
**UNITED STATES
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): **January 5, 2015**

FATE THERAPEUTICS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

001-36076
(Commission
File Number)

65-1311552
(I.R.S. Employer
Identification No.)

**3535 General Atomics Court, Suite 200
San Diego, CA 92121**
(Address of principal executive offices, including zip code)

(858) 875-1800
(Registrant's telephone number, including area code)

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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Item 5.02 Department of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On January 5, 2015, the Board of Directors (the "Board") of Fate Therapeutics, Inc. (the "Company"), upon recommendation of the Compensation Committee of the Board (the "Compensation Committee"), adopted the Company's Amended and Restated Senior Executive Incentive Bonus Plan (the "Bonus Plan"), which amends the Company's existing Senior Executive Cash Incentive Bonus Plan (the "Existing Bonus Plan") to provide that bonus payments may be made in equity in addition to cash. No other terms of the Existing Bonus Plan were changed. The terms of the Existing Bonus Plan were previously disclosed in a Current Report on Form 8-K filed with the U.S. Securities and Exchange Commission on January 10, 2014, including Exhibit 10.1 thereto.

On January 5, 2015, as part of its annual review of compensation, the Compensation Committee approved annual base salary adjustments for certain of the Company's executive officers, including its named executive officers, which are effective as of January 1, 2015. In addition, on January 5, 2015, the Board, upon recommendation of the Compensation Committee, approved a base salary adjustment for the Company's President and Chief Executive Officer. The adjusted base salaries for such named executive officers are as follows:

Named Executive Officer	Current Annual Base Salary	Annual Base Salary effective January 1, 2015
Christian Weyer, M.D., M.A.S., President and Chief Executive Officer	\$ 350,000	\$ 400,000
J. Scott Wolchko, Chief Financial Officer and Chief Operating Officer	\$ 310,000	\$ 345,000
Pratik S. Multani, M.D., M.S., Chief Medical Officer	\$ 325,000	\$ 360,000

Also, on January 5, 2015, as part of its annual review of compensation, the Compensation Committee approved the payment of a portion of annual bonuses earned in respect of 2014 performance in the form of unrestricted stock, subject to certain transfer restrictions, for certain of the Company's executive officers, including its named executive officers. In addition, on January 5, 2015, the Board, upon recommendation of the Compensation Committee, approved the payment of a portion of the annual bonus earned in respect of 2014 performance in the form of unrestricted stock, subject to certain transfer restrictions, to the Company's President and Chief Executive Officer.

Bonuses in the form of stock approved for such named executive officers are as follows:

Named Executive Officer	Stock Value	Number of Shares Granted
Christian Weyer, M.D., M.A.S., President and Chief Executive Officer	\$ 26,250	5,429
J. Scott Wolchko, Chief Financial Officer and Chief Operating Officer	\$ 13,950	2,885
Pratik S. Multani, M.D., M.S., Chief Medical Officer	\$ 14,625	3,024

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

Exhibit No.	Description
10.1	Amended and Restated Senior Executive Incentive Bonus Plan
10.2	Form of Unrestricted Stock Award Agreement under the 2013 Stock Option and Incentive Plan

SIGNATURES

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.

Date: January 7, 2015

Fate Therapeutics, Inc.

By: /s/ J. Scott Wolchko
J. Scott Wolchko
Chief Financial Officer and Chief Operating Officer

EXHIBIT INDEX

Exhibit No.	Description
10.1	Amended and Restated Senior Executive Incentive Bonus Plan
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FATE THERAPEUTICS, INC.
AMENDED AND RESTATED
SENIOR EXECUTIVE INCENTIVE BONUS PLAN

1. Purpose

This Amended and Restated Senior Executive Incentive Bonus Plan (the “*Incentive Plan*”) is intended to provide an incentive for superior work and to motivate eligible executives of Fate Therapeutics, Inc. (the “*Company*”) and its subsidiaries toward even higher achievement and business results, to tie their goals and interests to those of the Company and its stockholders and to enable the Company to attract and retain highly qualified executives. The Incentive Plan is for the benefit of Covered Executives (as defined below). Payments made under this Incentive Plan may be made in cash or in shares of the Company’s common stock, \$.001 par value (“*Common Stock*”), under any of the Company’s equity incentive plans.

2. Covered Executives

From time to time, the Compensation Committee of the Board of Directors of the Company (the “*Compensation Committee*”) may select certain key executives (the “*Covered Executives*”) to be eligible to receive bonuses hereunder. Participation in this Plan does not change the “at will” nature of a Covered Executive’s employment with the Company.

3. Administration

The Compensation Committee shall have the sole discretion and authority to administer and interpret the Incentive Plan.

