

Cryoport, Inc.  
Form DEF 14A  
August 15, 2011

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934 (Amendment No. \_\_\_\_)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**CRYOPORT, INC.**

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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**CRYOPORT, INC.**  
**20382 Barents Sea Circle**  
**Lake Forest, CA92630**  
**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**  
To be held on Thursday, September 22, 2011

Dear Fellow Stockholders:

August 15, 2011

The 2011 Annual Meeting of the Stockholders (the Annual Meeting ) of CryoPort, Inc., a Nevada Corporation (the Company ), will be held at the Company s corporate office, located at 402 W. Broadway, Suite 400, San Diego, California 92101, on Thursday, September 22, 2011, at 10:00 a.m. local time, for the following purposes:

- (1) To re-elect four directors;
- (2) To ratify the appointment of KMJ Corbin & Company LLP as the independent registered public accounting firm of the Company and its subsidiary for the fiscal year ending March 31, 2012;
- (3) To approve an amendment to our Amended and Restated Articles of Incorporation to authorize a class of undesignated or blank check preferred stock, consisting of 2,500,000 authorized shares, which may be issued in one or more series, with such rights, preferences, privileges and restrictions as shall be fixed by the Company s Board of Directors;
- (4) To approve the Company s 2011 Stock Incentive Plan; and
- (5) To transact such other business as may properly come before the meeting or any adjournment thereof.

The Board of Directors has fixed the close of business on Monday, August 1, 2011 as the record date for the determination of stockholders who are entitled to notice of and to vote at the meeting, or any adjournments thereof. This Proxy Statement was first mailed to stockholders on or about August 15, 2011. We cordially invite you to attend the Annual Meeting. Whether or not you plan to attend the Annual Meeting, please sign, date, and return the enclosed proxy card in the envelope provided or take advantage of the opportunity to vote your proxy online. If you have any questions or need assistance voting your shares of our Common Stock, please contact Eagle Rock Proxy Advisors LLC, 12 Commerce Drive, Cranford, New Jersey 07016, our proxy solicitor, by calling toll-free at 855-612-6973.

Pursuant to rules promulgated by the Securities and Exchange Commission, we have elected to provide access to our proxy materials both by sending you this full set of proxy materials, including a proxy card, and by notifying you of the availability of our proxy materials on the Internet. The enclosed Proxy Statement and accompanying 2011 Annual Report are available on the Internet at <https://materials.proxyvote.com/229050>.

**YOUR VOTE IS IMPORTANT**

**YOU ARE URGED TO VOTE YOUR PROXY PROMPTLY BY MAIL, TELEPHONE OR VIA THE INTERNET, WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING.**

Sincerely,

/s/ Larry G. Stambaugh  
Larry G. Stambaugh  
Chief Executive Officer and Director

**PROXY STATEMENT**  
**2011 ANNUAL MEETING OF STOCKHOLDERS**  
**TO BE HELD ON THURSDAY, SEPTEMBER 22, 2011**  
**GENERAL INFORMATION**

**Introduction**

This Proxy Statement is furnished in connection with the solicitation of proxies on behalf of the Board of Directors (the Board) of CryoPort, Inc., a Nevada corporation (referred to as we, us, our, Company or CryoPort), with the 2011 Annual Meeting of Stockholders of the Company and any adjournment thereof (the Annual Meeting) to be held at the Company's corporate office, located at 402 W. Broadway, Suite 400, San Diego, California 92101, at 10:00 a.m. local time.

The Proxy Statement and the form of proxy relating to the Annual Meeting are first being made available to stockholders on or about August 15, 2011.

**Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting To Be Held On September 22, 2011.**

The Proxy Statement and 2011 Annual Report are available on the Internet at the following website <https://materials.proxyvote.com/229050>. Information on the website does not constitute a part of this Proxy Statement.

**What is the purpose of the Annual Meeting?**

The matters to be voted upon at the Annual Meeting are:

- (1) To re-elect four directors;
- (2) To ratify the appointment of KMJ Corbin & Company LLP as the independent registered public accounting firm of the Company and its subsidiary for the fiscal year ending March 31, 2012;
- (3) To approve an amendment to the Company's Amended and Restated Articles of Incorporation to authorize a class of undesignated or blank check preferred stock, consisting of 2,500,000 authorized shares, which may be issued in one or more series, with such rights, preferences, privileges and restrictions as shall be fixed by the Company's Board;
- (4) To approve the Company's 2011 Stock Incentive Plan; and
- (5) To transact such other business as may properly come before the meeting or any adjournment thereof.

**Why am I being provided with these materials?**

Owners of record of the Company's common stock as of the close of business on August 1, 2011 (the Record Date) are entitled to vote in connection with the Annual Meeting. As a stockholder, you are requested to vote on the Proposals described in this Proxy Statement. This Proxy Statement describes the Proposals presented for stockholder action at our Annual Meeting and includes information required to be disclosed to stockholders.

**Who can vote in connection with the Annual Meeting?**

You may vote if you were the record owner of the Company's common stock as of the close of business on the Record Date. Each share of common stock is entitled to one vote. As of August 1, 2011, there were 27,945,931 shares of common stock outstanding and entitled to vote.

**How do I vote?**

There are several ways to cast your vote:

You may vote over the Internet, by going to <https://materials.proxyvote.com/229050>. You will need to type in the Control Number indicated on your Proxy Card and follow the instructions.

You may vote over the telephone, by dialing 1-800-690-6903 and follow the recorded instructions. You will need the Control Number indicated on your Proxy Card.

You may vote by mailing in the Proxy Card ballot. To vote by mail using the enclosed Proxy Card (if you received a printed copy of these proxy materials by mail or if you printed a Proxy Card off the Internet), you will need to complete, sign and date your Proxy Card and return it promptly in the envelope provided or mail it to Vote Processing, c/o Broadridge, 51 Merced Way, Edgewood, NY 11717.

You may vote in person, at the commencement of the Annual Meeting.

**How does the Board recommend that I vote my shares?**

Unless you give other instructions through your proxy vote, the persons named as proxy holders on the proxy card will vote in accordance with the recommendations of the Board. For the reasons set forth in more detail later in the Proxy Statement, the Board recommends the following:

Proposal 1: The Board recommends a vote FOR ;

Proposal 2: The Board recommends a vote FOR ;

Proposal 3: The Board recommends a vote FOR ; and

Proposal 4: The Board recommends a vote FOR .

We encourage all stockholders to vote their shares. If you own your shares in street name and do not instruct your broker or other record owner of the shares as to how to vote, such broker or other record owner may vote your shares pursuant to its discretionary authority, at least with respect to Proposal 2.

**What types of votes are permitted on each Proposal?**

Proposal 1: You may either vote FOR all the nominees to the Board, you may WITHHOLD for all nominees, or you may WITHHOLD your vote from any nominee you specify.

Proposal 2: You may vote FOR, AGAINST or ABSTAIN .

Proposal 3: You may vote FOR, AGAINST or ABSTAIN .

Proposal 4: You may vote FOR, AGAINST or ABSTAIN .

If you vote WITHHOLD (in the case of Proposal 1 above) or ABSTAIN (in the case of Proposals 2, 3 and 4 above) your vote will not be counted towards the vote total for such Proposal.

**How many votes are needed to approve each Proposal?**

Proposal 1: The four nominees receiving the most FOR votes will be elected.

Proposal 2: There must be a FOR vote from the majority of votes cast.

Proposal 3: There must be a FOR vote from the majority of outstanding shares of common stock.

