

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**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <b>ARCH VENTURE FUND VI LP</b>  (Last) (First) (Middle) <b>C/O ARCH VENTURE PARTNERS</b> <b>8725 WEST HIGGINS ROAD, SUITE 290</b>  (Street) <b>CHICAGO IL 60631</b>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <b>FATE THERAPEUTICS INC [ FATE ]</b>  3. Date of Earliest Transaction (Month/Day/Year) <b>10/04/2013</b>  4. If Amendment, Date of Original Filed (Month/Day/Year)	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)  6. Individual or Joint/Group Filing (Check Applicable Line) Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person
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**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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	10/04/2013		C		1,246,156	A	(1)	1,246,156	D <sup>(3)</sup>	
Common Stock	10/04/2013		C		265,252	A	(2)	1,511,408	D <sup>(3)</sup>	
Common Stock	10/04/2013		J <sup>(4)</sup>		128,447	A	\$6	1,639,855	D <sup>(3)</sup>	
Common Stock	10/04/2013		P		833,333	A	\$6	2,473,188	D <sup>(3)</sup>	

**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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Series A Convertible Preferred Stock	(1)	10/04/2013		C			675,493	(1)	(1)	Common Stock	675,493	\$0.00	0	D <sup>(3)</sup>	
Series B Convertible Preferred Stock	(2)	10/04/2013		C			230,769	(2)	(2)	Common Stock	265,252	\$0.00	0	D <sup>(3)</sup>	
Series C Convertible Preferred Stock	(1)	10/04/2013		C			570,663	(1)	(1)	Common Stock	570,663	\$0.00	0	D <sup>(3)</sup>	

1. Name and Address of Reporting Person*		
<a href="#"><u>ARCH VENTURE FUND VI LP</u></a>		
(Last)	(First)	(Middle)
C/O ARCH VENTURE PARTNERS		
8725 WEST HIGGINS ROAD, SUITE 290		
(Street)		
CHICAGO	IL	60631
(City) (State) (Zip)		
1. Name and Address of Reporting Person*		
<a href="#"><u>ARCH VENTURE PARTNERS VI LP</u></a>		
(Last)	(First)	(Middle)
8725 WEST HIGGINS ROAD, SUITE 290		
(Street)		
CHICAGO	IL	60631
(City) (State) (Zip)		
1. Name and Address of Reporting Person*		
<a href="#"><u>ARCH VENTURE PARTNERS VI LLC</u></a>		
(Last)	(First)	(Middle)
8725 WEST HIGGINS ROAD, SUITE 290		
(Street)		
CHICAGO	IL	60631
(City) (State) (Zip)		
1. Name and Address of Reporting Person*		
<a href="#"><u>CRANDELL KEITH</u></a>		
(Last)	(First)	(Middle)
8725 WEST HIGGINS ROAD, SUITE 290		
(Street)		
CHICAGO	IL	60631
(City) (State) (Zip)		
1. Name and Address of Reporting Person*		
<a href="#"><u>BYBEE CLINTON</u></a>		
(Last)	(First)	(Middle)
8725 WEST HIGGINS ROAD, SUITE 290		
(Street)		
CHICAGO	IL	60631
(City) (State) (Zip)		

**Explanation of Responses:**

1. The aggregate number of shares of Issuer's Preferred Stock held by the Reporting Persons converted into Common Stock immediately prior to the closing of the Issuer's initial public offering and has no expiration date. These shares converted into Common Stock on a 1-for-1 basis.
2. The aggregate number of shares of Issuer's Preferred Stock held by the Reporting Persons converted into Common Stock immediately prior to the closing of the Issuer's initial public offering and has no expiration date. These shares converted into Common Stock on approximately a 1-for-1.15 basis.

3. These shares are owned directly by ARCH Venture Fund VI, L.P. ("ARCH Fund VI"). The sole general partner of ARCH Fund VI is ARCH Venture Partners VI, L.P. ("ARCH Partners VI"). The sole general partner of ARCH Partners VI is ARCH Venture Partners VI, LLC ("ARCH VI LLC"). The Managing Directors of ARCH VI LLC, Robert T. Nelsen, Keith Crandell and Clinton Bybee, are deemed to have voting and dispositive power over the shares and may be deemed to beneficially own certain shares held by ARCH Fund VI. Each Reporting Person disclaims beneficial ownership of these securities, except to the extent of his pecuniary interest therein, and this report shall not be deemed an admission that such Reporting Persons are the beneficial owners of such securities for Section 16 or any other purpose.

4. The shares were acquired upon conversion of a convertible promissory note exempt from the definition of a derivative security because the conversion price did not become fixed until automatic conversion at the time of the closing of the Issuer's initial public offering.

<u>ARCH Venture Fund VI, L.P., By: /s/ Marck McDonnell, as Attorney-in-Fact for Keith Crandell, Managing Director of the general partner of the general partner of ARCH Fund VI</u>	<u>10/04/2013</u>
<u>ARCH Venture Partners VI, L.P., By: /s/ Marck McDonnell, as Attorney-in- Fact for Keith Crandell, Managing Director of the general partner of the general partner of ARCH Partners VI</u>	<u>10/04/2013</u>
<u>ARCH Venture Partners VI, LLC, By: /s/ Marck McDonnell, as Attorney-in- Fact for Keith Crandell, Managing Director of the general partner of the general partner of ARCH VI LLC</u>	<u>10/04/2013</u>
<u>By: /s/ Marck McDonnell, as Attorney-in-Fact for Keith Crandell</u>	<u>10/04/2013</u>
<u>By: /s/ Marck McDonnell, as Attorney-in-Fact for Clinton Bybee</u>	<u>10/04/2013</u>

\*\* Signature of Reporting Person      Date

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

\* 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).

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.**