4. Bonus Determinations

(a) Corporate Performance Goals. A Covered Executive may receive a bonus payment under the Incentive Plan based upon the attainment of one or more performance objectives that are established by the Compensation Committee and relate to financial and operational metrics with respect to the Company or any of its subsidiaries (the “*Corporate Performance Goals*”), including the following: revenue; expense levels; business development and financing milestones; total shareholder return; earnings before interest, taxes, depreciation and amortization; net income (loss) (either before or after interest, taxes, depreciation and/or amortization); changes in the market price of the Company’s common stock; economic value-added; sales or revenue, developmental, clinical or regulatory milestones; acquisitions or strategic transactions; operating income (loss); cash flow (including, but not limited to, operating cash flow and free cash flow); return on capital, assets, equity, or investment; stockholder returns; return on sales; gross or net profit levels; productivity; expense efficiency; margins; operating efficiency; customer satisfaction; clinical trial results; publications; reimbursement decisions; working capital; earnings (loss) per share of the Company’s common stock; sales or market shares; number of customers or units of products sold; and operating income and/or net annual recurring revenue, any of which may be (i) measured in absolute terms or compared to any incremental increase, (ii) measured in terms of growth, (iii) compared to another company or

companies or to results of a peer group, (iv) measured against the market as a whole and/or as compared to applicable market indices and/or (v) measured on a pre-tax or post-tax basis (if applicable). Further, any Corporate Performance Goals may be used to measure the performance of the Company as a whole or a business unit or other segment of the Company, or one or more product lines or specific markets. The Corporate Performance Goals may differ from Covered Executive to Covered Executive.

(b) Calculation of Corporate Performance Goals. At the beginning of each applicable performance period, the Compensation Committee will determine whether any significant element(s) will be included in or excluded from the calculation of any Corporate Performance Goal with respect to any Covered Executive. In all other respects, Corporate Performance Goals will be calculated in accordance with the Company's financial statements, generally accepted accounting principles, or under a methodology established by the Compensation Committee at the beginning of the performance period and which is consistently applied with respect to a Corporate Performance Goal in the relevant performance period.

(c) Target; Minimum; Maximum. Each Corporate Performance Goal shall have a "target" (at least 100 percent attainment of the Corporate Performance Goal) and may also have a "minimum" hurdle and/or a "maximum" amount.

(d) Bonus Requirements; Individual Goals. Except as otherwise set forth in this Section 4(d): (i) any bonuses paid to Covered Executives under the Incentive Plan shall be based upon objectively determinable bonus formulas that tie such bonuses to one or more performance targets relating to the Corporate Performance Goals, (ii) bonus formulas for Covered Executives shall be adopted in each performance period by the Compensation Committee and communicated to each Covered Executive at the beginning of each performance period and (iii) no bonuses shall be paid to Covered Executives unless and until the Compensation Committee makes a determination with respect to the attainment of the performance targets relating to the Corporate Performance Goals. Notwithstanding the foregoing, the Compensation Committee may adjust bonuses payable under the Incentive Plan based on achievement of one or more individual performance objectives or pay bonuses (including, without limitation, discretionary bonuses) to Covered Executives under the Incentive Plan based on individual performance goals and/or upon such other terms and conditions as the Compensation Committee may in its discretion determine.

(e) Individual Target Bonuses. The Compensation Committee shall establish a target bonus opportunity for each Covered Executive for each performance period. For each Covered Executive, the Compensation Committee shall have the authority to apportion the target award so that a portion of the target award shall be tied to attainment of Corporate Performance Goals and a portion of the target award shall be tied to attainment of individual performance objectives.

(f) Employment Requirement. Subject to any additional terms contained in a written agreement between the Covered Executive and the Company, the payment of a bonus to a Covered Executive with respect to a performance period shall be conditioned upon the Covered Executive's employment by the Company on the bonus payment date. If a Covered Executive was not employed for an entire performance period, the Compensation Committee may pro rate the bonus based on the number of days employed during such period.

5. Timing and Manner of Payment

(a) With respect to Corporate Performance Goals established and measured on a basis more frequently than annually (e.g., quarterly or semi-annually), the Corporate Performance Goals will be measured as of the end of each performance period and after such period has ended; provided, that with respect to any Corporate Performance Goals that are dependent on financial metrics as reported in the Company's financial reports for any particular period, such Corporate Performance Goals shall be measured after the applicable financial reports have been published. If the Corporate Performance Goals and/or individual goals for such period are met, payments will be made as soon as practicable following the end of such period, but not later than 74 days after the end of the fiscal year in which such performance period ends.

(b) With respect to Corporate Performance Goals established and measured on an annual or multi-year basis, Corporate Performance Goals will be measured as of the end of each such performance period (e.g., the end of each fiscal year) and after such period has ended; provided, that with respect to any Corporate Performance Goals that are dependent on financial metrics as reported in the Company's financial reports for any particular period, such Corporate Performance Goals shall be measured after the applicable financial reports have been published. If the Corporate Performance Goals and/or individual goals for any such period are met, bonus payments will be made as soon as practicable, but not later than 74 days after the end of the relevant fiscal year.