Proposal 4: There must be a FOR vote from the majority of votes cast.

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The Board will be elected by a favorable vote of a plurality of the shares of common stock present and entitled to vote, in person or by proxy, at the Annual Meeting. Accordingly, abstentions and broker non-votes as to the election of directors will not be counted in determining which nominees received the largest number of votes cast.

**What constitutes a quorum?**

To carry on the business of the meeting, we must have a quorum. A quorum is present when a majority of the outstanding shares, as of the Record Date, is represented in person or by proxy. Shares owned by the Company are not considered outstanding or present at the meeting. Shares that are entitled to vote but that are not voted at the direction of the beneficial owner (called abstentions) and votes withheld by brokers in the absence of instructions from beneficial owners (called broker non-votes) will be counted for the purpose of determining whether there is a quorum for the transaction of business at the meeting.

**What are broker non-votes?**

Broker non-votes occur with respect to shares held in street name, in cases where the record owner (for instance, the brokerage firm, or bank) does not receive voting instructions from the beneficial owner and the record owner does not have the authority to vote those shares.

Various national and regional securities exchanges, including the rules of the New York Stock Exchange, applicable to brokers, banks, and other holders of record determine whether the record owner (for instance, the brokerage firm, or bank) is able to vote on a proposal if the record owner does not receive voting instructions from the beneficial owner. The record owner may vote on proposals that are determined to be routine under these rules and may not vote on proposals that are determined to be non-routine under these rules. If a proposal is determined to be routine, your broker, bank, or other holder of record is permitted to vote on the proposal without receiving voting instructions from you. The proposal to ratify the appointment of our independent registered public accounting firm is a routine matter and the record owner may vote your shares on this proposal if it does not get instructions from you.

The proposal to elect directors and the proposals to approve an amendment to our Amended and Restated Articles of Incorporation and to approve our 2011 Stock Incentive Plan are non-routine and the record owner may not vote your shares on any of these proposals if it does not get instructions from you. If you do not provide voting instructions on these three matters, a broker non-vote will occur. Broker non-votes, as well as ABSTAIN votes, will each be counted towards the presence of a quorum but will not be counted towards the vote total for any Proposal.

**What if my shares are not registered directly in my name but are held in street name ?**

If at the Record Date your shares were held in street name (for instance, through a brokerage firm or bank), then you are the beneficial owner of such shares, and such shares are not registered directly in your name. The organization holding your account is considered the stockholder of record for purposes of the Annual Meeting. As a beneficial owner, you have the right to direct that organization on how to vote the shares in your account. You will receive the notice and other proxy materials if requested, as well as voting instructions, directly from that organization.

**If I am a beneficial owner of CryoPort shares, how do I vote?**

If you are a beneficial owner, you will need to follow the voting instructions provided to you by the organization holding your account (for instance, your brokerage firm). To request documents or if you have any questions about voting, you will need to contact your broker. As a beneficial owner, if you would like to vote in person at the Annual Meeting, you must obtain a Legal Proxy from your broker or other applicable registered owner of your shares, in advance of the meeting.

**Can I dissent or exercise rights of appraisal?**

Neither Nevada law nor our Amended and Restated Articles of Incorporation or Bylaws provide our stockholders with dissenters or appraisal rights in connection with any of the proposals to be presented at the Annual Meeting. If the proposals are approved at the Annual Meeting, stockholders voting against such proposals will not be entitled to seek appraisal for their shares.

**How many votes do I have?**

On each matter to be voted upon, you have one vote for each share of our common stock that you owned as of the close of business on the Record Date.

**How are the votes counted?**

All votes will be tabulated by the inspector of elections appointed for the Annual Meeting who will separately tabulate affirmative and negative votes and abstentions. Any information that identifies a stockholder or the particular vote of a stockholder is kept confidential.

**Will stockholders be asked to vote on any other matters?**

The Board is not aware of any other matters that will be brought before the stockholders for a vote. If any other matters properly come before the meeting, the proxy holders will vote on those matters in accordance with the recommendations of the Board or, if no recommendations are given, in accordance with their own judgment. Stockholders attending the meeting may directly vote on those matters or they may vote by proxy.

**How many Annual Reports and Proxy Statements are delivered to a shared address?**

If you and one or more holders of our common stock share the same address, it is possible that only one Proxy Statement and Annual Report was delivered to your address. This is known as householding. We will promptly deliver a separate copy of either document to you if you call or write us at our principal executive offices, 402 W. Broadway, Suite 400, San Diego, California 92101 Attn: Secretary, telephone: (619) 595-3130. If you want to receive separate copies of the Proxy Statement or Annual Report to stockholders in the future, or if you are receiving multiple copies and would like to receive only one copy per household, you should contact your bank, broker, or other nominee record holder, or you may contact us at the above address and telephone number.

**What does it mean if I receive more than one Notice or Proxy Card?**

If you receive more than one Proxy Card, your shares are owned in more than one name or in multiple accounts. In order to ensure that all of your shares are voted, you must follow the voting instructions included in each Proxy Card.

**Can I change or revoke my vote after I submit my proxy?**

Even after you have submitted your Proxy Card or voted by telephone or by Internet, you may change or revoke your vote at any time before the proxy is exercised by filing with our Secretary either a notice of revocation or a signed Proxy Card bearing a later date. The powers of the proxy holders will be suspended with respect to your shares if you attend the meeting in person and so request, although attendance at the meeting will not by itself revoke a previously granted proxy.

**Who pays the cost of proxy solicitation?**

The Board is soliciting the enclosed proxy. The Company bears the cost of the solicitation of proxies. The Company may solicit consenting stockholders over the Internet, by telephone or by mail. We will request banks, brokerage houses, nominees and other fiduciaries nominally holding shares of our common stock to forward the proxy soliciting materials to the beneficial owners of such common stock and to obtain authorization for the execution of proxies. We will, upon request, reimburse such parties for their reasonable expenses in forwarding proxy materials to the beneficial owners. We have engaged Eagle Rock Proxy Advisors LLC to help solicit proxies. We will pay the costs associated with Eagle Rock Proxy Advisors LLC's solicitation services, including approved out-of-pocket expenses, which we expect to cost less than \$10,000.

### PROPOSAL 1 ELECTION OF DIRECTORS

The Board currently consists of four directors. Directors are elected on an annual basis. Each of the current directors will stand for re-election at the Annual Meeting to serve as a director until the 2012 Annual Meeting of the Stockholders or until their successors are duly elected and qualified or their earlier death, resignation, or removal. The persons named on the proxy will vote to elect all of the nominees as directors for terms ending at the 2012 Annual Meeting of the Stockholders unless you withhold authority to vote for any or all of the nominees by voting to that effect or so voting in person. Each nominee has consented to serve as a director for the ensuing year. If one or more of the four nominees becomes unavailable to serve prior to the date of the Annual Meeting, the persons named as proxy holders will vote those shares for the election of such other person(s) as the Board may recommend, unless the Board reduces the total number of directors.

Directors are elected by a plurality of the shares represented at the meeting, whether in person or by proxy. Votes may be cast FOR all nominees, WITHHOLD for all nominees, or WITHHOLD as to specific nominees. The four nominees who receive the greatest number of votes cast FOR the election of such nominees shall be elected as directors.

