

FATE THERAPEUTICS INC  
Form SC 13G/A  
February 14, 2017

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549  
SCHEDULE 13G

Under the Securities Exchange Act of 1934  
(Amendment No. 2)

Fate Therapeutics, Inc.  
(Name of Issuer)

Common Stock, par value \$0.001 per share  
(Title of Class of Securities)

31189P102  
(CUSIP Number)

December 31, 2016  
(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

☐ Rule 13d-1(b)

☒ Rule 13d-1(c)

☐ Rule 13d-1(d)

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The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to \*the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP No. 31189P102

1. NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Redmile Group, LLC

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a) ☐

(b)

☒

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

5. SOLE VOTING POWER

0

6. SHARED VOTING POWER

4,435,894(1)

7. SOLE DISPOSITIVE POWER

0

8. SHARED DISPOSITIVE POWER

4,435,894(1)

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,435,894(1)

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

☐

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

9.99%

12. TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IA, OO

(1) Redmile Group, LLC's beneficial ownership includes 1,419,058 shares of common stock and 14,097,745 shares of common stock issuable upon conversion of Class A Convertible Preferred Stock. The terms of the Class A Convertible Preferred Stock provide that the holder is limited in the number of shares it may convert into such that it will not own in excess of 9.99% of the then outstanding shares of common stock.

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CUSIP No. 31189P102

1. NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Redmile Capital Offshore Fund, Ltd.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a) ☐

(b)

☒

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

5. SOLE VOTING POWER

0

6. SHARED VOTING POWER

2,064,720(2)

7. SOLE DISPOSITIVE POWER

0

8. SHARED DISPOSITIVE POWER

2,064,720(2)

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,064,720(2)

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

☐

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

4.81%

12. TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

CO

(2) Redmile Capital Offshore Fund, Ltd.'s beneficial ownership includes 550,410 shares of common stock and 1,514,310 shares of common stock issuable upon conversion of Class A Convertible Preferred Stock. The terms of the Class A Convertible Preferred Stock provide that the holder is limited in the number of shares it may convert into such that it will not own in excess of 9.99% of the then outstanding shares of common stock.

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CUSIP No. 31189P102

1. NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Redmile Capital Offshore Fund II, Ltd.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a) ☐

(b)

☒

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

5. SOLE VOTING POWER

0

6. SHARED VOTING POWER

4,593,392(3)

7. SOLE DISPOSITIVE POWER

0

8. SHARED DISPOSITIVE POWER

4,593,392(3)

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,593,392(3)

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

☐

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

9.99%

12. TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

CO

(3) Redmile Capital Offshore Fund II, Ltd.'s beneficial ownership includes 0 shares of common stock and 8,560,550 shares of common stock issuable upon conversion of Class A Convertible Preferred Stock. The terms of the Class A Convertible Preferred Stock provide that the holder is limited in the number of shares it may convert into such that it will not own in excess of 9.99% of the then outstanding shares of common stock.

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CUSIP No. 31189P102

1. NAME OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Jeremy C. Green

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)

(a) ☐

(b)

☒

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

United States of America

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

5. SOLE VOTING POWER

0

6. SHARED VOTING POWER

4,435,894(4)

7. SOLE DISPOSITIVE POWER

0

8. SHARED DISPOSITIVE POWER

4,435,894(4)

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

4,435,894(4)

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

☐

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

9.99%



12. TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN, HC

(4) Jeremy C Green's beneficial ownership includes 1,419,058 shares of common stock and 14,097,745 shares of common stock issuable upon conversion of Class A Convertible Preferred Stock. The terms of the Class A Convertible Preferred Stock provide that the holder is limited in the number of shares it may convert into such that it will not own in excess of 9.99% of the then outstanding shares of common stock.

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CUSIP No. 31189P102

Item 1. (a). Name of Issuer:

Fate Therapeutics, Inc.

(b). Address of issuer's principal executive offices:

3535 General Atomics Court, Suite 200  
San Diego, California 92121

Item 2. (a). Name of person filing:

Redmile Group, LLC  
Redmile Capital Offshore Fund,  
Ltd.  
Redmile Capital Offshore Fund  
II, Ltd.  
Jeremy C. Green

(b). Address or principal business office or, if none, residence:

Redmile Group, LLC  
One Letterman Drive  
Building D, Suite D3-300  
The Presidio of San Francisco  
San Francisco, California 94129  
United States of America

Redmile Capital Offshore Fund, Ltd.  
c/o Eстера Trust (Cayman) Limited  
Clifton House  
75 Fort Street  
P.O. Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

Redmile Capital Offshore Fund II, Ltd.  
c/o Eстера Trust (Cayman) Limited  
Clifton House  
75 Fort Street  
P.O. Box 1350  
Grand Cayman KY1-1108  
Cayman Islands

Jeremy C. Green  
c/o Redmile Group, LLC  
One Letterman Drive  
Building D, Suite D3-300

The Presidio of San Francisco  
San Francisco, California 94129  
United States of America

(c). Citizenship:

Redmile Group, LLC – Delaware  
Redmile Capital Offshore Fund, Ltd. – Cayman Islands  
Redmile Capital Offshore Fund II, Ltd. – Cayman Islands  
Jeremy C. Green – United States of America

(d). Title of class of securities:

Common Stock, par value \$0.001 per share

(e). CUSIP No.:

31189P102