

**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

OMB APPROVAL	
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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* <u>MENDLEIN JOHN</u>  (Last) (First) (Middle) C/O FATE THERAPEUTICS, INC. 3535 GENERAL ATOMICS COURT, SUITE 200  (Street) SAN DIEGO CA 92121  (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 09/30/2013	3. Issuer Name and Ticker or Trading Symbol <u>FATE THERAPEUTICS INC [ FATE ]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)	5. If Amendment, Date of Original Filed (Month/Day/Year)  6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	140,107 <sup>(1)</sup>	D	

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date				
Stock Option (right to buy)	(2)	03/12/2022	Common Stock 31,562	1.63	D	
Stock Option (right to buy)	(3)	02/05/2023	Common Stock 28,461	1.37	D	

**Explanation of Responses:**

- 35,026 of the shares are subject to a right of repurchase held by the Issuer. The right of repurchase will lapse with respect to 8,757 of these shares upon completion of the Issuer's initial public offering. The right of repurchase will lapse with respect to the remaining shares upon achievement of certain performance based milestones and with respect to 50% of the then-unreleased shares upon a change in control of the Issuer.
- The shares subject to the option shall vest and become exercisable in 48 equal monthly installments beginning on May 1, 2012 such that the option is fully exercisable on April 1, 2016. This option is subject to accelerated vesting upon a change of control of the Issuer. The shares subject to this option are early exercisable, subject to a right of repurchase held by the Issuer.
- The shares subject to the option shall vest and become exercisable upon achievement of certain performance based milestones.

/s/ John D. Mendlein 09/30/2013

\*\* 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 5 (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.

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