

LEE DAVID ASHLEY
Form 4
August 25, 2009

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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 OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
LEE DAVID ASHLEY

(Last) (First) (Middle)

CRYOLIFE INC, 1655 ROBERTS BLVD NW

(Street)

KENNESAW, GA 30144

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
CRYOLIFE INC [CRY]

3. Date of Earliest Transaction (Month/Day/Year)
08/24/2009

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Exec. VP, COO and CFO

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
____ Form filed by More than One Reporting Person

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 Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	08/24/2009		M		\$ 4.25	D	
Common Stock	08/24/2009		S		26,800	D	
Common Stock	08/25/2009		M		\$ 5.36	D	
Common Stock	08/25/2009		M		\$ 4.25	D	
Common Stock					1,500	I	By Children

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

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SEC 1474
(9-02)

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 Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares
Stock Option	\$ 4.25	08/24/2009		M	16,610	02/21/2007 ⁽²⁾ 08/21/2011	Common Stock	16,610
Stock Option	\$ 4.25	08/25/2009		M	9,190	02/21/2007 ⁽²⁾ 08/21/2011	Common Stock	9,190
Stock Option	\$ 5.36	08/25/2009		M	3,000	06/29/2005 ⁽³⁾ 12/29/2009	Common Stock	3,000

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

LEE DAVID ASHLEY
CRYOLIFE INC
1655 ROBERTS BLVD NW
KENNESAW, GA 30144

Exec. VP, COO and CFO

Signatures

/s/ D.A. Lee 08/25/2009

**Signature of Reporting Person

Date

Explanation of Responses:

* 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).

\$7.9516 is the weighted average price for a range of sales between \$7.94 and \$7.97. Reporting person undertakes to provide upon request (1) by the Securities and Exchange Commission staff, the issuer, or a security holder of the issuer, full information regarding the number of shares sold at each separate price.

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- (2) Stock option vests in 20% increments beginning on first anniversary of the February 21, 2006 grant date.
- (3) Stock option vested in 20% increments beginning on first anniversary of the June 29, 2004 grant date.

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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