(c) The Compensation Committee shall have the authority to determine whether any bonus award or portion thereof under this Incentive Plan shall be payable in cash or shares of Common Stock.

(d) For the avoidance of doubt, any bonuses earned at any time in a fiscal year must be paid no later than 74 days after the last day of such fiscal year. Additionally, if the Compensation Committee elects to pay any bonus award or portion thereof in the form of Common Stock, the number of shares of Common Stock to be paid to such Covered Executive shall be equal to the amount of the bonus award (or portion thereof) to which such Covered Executive is entitled under the Incentive Plan divided by the reported closing price of the Common Stock on the Nasdaq Global Market (or the public market on which the Common Stock then trades) on the date such bonus award is determined, or the preceding trading date if there are no market quotations on such date.

6. Amendment and Termination

The Company reserves the right to amend or terminate the Incentive Plan at any time in its sole discretion.

**UNRESTRICTED STOCK AWARD AGREEMENT
UNDER THE FATE THERAPEUTICS, INC.
2013 STOCK OPTION AND INCENTIVE PLAN**

Name of Grantee: _____

No. of Shares: _____

Grant Date: _____

Pursuant to the Fate Therapeutics, Inc. 2013 Stock Option and Incentive Plan (the "Plan") as amended through the date hereof, Fate Therapeutics, Inc. (the "Company") hereby grants an Unrestricted Stock Award (an "Award") to the Grantee named above. Upon acceptance of this Award, the Grantee shall receive the number of shares of Common Stock, par value \$0.001 per share (the "Stock") of the Company specified above, subject to the restrictions and conditions set forth herein and in the Plan. The Company acknowledges the receipt from the Grantee of consideration with respect to the par value of the Stock in the form of cash, past or future services rendered to the Company by the Grantee or such other form of consideration as is acceptable to the Administrator.

1. Award. The shares of Unrestricted Stock awarded hereunder shall be issued and held by the Company's transfer agent in book entry form, and the Grantee's name shall be entered as the stockholder of record on the books of the Company. Thereupon, the Grantee shall have all the rights of a stockholder with respect to such shares, including voting and dividend rights, subject, however, to the restrictions and conditions specified in Paragraph 2 below. The Grantee shall (i) sign and deliver to the Company a copy of this Award Agreement and (ii) deliver to the Company a stock power endorsed in blank.

2. Restrictions and Conditions.

(a) Any book entries for the shares of Unrestricted Stock granted herein shall bear an appropriate legend, as determined by the Administrator in its sole discretion, to the effect that such shares are subject to restrictions as set forth herein and in the Plan.

(b) Shares of Unrestricted Stock granted herein may not be sold, assigned, transferred, pledged or otherwise encumbered or disposed of by the Grantee without the approval of the Administrator prior to the date that is the earlier of (i) twelve (12) months from the Grant Date or (ii) the date on which the Grantee is no longer a reporting person for purposes of Section 16 of the Securities Exchange Act of 1934, as amended.

3. Dividends. Dividends on shares of Unrestricted Stock shall be paid currently to the Grantee.

4. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Award shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan. Capitalized terms in this Agreement shall have the meaning specified in the Plan, unless a different meaning is specified herein.



5. Transferability. This Agreement is personal to the Grantee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution.

6. Tax Withholding. The Grantee shall, not later than the date as of which the receipt of this Award becomes a taxable event for Federal income tax purposes, pay to the Company or make arrangements satisfactory to the Administrator for payment of any Federal, state, and local taxes required by law to be withheld on account of such taxable event. The Company shall have the authority to cause the required minimum tax withholding obligation to be satisfied, in whole or in part, by withholding from shares of Stock to be issued or released by the transfer agent a number of shares of Stock with an aggregate Fair Market Value that would satisfy the minimum withholding amount due.

7. No Obligation to Continue Employment. Neither the Company nor any Subsidiary is obligated by or as a result of the Plan or this Agreement to continue the Grantee in employment and neither the Plan nor this Agreement shall interfere in any way with the right of the Company or any Subsidiary to terminate the employment of the Grantee at any time.

8. Integration. This Agreement constitutes the entire agreement between the parties with respect to this Award and supersedes all prior agreements and discussions between the parties concerning such subject matter.

9. Data Privacy Consent. In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its subsidiaries and affiliates and certain agents thereof (together, the "Relevant Companies") may process any and all personal or professional data, including but not limited to Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "Relevant Information"). By entering into this Agreement, the Grantee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Grantee may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction in which the Relevant Companies consider appropriate. The Grantee shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

10. Notices. Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Grantee at the address on file with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

FATE THERAPEUTICS, INC.

By: _____
Title:

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned. Electronic acceptance of this Agreement pursuant to the Company's instructions to the Grantee (including through an online acceptance process) is acceptable.

Dated: _____

Grantee's Signature

Grantee's name and address: