

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM S-8
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

CRYOLIFE, INC.
(Exact name of registrant as specified in its charter)

FLORIDA
(State or Other Jurisdiction of
Incorporation or Organization)

59-2417093
(I.R.S. Employer
Identification No.)

1655 ROBERTS BOULEVARD, NW, KENNESAW,
GEORGIA 30144 (Address, including zip code, of
registrant's principal executive offices)

CRYOLIFE, INC. 2002 STOCK INCENTIVE PLAN
CRYOLIFE, INC. DIRECTORS STOCK OPTIONS
CRYOLIFE, INC. EXECUTIVE OFFICERS STOCK OPTIONS
(Full Title of Plan)

STEVEN G. ANDERSON, PRESIDENT, CHIEF EXECUTIVE OFFICER
AND CHAIRMAN OF THE BOARD OF DIRECTORS

CRYOLIFE, INC.
1655 ROBERTS BOULEVARD, NW
KENNESAW, GEORGIA 30144
(770) 419-3355

(Name and address, including zip code, and telephone number,
including area code, of agent for service)

COPY TO:

B. JOSEPH ALLEY, JR. ESQ.
ARNALL GOLDEN & GREGORY, LLP
2800 ONE ATLANTIC CENTER
1201 WEST PEACHTREE STREET
ATLANTA, GEORGIA 30309-3450

CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be Registered(1)	Proposed maximum offering price per share	Proposed maximum aggregate offering price	Amount of registration fee(2)
Common Stock, \$.01 par value	60,000 Shares	\$31.99	\$1,919,400.00	\$155.28
Common Stock, \$.01 par value	57,959 Shares	\$29.25	\$1,695,300.75	\$137.15
Common Stock, \$.01 par value	974,000 Shares	\$6.335	\$6,170,290.00	\$499.18
Total	1,091,959 Shares		\$9,784,990.75	\$791.61

- (1) Includes 974,000 shares reserved for issuance under the CryoLife, Inc. 2002 Stock Incentive Plan, 60,000 shares for grants pursuant to CryoLife, Inc. Directors Stock Options and 57,959 shares for grants pursuant to CryoLife, Inc. Executive Officers Stock Options.
- (2) Calculated pursuant to Rules 457(c) and 457(h) under the Securities Act of 1933, as amended, as follows: (a) with respect to 60,000 shares, based upon the exercise price on the date of grant of \$31.99, (b) with respect to 57,959 shares, based upon the exercise price on the date of grant of \$29.25 and (c) with respect to 974,000 shares, based upon the average of the high and low price of the Registrant's Common Stock on April 16, 2003 as listed on the New York Stock Exchange.

INFORMATION REGARDING CERTAIN FINANCIAL STATEMENTS
INCORPORATED BY REFERENCE INTO THIS
REGISTRATION STATEMENT

On April 5, 2002, our Audit Committee recommended and the Board approved the dismissal of Arthur Andersen LLP as our independent auditors, effective April 9, 2002. Arthur Andersen has been found guilty of federal obstruction of justice arising from the government's investigation of Enron Corp. It is likely that events arising out of this verdict may adversely affect the ability of Arthur Andersen to satisfy any claims against it including claims that may arise out of Arthur Andersen's audit of our financial statements as of December 31, 2001 and 2000 and for the years then ended, which are incorporated by reference into this registration statement.

Section 11(a) of the Securities Act of 1933, as amended (the "Securities Act"), provides that if any part of a registration statement at the time it becomes effective contains an untrue statement of a material fact or an omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, any person acquiring a security pursuant to the registration statement (unless it is proved that at the time of the acquisition the person knew of the untruth or omission) may sue, among others, every accountant who has consented to be named as having prepared or certified any part of the registration statement or as having prepared or certified any report or valuation which is used in connection with the registration statement, with respect to the statement in the registration statement, report or valuation that purports to have been prepared or certified by the accountant.

Prior to the date of this registration statement, the Arthur Andersen partners who reviewed our audited financial statements, as of December 31, 2001 and 2000 and for each of the three years in the period ended December 31, 2001 resigned from Arthur Andersen. As a result, after reasonable efforts, we have been unable to obtain Arthur Andersen's written consent to the incorporation by reference into this registration statement of its audit reports with respect to our financial statements.

Under these circumstances, Rule 437(a) under the Securities Act permits the filing of this registration statement without including herein a written consent from Arthur Andersen. Accordingly, Arthur Andersen will not be liable under Section 11(a) of the Securities Act for statements made in this registration statement because it has not consented to being named as an expert in the registration statement. As a result, you will not be able to sue Arthur Andersen pursuant to Section 11(a)(4) of the Securities Act and therefore, your right of recovery under that section may be limited as a result of the lack of consent.

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

ITEM 3. INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE.

The following documents are incorporated by reference in the Registration Statement:

(a) The Registrant's Annual Report on Form 10-K filed with respect to the Registrant's fiscal year ended December 31, 2002.

(b) The Current Report on Form 8-K filed on April 3, 2003.

(c) The description of the Registrant's Common Stock contained in the Registrant's registration statement filed under Section 12 of the Securities Exchange Act of 1934, including any amendment or report filed for the purpose of updating such description.

(d) All documents subsequently filed by the Registrant pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934, prior to the filing of a post-effective amendment to this registration statement which indicates that all of the shares of Common Stock offered have been sold or which deregisters all of such shares then remaining unsold, shall be deemed to be incorporated by reference in this registration statement and to be a part hereof from the date of filing of such documents. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to

be modified or superseded for purposes of this registration statement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this registration statement.

ITEM 4. DESCRIPTION OF SECURITIES

Not applicable.

ITEM 5. INTERESTS OF NAMED EXPERTS AND COUNSEL.

Not applicable.

ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

The Registrant is a Florida corporation. The following summary is qualified in its entirety by reference to the complete text of the Florida Business Corporation Act (the "FBCA"), the Registrant's Restated Articles of Incorporation, and the Registrant's Bylaws.

Under Section 607.0850(1) of the FBCA, a corporation may indemnify any of its directors and officers against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding (including any appeal thereof) (i) if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation, and (ii) with respect to any criminal action or proceeding, he or she had no reasonable cause to believe his or her conduct was unlawful. In actions brought by or in the right of the corporation, however, Section 607.0850(2) provides that no indemnification shall be made in respect of any claim, issue or matter as to which the director or officer shall have been adjudged to be liable unless, and only to the extent that, the court in which such proceeding was brought, or any other court of competent jurisdiction, shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper. Article X of the Registrant's Restated Articles of Incorporation and Article VI of the Registrant's Bylaws require that, if in the judgment of the majority of the Board of Directors (excluding from such majority any director under

II-1

consideration for indemnification) the criteria set forth under Section 607.0850 have been met, then the Registrant shall indemnify its directors and officers for certain liabilities incurred in the performance of their duties on behalf of the Registrant to the maximum extent allowed by Section 607.0850 of the FBCA (formerly Section 607.014 of the Florida General Corporation Act).

The Agreement and Plan of Merger dated March 5, 1997, between Registrant and Ideas for Medicine, Inc. ("IFM") and certain stockholders of IFM provides that any investors exercising registration rights pursuant to such agreement must indemnify the officers and directors signing the registration statement against any liability arising from statements or omissions made in reliance upon information furnished by such investors to the Registrant for use in such registration statement.

The Registrant has purchased insurance to insure (i) the Registrant's directors and officers against damages from actions and claims incurred in the course of their duties, and (ii) the Registrant against expenses incurred in defending lawsuits arising from certain alleged acts of its directors and officers.

ITEM 7. EXEMPTION FROM REGISTRATION CLAIMED.

Not applicable.

ITEM 8. EXHIBITS.

Exhibit No.	Exhibit
-----	-----

- 3.1 Restated Certificate of Incorporation of the Company, as amended. (Incorporated by reference to Exhibit 3.1 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2000).
- 3.2 ByLaws of the Company, as amended. (Incorporated by reference to Exhibit 3.2 to the Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1995).
- 3.3 Articles of Amendment to the Articles of Incorporation of the Company. (Incorporated by reference to Exhibit 3.3 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2000).
- 4.1 Form of Certificate for the Company's Common Stock (Incorporated by reference to Exhibit 4.1 to the Registrant's Registrant's Registration Statement on Form S-1 (Commission File No. 33-56388).
- 4.2 Form of Certificate for the Company's Common Stock (Incorporated by reference to Exhibit 4.2 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 1997).
- 5* Opinion of Arnall Golden & Gregory, LLP regarding legality
- 23.1* Consent of Arnall Golden & Gregory, LLP (included as part of Exhibit 5 hereto).
- 23.2* Consent of Deloitte & Touche LLP
- 99.1* CryoLife, Inc. 2002 Stock Incentive Plan
- 99.2* Form of Directors Stock Option Agreement and Grant
- 99.3* Form of Executive Officers Stock Option Agreement and Grant

* Filed herewith.

II-2

ITEM 9. UNDERTAKINGS.

(a) The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

Provided, however, that paragraph (a)(1)(i) and (a)(1)(ii) shall not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the Registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove registration by means of a post-effective amendment any of

the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the provisions described in Item 6, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceedings) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

II-3

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Kennesaw, State of Georgia on April 18, 2003.

CRYOLIFE, INC.

By: /s/ Steven G. Anderson

Steven G. Anderson
President, Chief Executive Officer
and Chairman of the Board of Directors

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Steven G. Anderson and D. Ashley Lee and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place, and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

PRINCIPAL EXECUTIVE, FINANCIAL & ACCOUNTING OFFICERS AND DIRECTORS:

Name

Title

Date

<p>----- /s/ Steven G. Anderson ----- Steven G. Anderson</p>	<p>----- President, Chief Executive Officer and Chairman of the Board of Directors (Principal Executive Officer)</p>	<p>----- April 18, 2003</p>
<p>----- /s/ D. Ashley Lee ----- D. Ashley Lee</p>	<p>Vice President of Finance, Treasurer and Chief Financial Officer (Principal Financial and Accounting Officer)</p>	<p>April 18, 2003</p>
<p>----- /s/ John M. Cook ----- John M. Cook</p>	<p>Director</p>	<p>April 18, 2003</p>
<p>----- /s/ Ronald Charles Elkins, M.D. ----- Ronald Charles Elkins, M.D.</p>	<p>Director</p>	<p>April 18, 2003</p>
<p>----- /s/ Virginia C. Lacy ----- Virginia C. Lacy</p>	<p>Director</p>	<p>April 18, 2003</p>
<p>----- /s/ Ronald D. McCall ----- Ronald D. McCall</p>	<p>Director</p>	<p>April 18, 2003</p>
<p>----- /s/ Bruce J. Van Dyne, M.D. ----- Bruce J. Van Dyne, M.D.</p>	<p>Director</p>	<p>April 18, 2003</p>

ARNALL GOLDEN GREGORY LLP
2800 ONE ATLANTIC CENTER
1201 WEST PEACHTREE STREET
ATLANTA, GEORGIA 30309-3450
TELEPHONE (404) 873-8500 - FACSIMILE (404) 873-8501

(404) 873-8500

(404) 873-8501

April 18, 2003

CryoLife, Inc.
1655 Roberts Boulevard, N.W.
Kennesaw, Georgia 30144

Re: Registration Statement on Form S-8

Ladies and Gentlemen:

This opinion is rendered in connection with the proposed issue and sale by CryoLife, Inc., a Florida corporation (the "Company"), of up to 1,091,959 shares of the Company's Common Stock, \$.01 par value (the "Shares"), pursuant to stock options issued under the CryoLife, Inc. 2002 Stock Incentive Plan and pursuant to stock options granted to certain of the Company's directors and pursuant to stock options granted to certain of the Company's executive officers (collectively referred to as "Options") upon the terms and conditions set forth in the Registration Statement on Form S-8 (the "Registration Statement") filed by the Company with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Act") and the prospectus utilized in connection therewith. We have acted as counsel for the Company in connection with the issuance and sale of the Shares by the Company.

In rendering the opinion contained herein, we have relied in part upon examination of the Company's corporate records, documents, certificates and other instruments and the examination of such questions of law as we have considered necessary or appropriate for the purpose of this opinion. Based upon the foregoing, we are of the opinion that the Shares have been duly and validly authorized, and when sold in the manner contemplated by the Options, and upon receipt by the Company of payment therefor (assuming that such payment at all times exceeds the par value thereof) and issuance pursuant to a current prospectus in conformity with the Act, the Shares will be legally issued, fully paid and non-assessable.

We consent to the filing of this opinion as an exhibit to the Registration Statement. This consent is not to be construed as an admission that we are a party whose consent is required to be filed with the Registration Statement under the provisions of the Act.

Sincerely,

/s/ ARNALL GOLDEN GREGORY, LLP
ARNALL GOLDEN GREGORY, LLP

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Registration Statement (relating to 1,091,959 Shares of Common Stock) of CryoLife, Inc. on Form S-8 of our reports dated February 24, 2003 relating to the consolidated financial statements of CryoLife as of and for the year ended December 31, 2002 (which report expresses an unqualified opinion and includes an explanatory paragraph relating to the Company's change in its method of accounting for goodwill and other intangible assets to conform with Statement of Financial Accounting Standards No. 142) appearing in the Annual Report on Form 10-K of CryoLife, Inc. for the year ended December 31, 2002.

/s/ Deloitte & Touche LLP
Atlanta, Georgia
April 18, 2003

CRYOLIFE, INC. 2002
STOCK INCENTIVE PLAN

SECTION 1

GENERAL

1.1 Purpose. The CryoLife, Inc. 2002 Stock Incentive Plan (the "Plan") has been established by CryoLife, Inc. ("CryoLife" or the "Company") to (i) attract and retain persons eligible to participate in the Plan; (ii) motivate Participants (as defined in subsection 1.2 below), by means of appropriate incentives, to achieve long-range goals; (iii) provide incentive compensation opportunities that are competitive with those of other similar companies; and (iv) further identify Participants' interests with those of the Company's other shareholders through compensation that is based on the Company's common stock; and thereby promote the long-term financial interest of the Company and its Subsidiaries, as hereinafter defined, including the growth in value of the Company's equity and enhancement of long-term shareholder return. Pursuant to the Plan, Participants may receive Options, Stock Appreciation Rights, or Stock Awards, as defined herein.

1.2 Participation. Subject to the terms and conditions of the Plan, the Committee (as defined in Section 6) shall determine and designate, from time to time, from among the Eligible Grantees, as hereinafter defined (including transferees of Eligible Grantees to the extent the transfer is permitted by the Plan and the applicable Award Agreement), those persons who will be granted one or more Awards under the Plan, and thereby become "Participants" in the Plan. In the discretion of the Committee, a Participant may be granted any Award permitted under the provisions of the Plan, and more than one Award may be granted to a Participant. Awards may be granted as alternatives to or replacement of awards outstanding under the Plan, or any other plan or arrangement of the Company or a Subsidiary (including a plan or arrangement of a business or entity, all or a portion of which is acquired by the Company or a Subsidiary).

1.3 Operation, Administration, and Definitions. The operation and administration of the Plan, including the Awards made under the Plan, shall be subject to the provisions of Section 4 (relating to operation and administration). Capitalized terms in the Plan shall be defined as set forth in the Plan (including the definition provisions of Section 8 of the Plan).

SECTION 2

OPTIONS AND SARs

2.1 Definitions.

(a) The grant of an "Option" entitles the Participant to purchase shares of Stock at an Exercise Price established by the Committee. Options granted under this Section 2 may either be Incentive Stock Options ("ISOs") or Non-Qualified Options ("NQOs"), as determined in the discretion of the Committee. An "ISO" is an Option that is intended to satisfy the requirements applicable to an "incentive stock option" described in section 422(b) of the Code. An "NQO" is an Option that is not intended to be an "incentive stock option" as that term is described in section 422(b) of the Code.

(b) A stock appreciation right (an "SAR") entitles the Participant to receive, in cash or Stock (as determined in accordance with subsection 2.5), value equal to (or otherwise based on) the excess of: (a) the Fair Market Value (as defined in Section 8) of a specified number of shares of Stock at the time of exercise; over (b) an Exercise Price established by the Committee.

2.2 Exercise Price. The Exercise Price of each Option and SAR granted under this Section 2 shall be established by the Committee or shall be determined by a method established by the Committee at the time the Option or SAR is granted. The Exercise Price shall not be less than 100% of the Fair Market Value of a share of Stock on the date of grant of the Award.

2.3 Exercise. An Option and an SAR shall be exercisable in accordance with such terms and conditions and during such periods as may be established by the

Committee; provided, however, that if a Participant shall die while in the employ of the Company or a Subsidiary and shall not have fully exercised an Option or SAR, the Option or SAR may be exercised, subject to the condition that no Option or SAR shall be exercisable after the expiration of ten years from the date it is granted or beyond its original term, to the extent that the Participant's right to exercise such Option or SAR had accrued pursuant to this Section 2 of the Plan at the time of his death and had not previously been exercised, at any time within one (1) year after the Participant's death, by the executors or administrators of the Participant or by any person or persons who shall have acquired the Option or SAR directly from the Participant by bequest or inheritance.

2.4 Payment of Option Exercise Price. The payment of the Exercise Price of an Option granted under this Section 2 shall be subject to the following:

(a) Subject to the following provisions of this subsection 2.4, the full Exercise Price for shares of Stock purchased upon the exercise of any Option shall be paid at the time of such exercise (except that, in the case of an exercise arrangement approved by the Committee and described in paragraph 2.4(c), payment may be made as soon as practicable after the exercise).

(b) The Exercise Price shall be payable in cash or by tendering, by either actual delivery of shares or by attestation if permitted by the Committee, shares of Stock acceptable to the Committee and which have been held by the participant for at least six months, and valued at Fair Market Value as of the day of exercise, or in any combination thereof, as determined by the Committee.

(c) The Committee may permit a Participant to elect to pay the Exercise Price upon the exercise of an Option by irrevocably authorizing a third party to sell shares of Stock (or a sufficient portion of the shares) acquired upon exercise of the Option and remit to the Company a sufficient portion of the sale proceeds to pay the entire Exercise Price and any tax withholding resulting from such exercise.

2.5 Settlement of Award. Shares of Stock delivered pursuant to the exercise of an Option or SAR shall be subject to such conditions, restrictions and contingencies as the Committee may establish in the applicable Award Agreement. Settlement of SARs may be made in shares of Stock (valued at their Fair Market Value at the time of exercise), in cash, or in a combination thereof, as determined in the discretion of the Committee. The Committee, in its discretion, may impose such conditions, restrictions and contingencies with respect to shares of Stock acquired pursuant to the exercise of an Option or an SAR as the Committee determines to be desirable.

SECTION 3

OTHER STOCK AWARDS

3.1 Definitions.

(a) A "Stock Unit" Award is the grant of a right to receive shares of Stock in the future.

(b) A "Performance Share" Award is a grant of a right to receive shares of Stock or Stock Units which is contingent on the achievement of performance or other objectives during a specified period.

(c) A "Restricted Stock" Award is a grant of shares of Stock, and a "Restricted Stock Unit" Award is the grant of a right to receive shares of Stock in the future, with such shares of Stock or right to future delivery of such shares of Stock subject to a risk of forfeiture or other restrictions that will lapse upon the achievement of one or more goals relating to completion of service by the Participant, or achievement of performance or other objectives, as determined by the Committee.

3.2 Restrictions on Stock Awards. Each Stock Unit Award, Restricted Stock Award, Restricted Stock Unit Award and Performance Share Award shall be subject to the following:

(a) Any such Award shall be subject to such conditions, restrictions and contingencies as the Committee shall determine.

2

(b) The Committee may designate whether any such Awards being granted to any Participant are intended to be "performance-based compensation" as that term is used in Code Section 162(m) of the Code. Any such Awards designated as intended to be "performance-based compensation" shall be conditioned on the achievement of one or more Performance Measures. The Performance Measures that may be used by the Committee for such Awards shall be based on any one or more of the following, as selected by the Committee: return on capital or increase in pretax earnings of the Company and/or one or more divisions and/or subsidiaries, return on shareholders' equity of the Company, increase in earnings per share of the Company, sales of the Company and/or one or more divisions and/or subsidiaries, pretax earnings of the Company and/or one or more divisions and/or subsidiaries, net earnings of the Company and/or one or more divisions and/or subsidiaries, control of operating and/or non-operating expenses of the Company and/or one or more divisions and/or subsidiaries, margins of the Company and/or one or more divisions and/or subsidiaries, market price of the Company's securities and other objectively measurable factors directly tied to the performance of the Company and/or one or more divisions and/or subsidiaries. For Awards intended to be "performance-based compensation," the grant of the Awards and the establishment of the Performance Measures shall be made during the period required under Code Section 162(m).

SECTION 4 OPERATION AND ADMINISTRATION

4.1 Effective Date; Duration. Subject to the approval of the shareholders of the Company at the Company's 2002 annual meeting of its shareholders, the Plan shall be effective as of the date of approval of shareholders (the "Effective Date"). The Plan shall have a duration of ten years from the date the Plan is adopted, or, if earlier, the date the Plan is approved by shareholders; provided that in the event of Plan termination, the Plan shall remain in effect as long as any Awards under it are outstanding; provided, further however, that, no Award may be granted under the Plan on a date that is more than ten years from the date the Plan is adopted or, if earlier, the date the Plan is approved by shareholders.

4.2 Awards Subject to Plan. Awards granted under the Plan shall be subject to the following:

(a) Subject to the following provisions of this subsection 4.2, the maximum number of shares of Stock that may be delivered to Participants and their beneficiaries under the Plan shall be 974,000 shares of Stock.

(b) The following limitations are imposed under the Plan: (i) a maximum of 974,000 shares may be issued under Options intended to be Incentive Stock Options ("ISOs") under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"), (ii) a maximum of 100,000 shares may be issued under Options and SARS to any one individual during any consecutive twelve-month period, (iii) a maximum of 100,000 shares may be issued under other Awards, and (iv) a maximum payment of \$400,000 under other Awards may be made to any one individual for any Performance Goals established for any performance period (including the Fair Market Value of stock subject to Awards denominated in shares). These maximums are subject to adjustment in the event of stock dividends, stock splits, combination of shares, recapitalization, reorganization, merger, consolidation, split-up, spin-off, exchange of shares or other changes in the outstanding Common Stock ("Corporate Transactions"). Any such adjustment will be made by the Committee

(c) To the extent any shares of Stock covered by an Award are not delivered to a Participant or beneficiary because the Award is forfeited or canceled, or the shares of Stock are not delivered because the Award is settled in cash or used to satisfy the applicable tax withholding obligation, such shares shall not be deemed to have been delivered for purposes of determining the maximum number of shares of Stock available for delivery under the Plan. The maximum number of shares of Stock available for delivery under the Plan shall not be reduced for shares subject to plans assumed by the Company in an acquisition of an interest in another company.

(d) If the exercise price of any Option granted under the Plan is satisfied by tendering shares of Stock to the Company (by either actual delivery or by attestation), only the number of shares of Stock issued net

3

of the shares of Stock tendered shall be deemed delivered for purposes of determining the maximum number of shares of Stock available for delivery under the Plan.