#### Nominees for Election

The four nominees for election as Directors are set forth in the following table:

Carlton M. Johnson, Jr.	Mr. Johnson, age 50, became a member of the Company's Board in May 2009 and serves as Chairman of the Compensation Committee and is a member of the Audit Committee and the Nomination and Governance Committee. Mr. Johnson has been In-House Legal Counsel for Roswell Capital Partners, LLC since 1996. Mr. Johnson has been a member of the Alabama Bar since 1986, the Florida Bar since 1988 and the State Bar of Georgia since 1997. He was a stockholder in the Pensacola, Florida Bar Registered (AV rated) law firm of Smith, Sauer, DeMaria & Johnson from 1988 to 1996. Mr. Johnson holds a degree in History/Political Science from Auburn University and Juris Doctorate from Samford University, Cumberland School of Law. Mr. Johnson also currently serves on the board of Peregrine Pharmaceuticals, Inc. and Patriot Scientific Corporation. Mr. Johnson's appointment to the Board fulfills an agreement between the Company and BridgePointe Master Fund Ltd. ( BridgePointe ) to have a representative of BridgePointe on the Company's Board pursuant to the terms of the Company's October 2007 and May 2008 Convertible Debentures, as amended. The Board concluded that Mr. Johnson should serve as a director on our Board in light of the extensive public company finance experience that he has obtained through serving on the boards and audit committees of Peregrine Pharmaceuticals, Inc., Ecotality, Inc. and Patriot Scientific Corporation.
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Adam M. Michelin	Mr. Michelin, age 68, became a member of the Company's Board in June 2005 and serves as the Lead Independent Director, the Chairman of the Audit Committee, and as a member of the Compensation Committee and the Nomination and Governance Committee. Mr. Michelin is currently the owner and Chief Executive Officer of OWS Products LLC and OWS Labs, Inc. (manufacturer and distributor, respectively, of natural supplements), positions he has held since January 2011, and the President and Chief Executive Officer of Redux Holdings, Inc., a position he has held since January 2006. Mr. Michelin has held several executive leadership positions including, Chief Executive Officer of Enterprise Group from March 2005, Principal of Kibel Green, Inc., a position he held for 11 years prior to joining Enterprise Group, and Partner of KPMG LLP for 10 years. Mr. Michelin also served on the board of Naturade Inc. between August 2006 and June 2008. Mr. Michelin has over 30 years of practice in the areas of executive leadership and operations and is very experienced in evaluating, structuring and implementing solutions for companies in operational and/or financial crisis. Mr. Michelin received his Juris Doctorate from the University of West Los Angeles and his Bachelor of Science from TriStateUniversity. The Board concluded that Mr. Michelin should serve as a director on our Board in light of his
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strategic and operational experience.

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Larry G. Stambaugh Larry G. Stambaugh, age 64, was elected as the Company's Chairman of the Board on December 5, 2008 and became President and Chief Executive Officer on February 20, 2009. Mr. Stambaugh is currently a Principal of Apercu Consulting, a firm that he established in 2006. From December 1992 to January 2006, Mr. Stambaugh served as Chairman and Chief Executive Officer of Maxim Pharmaceuticals, a public company developing cancer and infectious disease drugs which he co-founded. From December 2007 to February 2008, Mr. Stambaugh reorganized two biotechnology companies owned by Arrowhead Research Corporation, a public holding company, Calando Pharmaceuticals and Inset Therapeutics and served as Chief Executive Officer of each subsidiary. Mr. Stambaugh has more than 30 years experience building global businesses and setting strategies and has an extensive background in life sciences and clean tech including relationships with and knowledge of Contract Research Organizations, biotech and pharmaceutical companies. Mr. Stambaugh serves on several boards including EcoDog, Corporate Directors Forum, and BioCom and has been a corporate governance leader for several years, including recognition as Director of the Year by the Corporate Directors Forum. Mr. Stambaugh earned his BBA Accounting/Finance from Washburn University in 1969. The Board concluded that Mr. Stambaugh should serve as a director on our Board in light of the perspective and experience he brings as the Company's current Chief Executive Officer and from his prior experience in the life sciences and clean tech industries and as a corporate governance leader.

Karen M. Muller Karen M. Muller, age 56, became a member of our Board in May 2011 and serves as Chairman of the Nomination and Governance Committee and is a member of the Audit Committee and the Compensation Committee. Ms. Muller is a corporate attorney who has been in private practice since May 2008. From August 2006 to January 2008, Ms. Muller was a member of the Board of Directors of, and a consultant to, Naturade, Inc., a publicly traded company in the nutraceutical industry. Ms. Muller was part of the team from Redux Holdings, Inc., a public company, that acquired Naturade and brought it out of bankruptcy. From November 2004 to August 2006, Ms. Muller was the co-owner of Cerius Interim Executive Solutions, which delivers interim executive management solutions to small and medium businesses. While at Cerius, Ms. Muller led its business development efforts. Prior to Cerius, from June 2003 to November 2004, Ms. Muller was managing director of Capital Asset Advisors, LLC, which provides investment banking and financial advisory services to middle market companies. Ms. Muller was formerly a managing director and deputy general counsel for Lehman Brothers, Inc. (1988 to 1999) and a corporate attorney with the Wall Street law firm Cahill Gordon & Reindel (1981 to 1988). Ms. Muller earned her Bachelor of Arts degree from Hunter College in 1978 and her Juris Doctor degree from Fordham University School of Law in 1981. Ms. Muller is presently a Director Emeritus for The Forum for Corporate Directors in Orange County, California. The Board concluded that Ms. Muller should serve as a director on our Board in light of her extensive corporate governance and legal experience and her experience in working with many public and private healthcare related companies, including pharmaceutical and medical device companies.

**THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR ELECTION OF EACH OF THE NOMINEES**

**BOARD INFORMATION AND DIRECTOR NOMINATION PROCESS**

**How often did the Board meet during the Company's fiscal year 2011?**

During the fiscal year ended March 31, 2011 (fiscal 2011), there were 10 meetings of the Board as well as several actions taken with the unanimous written consent of the directors. None of our directors attended fewer than 75% of the meetings of the Board held during the director's service or of any Committee on which the director served during fiscal 2011. While the Company has no formal policy on the matter, directors are generally expected to attend our

Annual Meetings. All of the directors who were directors at the time attended our 2010 Annual Meeting of Stockholders.

**Do we have independent directors?**

Our Board has affirmatively determined that three of the four current directors who have been nominated for re-election at the Annual Meeting are independent as such term is defined under NASDAQ Rule 5605(a)(2) and the related rules of the Securities and Exchange Commission (the SEC), with Mr. Johnson, Mr. Michelin and Ms. Muller being determined to be independent.

**How did the Board make its independence determinations?**

The Company is quoted on the OTCQB which is operated by OTC Markets, Inc., which does not require director independence requirements. However, for purposes of determining director independence, we have applied the definitions set forth in NASDAQ Rule 5605(a)(2) which states, generally, that a director is not considered to be independent if he or she is, or at any time during the past three years was an employee of the Company; or if he or she (or his or her family member) accepted compensation from the Company in excess of \$120,000 during any twelve month period within the three years preceding the determination of independence. Accordingly, Mr. Stambaugh would not be considered an independent director.

**What Committees has the Board established?**

The Board has established an Audit Committee, a Compensation Committee and Nomination and Governance Committee.

*Audit Committee.* The functions of the Audit Committee are to (i) review the qualifications of the independent auditors, our annual and interim financial statements, the report of independent registered public accounting firm, significant reporting or operating issues and corporate policies and procedures as they relate to accounting and financial controls; and (ii) to consider and review other matters relating to our financial and accounting affairs. The Company's Board has a formally established Audit Committee and adopted an Audit Committee charter. The Audit Committee's charter is available on the Company's website at [www.cryoport.com](http://www.cryoport.com) under the tab Corporate Governance which is found under the Investor Relations tab under the heading Our Company. Information on the website does not constitute a part of this Proxy Statement.

The members of the Audit Committee are Adam M. Michelin, who is the Audit Committee Chairman, and Carlton M. Johnson, Jr. and Karen M. Muller. The Company has determined that (i) Adam M. Michelin qualifies as an audit committee financial expert as defined in Item 401(h) of Regulation S-K of the SEC rules and is independent within the meaning of NASDAQ Rule 5605(a)(2) and the related rules of the SEC, and (ii) Carlton M. Johnson, Jr. and Karen M. Muller each meets NASDAQ's financial literacy and financial sophistication requirements and is independent within the meaning of NASDAQ Rule 5605(a)(2) and the related rules of the SEC. During fiscal 2011, the Company's Audit Committee held four meetings. In addition, the Audit Committee regularly held discussions regarding the consolidated financial statements of the Company during Board meetings.

*Compensation Committee.* The purpose of the Compensation Committee is to discharge the Board's responsibilities relating to compensation of the Company's directors and executive officers, to produce an annual report on executive compensation for inclusion in the Company's Proxy Statement, as necessary, and to oversee and advise the Board on the adoption of policies that govern the Company's compensation programs including stock incentive and benefit plans. In May 2010, the Company's Board adopted a Compensation Committee Charter. Previously, the Committee was known as the Compensation and Governance Committee. The Compensation Committee's charter is available on the Company's website at [www.cryoport.com](http://www.cryoport.com) under the tab Corporate Governance which is found under the Investor Relations tab under the heading Our Company. Information on the website does not constitute a part of this Proxy Statement.

The current members of the Compensation Committee are Carlton M. Johnson, Jr., who is the Chairman of the Compensation Committee, Karen M. Muller and Adam M. Michelin, each of whom is independent under applicable independence requirements. Each of the current members of the Compensation Committee is a non-employee director under Section 16 of the Exchange Act and an outside director for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code). The Compensation Committee met three times during fiscal 2011.

*Nomination and Governance Committee.* In May 2010, the Company established the Nomination and Governance Committee. The function of the Nomination and Governance Committee is to (i) make recommendations to the Board regarding the size of the Board, (ii) make recommendations to the Board regarding criteria for the selection of director nominees, (iii) identify and recommend to the Board for selection as director nominees individuals qualified to become members of the Board, (iv) recommend committee assignments to the Board, (v) recommend to the Board corporate governance principles and practices appropriate to the Company, and (vi) lead the Board in an annual review of its performance. The Nomination and Governance Committee's charter is available on the Company's website at [www.cryoport.com](http://www.cryoport.com) under the tab Corporate Governance which is found under the Investor Relations tab under the heading Our Company. Information on the website does not constitute a part of this Proxy Statement.

The current members of the Nomination and Governance Committee are Karen M. Muller, who is the Chairman of the Nomination and Governance Committee, Carlton M. Johnson, Jr. and Mr. Adam M. Michelin. The Nomination and Governance Committee met one time during fiscal 2011.

#### **What are the Nominating Procedures and Criteria?**

*Director Qualifications.* The Nomination and Governance Committee believes that persons nominated to the Board should have personal integrity and high ethical character. Candidates should not have any interests that would materially impair his or her ability to exercise independent judgment or otherwise discharge the fiduciary duties owed by a director to the Company and its stockholders. Candidates must be able to represent fairly and equally all stockholders of the Company without favoring any particular stockholder group or other constituency of the Company and must be prepared to devote adequate time to the Board and its committees. In selecting nominees for director, the Nomination and Governance Committee will assure that:

The three directors currently comprising the Audit Committee satisfy the financial literacy requirements required for service on the Audit Committee; and

At least one of the directors qualifies as an Audit Committee financial expert under the rules of the SEC.

*Identifying Director Candidates.* The Nomination and Governance Committee utilizes a variety of methods for identifying and evaluating nominees to serve as directors. The Nomination and Governance Committee has a policy of re-nominating incumbent directors who continue to satisfy the committee's criteria for membership and whom the Nomination and Governance Committee believes continue to make important contributions to the Board and who consent to continue their service on the Board.

In filling vacancies of the Board, the Nomination and Governance Committee will solicit recommendations for nominees from the persons the committee believes are likely to be familiar with (i) the needs of the Company and (ii) qualified candidates. These persons may include members of the Board and management of the Company. The Nomination and Governance Committee may also engage a professional search firm to assist in identifying qualified candidates.

In evaluating potential nominees, the Nomination and Governance Committee will oversee the collection of information concerning the background and qualifications of the candidate and determine whether the candidate satisfies the minimum qualifications required by the Committee for election as director and whether the candidate possesses any of the specific skills or qualities that under the Board's policies must be possessed by one or more members of the Board.

The Nomination and Governance Committee does not have a written policy with respect to Board diversity; however, the committee's goal is to assemble a Board that brings to the Company a diversity of knowledge, skills and expertise derived from high quality business and professional experience. We believe a Board with these attributes leads to improved company performance by encouraging new ideas and perspectives and expanding the knowledge base available to management.

The Nomination and Governance Committee may interview any proposed candidate and may solicit the views about the candidate's qualifications and suitability from the Company's chief executive officer and other senior members of management.

The Nomination and Governance Committee will make their selections based on all the available information and relevant considerations. The Nomination and Governance Committee's selection will be based on who, in the view of the Committee, will be best suited for membership on the Board.

In making its selection, the Nomination and Governance Committee will evaluate candidates proposed by stockholders under criteria similar to other candidates, except that the Committee may consider, as one of the factors in their evaluation, the size and duration of the interest of the recommending stockholder in the stock of the Company. The Nomination and Governance Committee may also consider the extent to which the recommending stockholder intends to continue to hold its interest in the Company, including whether the recommending stockholder intends to continue holding its interest at least through the time of the meeting at which the candidate is to be elected.

*Stockholder Nominees.* The Nomination and Governance Committee will consider director nominee recommendations by stockholders, provided the names of such nominees, accompanied by relevant biographical information, are properly submitted in writing to the Secretary of the Corporation in accordance with the manner described for stockholder nominations under the heading "Stockholder Proposals for Next Annual Meeting." The Secretary will forward all recommendations to the Nomination and Governance Committee. The acceptance of a recommendation from a stockholder does not imply that the Nomination and Governance Committee will recommend to the Board the nomination of the stockholder recommended candidate.

#### **How is the Board Structured?**

Pursuant to our Bylaws, the Chairman of the Board presides at meetings of the Board. The Chairman of the Board is currently our Chief Executive Officer, Mr. Stambaugh. The Board has also designated Adam M. Michelin as Lead Independent Director. The Lead Independent Director is responsible for presiding at meetings of the Board if the Chairman is not present. Additionally, among other things, the Lead Independent Director will preside at regular meetings of independent Board members (i.e., executive sessions) without management present and develop, with collaboration with the Board and the Chief Executive Officer, evaluation criteria, and, in collaboration with the Compensation Committee, evaluate the Chief Executive Officer.

The Board has determined that its current structure, with a combined Chairman and Chief Executive Officer and a Lead Independent Director, is in the best interests of the Company and its stockholders. The Board believes that combining the Chairman and Chief Executive Officer positions is currently the most effective leadership structure for the Company given Mr. Stambaugh's in-depth knowledge of the Company's technology, business and industry, and his ability to formulate and implement strategic initiatives. Further, Mr. Stambaugh is intimately involved in the day-to-day operations of the Company and is thus in a position to elevate the most critical business issues for consideration by the independent directors of the Board.

We believe the Lead Independent Director and the independent nature of the Audit Committee, the Compensation Committee, and the Nomination and Governance Committee, as well as the practice of the independent directors regularly meeting in executive session without Mr. Stambaugh and the other members of the Company's management present, ensures that the Board maintains a level of independent oversight of management that is appropriate for the Company.

### **What is the Board's Role in Risk Oversight?**

The Board oversees an enterprise-wide approach to risk management that is designed to support the achievement of organizational objectives to improve long-term performance and enhance stockholder value. A fundamental part of risk management is not only understanding the risks a company faces and what steps management is taking to manage those risks, but also understanding what level of risk is appropriate for the Company. In setting the Company's business strategy, the Board assesses the various risks being mitigated by management and determines what constitutes an appropriate level of risk for the Company.

While the Board has the ultimate oversight responsibility for the risk management process, various committees of the Board also have responsibility for risk management. In particular, the Audit Committee focuses on financial risk, including internal controls, and receives financial risk assessment reports from management. Risks related to the compensation programs are reviewed by the Compensation Committee. The Board is advised by these committees of significant risks and management's response via periodic updates.

### **STOCKHOLDER COMMUNICATIONS WITH THE BOARD**

The Board allows stockholders to send communications to the Board through its Nomination and Governance Committee. All such communications, except those related to stockholder proposals discussed under the heading "Stockholder Proposals for Next Annual Meeting," must be sent to the Chairman of the Nomination and Governance Committee at the Company's offices at 402 W. Broadway, Suite 400, San Diego, California 92101.

### **PROPOSAL 2 RATIFY APPOINTMENT OF KMJ CORBIN & COMPANY LLP AS COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee of the Board (the "Audit Committee") has selected KMJ Corbin & Company LLP to audit the Company's consolidated financial statements for the fiscal year ending March 31, 2012 ( "fiscal 2012"). The Board, upon the recommendation of the Audit Committee, has ratified the selection of KMJ Corbin & Company LLP as the Company's independent registered public accounting firm for fiscal 2012, subject to ratification by the stockholders. KMJ Corbin & Company LLP has served in this capacity for each of the seven previous fiscal years, including fiscal 2011, and has reported on the Company's fiscal 2011 consolidated financial statements. During those seven fiscal years, there were no disagreements between the Company and KMJ Corbin & Company LLP on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure.

Representatives of KMJ Corbin & Company LLP are expected to be present at the meeting with the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions. Stockholder ratification of the selection of KMJ Corbin & Company LLP as the Company's independent auditors is not required by our Bylaws or otherwise. However, the Board is submitting the selection of KMJ Corbin & Company LLP to the stockholders for ratification as a matter of corporate practice. If the stockholders fail to ratify the selection, the Audit Committee will reconsider whether or not to retain that firm. Even if the selection is ratified, the Audit Committee in its discretion may direct the appointment of a different independent accounting firm at any time during the year if the Audit Committee determines that such a change would be in the best interests of the Company and its stockholders.

**THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR RATIFICATION OF THE APPOINTMENT OF KMJ CORBIN & COMPANY LLP AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR FISCAL 2012.**

**Independent Registered Public Accounting Firm Fees**

The following table shows the fees that the Company paid or accrued for the audit and other services provided by KMJ Corbin & Company LLP for the Company's fiscal 2011 and fiscal 2010.

	2011	2010
Audit fees	\$ 88,000	\$ 109,700
Audit-related fees	21,240	75,800
Tax fees	6,250	6,250
All other fees	5,477	13,300
Total fees	\$ 120,967	\$ 205,050

*Audit Fees.* The aggregate fees billed for fiscal 2011 and fiscal 2010 were for the audits of the Company's consolidated financial statements and reviews of the interim financial statements included in the annual and quarterly reports.

*Audit-Related Fees.* Audit-related fees for fiscal 2011 and fiscal 2010 were incurred as a result of the Company's S-1 and S-8 filings.

*Tax Fees.* The aggregate fees billed for fiscal 2011 and fiscal 2010 for professional services related to tax compliance, tax advice and tax planning.

*All Other Fees.* Other fees for fiscal 2011 and fiscal 2010 were incurred as a result of other professional services and administrative fees.

**Pre-Approval Policy for Services Provided by the Company's Independent Registered Public Accounting Firm**

The Audit Committee has established a policy to pre-approve all audit and permissible non-audit services provided by the Company's independent registered public accounting firm consistent with applicable SEC rules. From and after the effective date of the SEC rule requiring Audit Committee pre-approval of all audit and permissible non-audit services provided by an independent registered public accounting firm, the Audit Committee has pre-approved all audit and permissible non-audit services provided by KMJ Corbin & Company LLP. The Audit Committee has considered whether the services provided by KMJ Corbin & Company LLP are compatible with maintaining that firm's independence.

**PROPOSAL 3 APPROVAL OF AMENDMENT TO AMENDED AND RESTATED ARTICLES OF INCORPORATION TO CREATE A CLASS OF UNDESIGNATED PREFERRED STOCK**

The Company's Amended and Restated Articles of Incorporation do not presently authorize the issuance of shares other than common stock. On July 19, 2011, the Board voted unanimously, subject to stockholder approval, to approve a Certificate of Amendment to the Company's Amended and Restated Articles of Incorporation (the "Blank Check Preferred Articles Amendment") which creates 2,500,000 shares of undesignated preferred stock, commonly referred to as "blank check" preferred stock because the Board has discretion to designate one or more series of the preferred stock with the rights, privileges and preferences of each series to be fixed by the Board from time to time in the future. The Board believes that the authorization of undersigned preferred shares would provide the Company greater flexibility with respect to the Company's capital structure for such purposes as additional equity financings and stock based acquisitions. "Blank check" preferred stock is commonly authorized by publicly traded companies and is frequently used as a preferred means of raising capital and making acquisitions. In particular, in recent years, smaller companies have been required to utilize senior classes of securities to raise capital, with the terms of those securities being highly negotiated and tailored to meet the needs of both investors and the issuing companies. Such senior securities typically include liquidation and dividend preferences, protections, conversion privileges and other rights not found in common stock. We presently lack the authority to issue preferred stock and, accordingly, are limited to issuing common stock or debt securities to raise capital. By authorizing a class of "blank check" preferred stock, we would increase our flexibility in structuring transactions. The full text of the proposed Blank Check Preferred Articles Amendment is set forth in Exhibit A attached to this Proxy Statement.



Subject to the provisions of the Company's Amended and Restated Articles of Incorporation and the limitations prescribed by law, the Board would be expressly authorized, at its discretion, to adopt resolutions to issue shares, to fix the number of shares and to change the number of shares constituting any series and to provide for or change the voting powers, designations, preferences and relative, participating, optional or other special rights, qualifications, limitations or restrictions thereof, including dividend rights (including whether the dividends are cumulative), dividend rates, terms of redemption (including sinking fund provisions), redemption prices, conversion rights and liquidation preferences of the shares constituting any series of the preferred stock, in each case without any further action or vote by the stockholders. The Board would be required to make any determination to issue shares of preferred stock based on its judgment as to the best interests of the Company and its stockholders. The amendment to the Amended and Restated Articles of Incorporation would give the Board flexibility, without further stockholder action, to issue preferred stock on such terms and conditions as the Board deems to be in the best interests of the Company and its stockholders.

Any issuance of preferred stock with voting rights could, under certain circumstances, have the effect of delaying or preventing a change in control of the Company by increasing the number of outstanding shares entitled to vote and by increasing the number of votes required to approve a change in control of the Company. Shares of voting or convertible preferred stock could be issued, or rights to purchase such shares could be issued, to render more difficult or discourage an attempt to obtain control of the Company by means of a tender offer, proxy contest, merger or otherwise. The ability of the Board to issue such additional shares of preferred stock, with the rights and preferences it deems advisable, could discourage an attempt by a party to acquire control of the Company by tender offer or other means. Such issuances could therefore deprive stockholders of benefits that could result from such an attempt, such as the realization of a premium over the market price that such an attempt could cause. Moreover, the issuance of such additional shares of preferred stock to persons friendly to the Board could make it more difficult to remove incumbent managers and directors from office even if such change were to be favorable to stockholders generally.

While the Blank Check Preferred Articles Amendment may have anti-takeover ramifications, the Board believes that the financial flexibility offered by such amendment outweighs any disadvantages. To the extent that such amendment may have anti-takeover effects, such amendment may encourage persons seeking to acquire the Company to negotiate directly with the Board enabling the Board to consider the proposed transaction in a manner that best serves the stockholders' interests.

This proposal has not been made in response to, and is not being presented to deter, any effort to obtain control of the Company and is not being proposed as an anti-takeover measure. We have no arrangements, agreements, or understandings in place at the present time for the issuance or use of the shares of preferred stock to be authorized by the proposed Blank Check Preferred Articles Amendment.

**No Dissenter's Rights**

Neither Nevada law nor our Amended and Restated Articles of Incorporation or bylaws provide our stockholders with dissenters' or appraisal rights in connection with this proposal.

**Required Vote**

Approval of this Proposal No. 3 requires the affirmative vote of the holders of a majority of our outstanding shares of common stock. As a result, abstentions and broker non-votes will have the same effect as negative votes.

**THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR APPROVAL OF THE CREATION OF UNDESIGNATED PREFERRED STOCK OF THE COMPANY**

## **PROPOSAL 4 APPROVAL OF 2011 STOCK INCENTIVE PLAN**

### **General Information**

On July 19, 2011, the Board adopted, subject to stockholder approval, the CryoPort, Inc. 2011 Stock Incentive Plan (the 2011 Incentive Plan ). The 2011 Incentive Plan provides for the grant of incentive stock options, nonqualified stock options, restricted stock rights, restricted stock, performance share units, performance shares, performance cash awards, stock appreciation rights ( SARs ), and stock grant awards. The 2011 Incentive Plan also permits the grant of awards that qualify for the performance-based compensation exception to the \$1,000,000 limitation on the deduction of compensation imposed by Section 162(m) of the Code.

The following is a summary of the material terms of the 2011 Incentive Plan that may be of importance to you. The summary is qualified by reference to the full text of the 2011 Incentive Plan, which is attached to this Proxy Statement as Exhibit B. Capitalized terms used but not defined have the meaning given to such term in the 2011 Incentive Plan.

### **SUMMARY OF PLAN FEATURES**

#### **Purpose**

The Board believes that the 2011 Incentive Plan will promote the interest and long-term success of the Company and its stockholders by providing an incentive to attract, retain and reward persons performing services for the Company and by motivating such persons to contribute to the continued growth and profitability of the Company.

#### **Administration**

The 2011 Incentive Plan will be administered by the Compensation Committee or such other committee as may be designated by the Board (the Committee ).The Committee must be comprised of at least two (2) members of the Board. Each Committee member must be a non-employee director as defined in Rule 16b-3 of the Exchange Act if required to meet the conditions for exemption from Section 16(b) of the Exchange Act and an outside director as defined in Section 162(m) of the Code. The Committee, by majority action, is authorized to interpret the 2011 Incentive Plan, to prescribe, amend, and rescind rules and regulations relating to the 2011 Incentive Plan, to provide for conditions and assurances deemed necessary or advisable to protect the interests of the Company, and to make all other determinations necessary or advisable for the administration of the 2011 Incentive Plan, to the extent they are not inconsistent with the 2011 Incentive Plan.

The Committee will have the authority, to determine the participants who are entitled to receive awards under the 2011 Incentive Plan, the types of awards, the times when awards shall be granted, the number of awards, the purchase price or exercise price, if any, the period(s) during which such awards shall be exercisable (whether in whole or in part), the restrictions applicable to awards, the form of each award agreement, and the schedule for lapse of forfeiture restrictions or restrictions on the exercisability of an award and accelerations or waivers thereof, based in each case on such considerations as the Committee deems appropriate. The Committee will not have the authority to accelerate the vesting or waive the forfeiture of any performance-based awards (as described below). Neither the award agreement or the other terms and provisions of any award must be identical for each participant.

The Committee will have the authority to modify existing awards, subject to specified provisions of the 2011 Incentive Plan and the listing requirements of OTCQB which is operated by OTC Markets, Inc., or such other exchange on which the Company stock is traded. The Committee will be prohibited from repricing any previously granted options or SARs without first obtaining stockholder approval.

#### **Stock Subject to 2011 Incentive Plan**

A total of 2,300,000 shares of common stock are reserved for issuance under the 2011 Incentive Plan, subject to stockholder approval of this proposal. Notwithstanding the above, the maximum number of shares of stock that may be issued as incentive stock options under the Plan shall be 2,300,000.

Subject to the express provisions of the 2011 Incentive Plan, if any award granted under the 2011 Incentive Plan terminates, expires, lapses for any reason, or is paid in cash, any stock subject to or surrendered for such award will again be stock available for the grant of an award under the 2011 Incentive Plan. The exercise of a stock-settled SAR or broker-assisted cashless exercise of an option (or a portion thereof) will reduce the number of shares of stock available for issuance pursuant to the 2011 Incentive Plan by the entire number of shares of stock subject to that SAR or option (or applicable portion thereof), even though a smaller number of shares of stock will be issued upon such an exercise. Also, shares of stock tendered to pay the exercise price of an option or tendered or withheld to satisfy a tax

withholding obligation arising in connection with an award will not become available for grant or sale under the 2011 Incentive Plan.

The maximum number of shares of common stock that may be granted to a participant, who is a covered employee, during any fiscal year with respect to one or more awards, shall be 500,000 shares.

**Eligibility**

All employees, officers, non-employee directors of, and consultants to, the Company or an affiliate, as determined by the Committee, are eligible to participate in the 2011 Incentive Plan.

**Awards Available Under the 2011 Incentive Plan**

The following types of awards may be granted pursuant to the 2011 Incentive Plan: options, restricted stock rights, restricted stock, performance shares, performance share units, performance cash awards, stock appreciation rights and stock grant awards.

Stock Options. The Committee may grant incentive stock options and nonqualified stock options under the 2011 Incentive Plan. Incentive stock options will be granted only to participants who are employees. The exercise price of all options granted under the 2011 Incentive Plan will be at least 100% of the fair market value of Company stock on the date granted. No option may be exercised more than ten (10) years from the date of grant. The Committee will determine the methods by which the exercise price of an option may be paid, the form of payment, including, without limitation, cash, promissory note, shares of stock held for longer than six months (through actual tender or by attestation), any net-issuance arrangement or other property acceptable to the Committee (including broker-assisted cashless exercise arrangements), and how shares of stock will be delivered or deemed delivered to participants. A participant will have no rights as a stockholder with respect to options until the record date of the stock purchase.

Restricted Stock Rights. The Committee may grant restricted stock rights awards under the 2011 Incentive Plan. A restricted stock right award gives the participant the right to receive common stock or a cash payment equal to the fair market value (determined as of a specified date) in the future. Shares of common stock are not issued under the award until specified restrictions lapse. The restrictions typically involve the achievement of specified performance targets and/or the continued employment of the participant until a specified date. Participants holding restricted stock rights have no voting rights with respect to the shares of stock subject to their restricted stock rights award.

Restricted Stock. The Committee may grant restricted stock under the 2011 Incentive Plan. A restricted stock award gives the participant the right to receive a specified number of shares of common stock at a purchase price determined by the Committee (including and typically zero). Restrictions limit the participant's ability to transfer the stock and subject the stock to a substantial risk of forfeiture until specific conditions or goals are met. The restrictions will lapse in accordance with a schedule or other conditions as determined by the Committee. As a general rule, if a participant terminates employment when the restricted stock is subject to restrictions, the participant forfeits the unvested restricted stock. The Committee may, in its discretion, waive the restrictions in whole or in part, unless the restricted stock award is a performance-based award (as described below).

Performance Shares. The Committee may grant performance share awards under the 2011 Incentive Plan. A performance share award gives the participant the right to receive common stock of the Company if the participant achieves the performance goals specified by the Committee during a performance period specified by the Committee. Each performance share will have a value determined by the Committee at the time of grant.

Performance Share Units. The Committee may grant performance share unit awards under the 2011 Incentive Plan. A performance share unit award gives the participant the right to receive common stock of the Company, a cash payment or a combination of stock and cash, if the participant achieves the performance goals specified by the Committee during a performance period specified by the Committee. Each performance share unit will have a value determined by the Committee at the time of grant.

Performance Cash Awards. The Committee may grant performance cash awards under the Plan. A performance cash award gives the participant the right to receive a cash payment if certain performance goals are satisfied during a performance period specified by the Committee.

Stock Appreciation Rights. The Committee may grant SARs under the 2011 Incentive Plan. A SAR gives the participant the right to share in the appreciation in value of one share of common stock of the Company. Appreciation is calculated as the excess of (i) the fair market value of a share of common stock on the date of exercise over (ii) the price fixed by the Committee on the grant date, which may not be less than the fair market value of a share of common stock on the grant date. Payment for SARs shall be made in stock. SARs are exercisable at the time and

subject to the restrictions and conditions as the Committee approves, provided that no SAR may be exercised more than ten (10) years following the grant date.

Stock Grant Awards. The Committee may grant stock awards under the Plan. A stock grant award gives the participant the right to receive, or the right to purchase at a predetermined price, shares of Stock free from vesting restrictions. A stock grant award may be granted or sold as consideration for past services, other consideration or in lieu of cash compensation due to any participant.

**Performance-Based Awards.** When the Committee grants restricted stock, restricted stock rights, performance shares, performance share units, or performance cash awards it may designate the award as a performance-based award. Options and SARs granted pursuant to the 2011 Incentive Plan should, by their terms, qualify as performance-based awards. Performance-based awards are designed to qualify for the performance-based compensation exception to the limitations on the deduction of compensation imposed by Section 162(m) of the Code. Section 162(m) of the Code only applies to covered employees as that term is defined in Section 162(m) of the Code. Therefore, only covered employees are eligible to receive awards that are designated as performance-based awards. The Committee has complete discretion regarding whether to grant awards to covered employees that qualify for the performance-based compensation exception. The Committee may, in its discretion, grant awards under the 2011 Incentive Plan to covered employees that do not qualify for the exception.

The payment of restricted stock, restricted stock rights, performance shares, performance share units, or performance cash awards that are designated as performance-based awards is contingent upon a covered employee's achievement of pre-established performance goals during a specified performance period. Performance goals are based on any one or more pre-established performance criteria. The pre-established performance criteria are limited to the following: revenue; revenue growth; earnings (including earnings before interest, taxes, depreciation and amortization); operating income; operating margin; pre- and after-tax income; cash flow (before and after dividends); cash flow per share (before and after dividends); net earnings; earnings per share; return on equity; return on capital (including return on total capital or return on invested capital); cash flow return on investment; return on assets or net assets; economic value added; share price performance; total stockholder return; improvement in or attainment of expense levels; improvement in or attainment of working capital levels; market penetration, geographic goals, business expansion goals, development of strategic relationships with customers and/or vendors; and development and execution on strategic acquisitions.

With respect to any performance-based award granted to a covered employee that qualifies for the performance-based compensation exception to the Section 162(m) limitation, the Committee has the discretion to: select the length of the performance period, the type of performance-based awards to be issued, the kind and/or level of performance goal or goals and whether the performance goal or goals apply to the Company, an affiliate or any division or business unit of any of them, or to the individual participant or any group of participants. The Committee has the discretion to decrease the amount of compensation payable pursuant to any performance-based award but may not increase the compensation payable pursuant to any performance-based award.

The performance criteria and other related aspects of the 2011 Incentive Plan will be subject to stockholder approval again in 2014 if (as is currently the case) stockholder approval is then required to maintain the tax-deductible nature of performance-based compensation under the 2011 Incentive Plan.

The maximum amount of any performance-based award that may be granted to a covered employee during any performance period is 500,000 shares of common stock or the equivalent cash value.

#### **Restrictions**

The Committee may impose such restrictions on any awards under the 2011 Incentive Plan as it may deem advisable, including restrictions under applicable federal securities law, under the requirements of any stock exchange upon which the Company's common stock is then listed and under any blue sky or state securities law applicable to the awards.

#### **Change in Control**

The Committee, in its sole discretion, may determine that upon a Change in Control (as that term is defined in the 2011 Incentive Plan), all awards, except those awards that qualify as performance-based compensation under Section 162(m), shall become fully vested and exercisable and all restrictions on such outstanding awards shall lapse. If such a determination is made by the Committee, performance-based awards will vest on a pro-rata basis based on the level of achievement of the performance goals applicable to such awards.

#### **Non-transferability**

The Committee may, in its sole discretion, determine the right of a participant to transfer any award granted under the 2011 Incentive Plan. Unless otherwise determined by the Committee, no award granted under the 2011 Incentive Plan may be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws

of descent and distribution or pursuant to a domestic relations order (that would otherwise qualify as a qualified domestic relations order as defined in the Code or Title I of the Employee Retirement Income Security Act of 1974, but for the fact that it relates to an award granted under the 2011 Incentive Plan) in favor of a spouse, or, if applicable, until the termination of any restricted or performance period as determined by the Committee.

### **Adjustment Provisions**

If there is a change in the outstanding shares of stock because of a stock dividend or split, recapitalization, liquidation, merger, consolidation, combination, exchange of shares, or other similar corporate change, the aggregate number of shares of stock available under the 2011 Incentive Plan and subject to each outstanding award, and its stated exercise price or the basis upon which the award is measured, will be adjusted by the Committee. Moreover, in the event of such transaction or event, the Committee, in its discretion may provide in substitution for any or all outstanding awards under the 2011 Incentive Plan such alternative consideration (including cash) as it, in good faith, may determine to be equitable under the circumstances and may require in connection therewith the surrender of all awards so replaced. Any adjustment to an incentive stock option shall be made consistent with the requirements of Section 424 of the Code. Further, with respect to any option or SAR that otherwise satisfies the requirements of the stock rights exception to Section 409A of the Code, any adjustment shall be made consistent with the requirements of the final regulations promulgated pursuant to Section 409A of the Code.

### **Amendment, Modification and Termination of 2011 Incentive Plan**

Subject to the Board's right to amend or terminate the 2011 Incentive Plan at any time, the 2011 Incentive Plan will remain in effect until all awards issued under the 2011 Incentive Plan expire, terminate, are exercised or are paid in full in accordance with the 2011 Incentive Plan provisions and any award agreement. However, no award may be granted under the 2011 Incentive Plan after the tenth anniversary of the date the 2011 Incentive Plan is approved by the Company's stockholders unless the stockholders of the Company vote to approve an extension of the 2009 prior to such expiration date.

The Board has discretion to terminate, amend or modify the 2011 Incentive Plan. Any such action of the Board is subject to the approval of the stockholders to the extent required by law, regulation or the rules of any exchange on which Company stock is listed. To the extent permitted by law, the Board may delegate to the Committee or the Chief Executive Officer the authority to approve non-substantive amendments to the 2011 Incentive Plan. Except as otherwise provided in the 2011 Incentive Plan, the Board, Chief Executive Officer and the Committee may not do any of the following without stockholder approval: reduce the purchase price or exercise price of any outstanding award, including any option or SAR; increase the number of shares available under the 2011 Incentive Plan; grant options with an exercise price that is below fair market value of a share of Company stock on the grant date; reprice previously granted options or SARs; or cancel any option or SAR in exchange for cash or any other award or in exchange for any option or SAR with an exercise price that is less than the exercise price for the original option or SAR.

### **Tax Withholding**

The Company will have the power to withhold, or require a participant to remit to the Company, an amount sufficient to satisfy federal, state, and local withholding tax requirements on any award under the 2011 Incentive Plan. To the extent that alternative methods of withholding are available under applicable laws, the Company will have the power to choose among such methods.

### **Federal Income Tax Information**

The following is a brief summary of certain of the federal income tax consequences of certain transactions under the 2011 Incentive Plan based on federal income tax laws in effect on January 1, 2011. This summary is not intended to be exhaustive and does not describe state or local tax consequences.

As a general rule, a participant will not recognize taxable income with respect to any award at the time of grant. If a participant who receives a restricted stock grant makes the election permitted by Section 83(b) of the Code, the participant will recognize income on the award at the time of grant.

Upon exercise of a nonqualified stock option, the lapse of restrictions on restricted stock, or upon the payment of SARs, restricted stock rights, performance shares, performance share units, performance cash awards, or stock grant awards the participant will recognize ordinary taxable income in an amount equal to the difference between the amount paid for the award, if any, and the fair market value of the stock or amount received on the date of exercise, lapse of restriction or payment. The Company will be entitled to a concurrent income tax deduction equal to the ordinary income recognized by the participant.

A participant who is granted an incentive stock option will not recognize taxable income at the time of exercise. However, the excess of the stock's fair market value over the option price could be subject to the alternative minimum tax in the year of exercise (assuming the stock received is not subject to a substantial risk of forfeiture or is transferable). If stock acquired upon exercise of an incentive stock option is held for a minimum of two years from the date of grant and one year from the date of exercise, the gain or loss (in an amount equal to the difference between the sales price and the exercise price) upon disposition of the stock will be treated as a long-term capital gain or loss, and the Company will not be entitled to any income tax deduction. If the holding period requirements are not met, the incentive stock option will not meet the requirements of the tax and the tax consequences described for nonqualified stock options will apply.

The final regulations promulgated under Section 409A of the Code became effective as of January 1, 2009. If certain awards fail to comply with Section 409A, a participant must include in ordinary income all deferred compensation conferred by the award, pay interest from the date of the deferral and pay an additional 20% tax. The award agreement for any award that is subject to Section 409A may include provisions necessary for compliance as determined by the Committee. The Company intends (but cannot and does not guarantee) that awards granted under the 2011 Incentive Plan will comply with the requirements of Section 409A or an exception thereto and intends to administer and interpret the 2011 Incentive Plan in such a manner.

#### **Special Rules Applicable to Officers**

In limited circumstances where the sale of stock that is received as the result of a grant of an award could subject an officer to suit under Section 16(b) of the Exchange Act, the tax consequences to the officer may differ from the tax consequences described above. In these circumstances, unless a special election has been made, the principal difference usually will be to postpone valuation and taxation of the stock received so long as the sale of the stock received could subject the officer or director to suit under Section 16(b) of the Exchange Act, but not longer than six months.

#### **Tax Consequences to the Company or Its Affiliates**

To the extent that an grantee recognizes ordinary income in the circumstances described above, the Company or the subsidiary for which the employee performs services will be entitled to a corresponding deduction provided that, among other things, the income meets the test of reasonableness, is an ordinary and necessary business expense, is not an excess parachute payment within the meaning of Section 280G of the Code and is not subject to the \$1 million deduction limit for certain executive compensation under Section 162(m) of the Code.

#### **New Plan Benefits Table**

Benefits under the 2011 Incentive Plan will depend on the Committee's actions and the fair market value of the Company's stock at various future dates. Consequently, it is not possible to determine the future benefits that will be received by 2011 Incentive Plan participants.

#### **Required Vote**

Approval of the 2011 Incentive Plan requires the affirmative vote of a majority of votes cast. Broker non-votes will not be treated as votes cast for purposes of determining approval of such proposal and will not be counted as votes for or against such proposal.

### **THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR APPROVAL OF THE 2011 STOCK INCENTIVE PLAN**

#### **SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth information with respect to the beneficial ownership of the Company's common stock as of June 30, 2011, by each person or group of affiliated persons known to the Company to beneficially own 5% or more of its common stock, each director, each named executive officer, and all of its directors and named executive officers as a group. As of June 30, 2011, there were 27,712,122 shares of common stock outstanding. Unless otherwise indicated, the address of each beneficial owner listed below is c/o CryoPort, Inc., 402 W. Broadway, Suite 400, San Diego, California 92101.

The following table gives effect to the shares of common stock issuable within 60 days of June 30, 2011, upon the exercise of all options and other rights beneficially owned by the indicated stockholders on that date. Unless otherwise indicated, the persons named in the table have sole voting and sole investment control with respect to all shares beneficially owned.

<b>Beneficial Owner</b>	<b>Number of Shares of Common Stock Beneficially Owned</b>	<b>Percentage of Shares of Common Stock Beneficially Owned</b>
<b>Executive Officers and Directors:</b>		
Larry G. Stambaugh	561,898(1)	*
Adam M. Michelin	100,142(1)	*
Carlton M. Johnson, Jr.	57,772(1)	*
Robert Stefanovich		n/a
Mark Englehart		n/a
Karen M. Muller		n/a
All directors and named executive officers as a group (6 persons)	719,812	2.53%
<b>Other Stockholders:</b>		
BridgePointe Master Fund, Ltd.	1,969,939(1)(2)(3)	6.64%(7)
Enable Growth Partners LP (and related funds)	1,887,015(1)(2)(4)	6.38%(7)
Emergent Financial Group, Inc.	2,757,895(5)	9.14%(7)
CNH Partners, LLC	4,115,910(6)	