |                                |   | 3,643   | I  | family trust <sup>(3)</sup>       |
| Common Stock                    |                                      |  |                                |   | 11,245  | I  | By 401(k) Plan <sup>(4)</sup>     |

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

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SEC 1474 (9-02)

number.

**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 Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned Following Reporting Transaction (Instr. 6) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                               |       |
|--|---------------|-----------|-------------------------------|-------|
|  | Director      | 10% Owner | Officer                       | Other |
| TSUKAMOTO ANN<br>C/O STEMCELLS, INC.<br>7707 GATEWAY BLVD, STE 140<br>NEWARK, CA 94560 |               |           | EVP, Research and Development |       |

## Signatures

/s/ Ken Stratton,  
attorney-in-fact

05/16/2012

\*\*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).
- (1) This is recorded as a Code F disposition because the shares were used by the reporting person to pay a tax liability incurred by her from the delivery of shares incident to the vesting of restricted stock units.  
Includes (1) 130,000 restricted stock units, with 43,333 vesting on each of January 27, 2013, January 27, 2014 and January 27, 2015; (2)
- (2) 46,667 restricted stock units, with 23,333 vesting on each of June 1, 2012 and June 1, 2013; and (2) 2,333 restricted stock units vesting on May 15, 2013.
- (3) 3,643 shares held in trust as to which Dr. Tsukamoto disclaims beneficial ownership.
- (4) Shares held in 401(k) account in accordance with issuer's employer-match policies.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.