(e) Subject to adjustment in accordance with paragraph 4.2(f), no more than 100,000 shares of Stock may be subject to Stock Unit Awards, Restricted Stock Awards, Restricted Stock Unit Awards and Performance Share Awards that are intended to be "performance-based compensation" (as that term is used for purposes of Code section 162(m)) granted to any one individual during any one fiscal-year period (regardless of when such shares are deliverable).

(f) Subject to any required action by the shareholders, the number of shares covered by each outstanding Award, and the price per share in each such Award, shall be proportionately adjusted for any increase or decrease in the number of issued shares of the Company resulting from a Corporate Transaction or any other increase or decrease in the number of such shares effected without receipt of consideration by the Company.

(g) If the Company merges or consolidates with another corporation, whether or not the Company is a surviving corporation, or if the Company is liquidated or sells or otherwise disposes of substantially all of its assets while unexercised Options or other Awards remain outstanding under this Plan, (A) subject to the provisions of clause (C) below, after the effective date of the merger, consolidation, liquidation, sale or other disposition, as the case may be, each holder of an outstanding Option or other Award shall be entitled, upon exercise of that Option or Award or in place of it, as the case may be, to receive, in lieu of shares of Stock, the number and class or classes of shares of Stock or other securities or property to which the holder would have been entitled if, immediately prior to the merger, consolidation, liquidation, sale or other disposition, the holder had been the holder of record of a number of shares of Stock equal to the number of shares of Stock as to which that Option may be exercised or are subject to the Award; (B) if Options or other Awards have not already become exercisable under Section 5 hereof, the Board of Directors may waive any limitations set forth in or imposed pursuant to this Plan so that all Options or other Awards, from and after a date prior to the effective date of that merger, consolidation, liquidation, sale or other disposition, as the case may be, specified by the Board of Directors, shall be exercisable in full; and (C) all outstanding Options or SARs may be cancelled by the Board of Directors as of the effective date of any merger, consolidation, liquidation, sale or other disposition provided that any optionee or SAR holder shall have the right immediately prior to such event to exercise his or her Option or SAR to the extent such optionee or holder is otherwise able to do so in accordance with this Plan (including Section 5 hereof) or his individual Option or SAR agreement.

(h) In the event of a change in the shares of the Company as presently constituted, which is limited to a change of all of its authorized shares with par value into the same number of shares with a different par value or without par value, the shares resulting from any such change shall be deemed to be the shares within the meaning of this Plan.

(i) To the extent that the foregoing adjustments relate to Stock or securities of the Company, such adjustments shall be made by the Committee, whose determination in that respect shall be final, binding and conclusive; provided, that each Option which, upon grant of the Option, is specifically designated as an ISO shall not be adjusted in a manner that causes the Option to fail to continue to qualify as an ISO without the consent of the Option holder.

(j) Except as hereinbefore expressly provided in this Section 4, a Participant shall have no rights by reason of any subdivision or consolidation of shares of stock of any class or the payment of any stock dividend or any other increase or decrease in the number of shares of stock of any class or by reason of any dissolution, liquidation, merger, or

consolidation or spin-off of assets or stock of another corporation, and no issue by the Company of shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of shares of Stock subject to an Award, unless the Committee shall otherwise determine.

(k) The grant of any Award pursuant to this Plan shall not affect in any way the right or power of the Company (A) to make adjustments, reclassifications, reorganizations or changes of its capital or business

4

structure, (B) to merge or consolidate, (C) to dissolve, liquidate or sell, or transfer all or any part of its business or assets or (D) to issue any bonds, debentures, preferred or other preference stock ahead of or affecting the Stock. If any action described in the preceding sentence results in a fractional share for any Participant under any Award hereunder, such fraction shall be completely disregarded and the Participant shall only be entitled to the whole number of shares resulting from such adjustment.

4.3 General Restrictions. Delivery of shares of Stock or other amounts under the Plan shall be subject to the following:

(a) