

**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): **August 23, 2013**

Aastrom Biosciences, Inc.

(Exact name of registrant as specified in its charter)

Michigan

(State or other jurisdiction
of incorporation)

0-22025

(Commission
File Number)

94-3096597

(I.R.S. Employer
Identification No.)

**24 Frank Lloyd Wright Drive, P.O. Box
376, Ann Arbor, Michigan**

(Address of principal executive offices)

48106

(Zip Code)

Registrant's telephone number, including area code: **(734) 930-5555**

Not Applicable

Former name or former address, if changed since last report

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))

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

Effective as of August 23, 2013, Aastrom Biosciences, Inc. (the "Company") elected Heidi Hagen to the Board of Directors of the Company. A press release announcing this election is attached hereto as Exhibit 99.1.

In connection with her appointment to the Board of Directors, Ms. Hagen received a grant of stock options to purchase 30,000 shares of common stock, vesting quarterly over three years, and a grant of stock options to purchase 45,000 shares of common stock (reflecting the prorated period of time until Ms. Hagen is expected to be presented for election at the Company's annual shareholders meeting), vesting monthly over the nine-month period between Ms. Hagen's date of appointment and the Company's annual shareholders meeting, each with an exercise price equal to the fair market value of the common stock on the date of grant, consistent with the Company's current compensation arrangements for non-employee directors. The options were granted under the Company's Amended and Restated 2004 Equity Incentive Plan.

Additionally, Dr. Ronnda Bartel informed the Company that she plans to retire from her role as the Company's Chief Scientific Officer effective as of December 31, 2013. Dr. Bartel will continue to work with the Company on a consulting basis thereafter. The Company has appointed Daniel Orlando as the Company's Chief Operating Officer. Mr. Orlando has been serving as Chief Commercial Officer of the Company since August 2012 and as the Chief Business Officer of the Company since May 2013. He also served as the Company's interim Chief Executive Officer from December 2012 to March 2013. Mr. Orlando will be assuming responsibility for technical operations, manufacturing, and supply chain operations effective immediately.

On August 23, 2013, Brian Gibson informed the Company that he will step down from his role as the Company's Vice President, Finance, effective as of August 31, 2013. Mr. Gibson will continue to assist with the transition after August 31, 2013. As a result of his decision, the Company has appointed Michael Elliston its Treasurer, Secretary and Principal Finance and Accounting Officer, effective immediately. Mr. Elliston will continue to serve as the Company's Controller, a position he has held with the Company since December 2011. Prior to joining the Company, Mr. Elliston worked as a manager at PricewaterhouseCoopers LLP from January 2003 to December 2011.

Mr. Elliston will receive an annual base salary of \$122,500 and his base salary shall be reviewed annually by the Company. Mr. Elliston will also be eligible to receive cash incentive compensation as determined by the Company. From time to time and at the discretion of management and the Company's Board of Directors, the Company may grant to Mr. Elliston options to purchase shares of the Company's common stock pursuant to the Company's equity

plan. Mr. Elliston is also entitled to continued participation in the Company-sponsored group health, dental and vision programs, as those plans may be amended from time to time. In addition, during his employment, Mr. Elliston has agreed to keep the Company's confidential information in confidence and trust and has agreed not to use or disclose such confidential information without the Company's written consent except as necessary in the ordinary course of performing his duties to the Company.

Item 7.01 Regulation FD Disclosure.

On August 26, 2013, we issued a press release announcing the appointment of Ms. Hagen, as set forth in Item 5.02 of this Current Report on Form 8-K. A copy of the press release is attached hereto as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated August 26, 2013.

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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.

Aastrom Biosciences, Inc.

Date: August 26, 2013

By: /s/ Dominick C. Colangelo
Name: Dominick C. Colangelo
Title: President and Chief Executive Officer

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Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated August 26, 2013.

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August 26, 2013

Heidi Hagen Joins Aastrom Board of Directors

ANN ARBOR, Mich., Aug. 26, 2013 (GLOBE NEWSWIRE) — Aastrom Biosciences, Inc. (Nasdaq:ASTM), the leading developer of patient-specific, expanded multicellular therapies for the treatment of severe, chronic cardiovascular diseases, announced today that Heidi Hagen has joined the Aastrom Board of Directors.

Ms. Hagen is global chief operating officer at Sotio LLC, a biotechnology company developing new therapies for the treatment of cancer and autoimmune diseases using its immunotherapy platform and proprietary cell-based technologies. Previously Ms. Hagen was senior vice president, operations, at Dendreon Corporation, where she was responsible for, among other duties, manufacturing and supply chain operations. Prior to joining Dendreon, Ms. Hagen spent nearly ten years at Immunex Corporation, where she held several positions in drug development and supply chain and operations management. Ms. Hagen earned her B.S. in cell and molecular biology, M.S. in bioengineering, and MBA at the University of Washington.

“With her outstanding technical and managerial experience in global operations in cellular and regenerative medicine, Heidi Hagen will play an important role in helping to advance our business strategies and maximize global commercial opportunities for Aastrom in the years ahead,” said Robert L. Zerbe, M.D., chairman of the Aastrom Board of Directors. “We very much look forward to working with Heidi as a member of our Board.”

“I am very pleased to be joining the Aastrom Board of Directors during this exciting time in the company’s history,” said Ms. Hagen. “Aastrom is well-positioned to advance its lead product, ixmyelocel-T, through the clinical development process in several important areas of unmet medical need, including the treatment of severe cardiovascular diseases such as advanced heart failure due to ischemic dilated cardiomyopathy. I look forward to contributing to the continuing plans to maximize these opportunities for patients and Aastrom’s shareholders.”

About Aastrom Biosciences

Aastrom Biosciences is the leader in developing patient-specific, expanded multicellular therapies for use in the treatment of patients with severe, chronic cardiovascular diseases. The company’s proprietary cell-processing technology enables the manufacture of ixmyelocel-T, a patient-specific multicellular therapy expanded from a patient’s own bone marrow and delivered directly to damaged tissues. Aastrom has advanced ixmyelocel-T into late-stage clinical development, including a Phase 2b clinical trial in patients with ischemic dilated cardiomyopathy. For more information, please visit Aastrom’s website at www.aastrom.com.

The Aastrom Biosciences, Inc. logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=3663>

This document contains forward-looking statements, including, without limitation, statements concerning clinical trial plans and progress, objectives and expectations, clinical activity timing, intended product development, the performance and contribution of certain individuals and expected timing of collecting and analyzing treatment data, all of which involve certain risks and uncertainties. These statements are often, but are not always, made through the use of words or phrases such as “anticipates,” “intends,” “estimates,” “plans,” “expects,” “we believe,” “we intend,” and similar words or phrases, or future or conditional verbs such as “will,” “would,” “should,” “potential,” “could,” “may,” or similar expressions. Actual results may differ significantly from the expectations contained in the forward-looking statements. Among the factors that may result in differences are the inherent uncertainties associated with the closing of the offering described herein, Aastrom’s intended use of proceeds in connection with the offering, clinical trial and product development activities, regulatory approval requirements, competitive developments, and the availability of resources and the allocation of resources among different potential uses. These and other significant factors are discussed in greater detail in Aastrom’s Registration Statement on Form S-1 described above, Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other filings with the Securities and Exchange Commission. These forward-looking statements reflect management’s current views and Aastrom does not undertake to update any of these forward-looking statements to reflect a change in its views or events or circumstances that occur after the date of this release except as required by law.

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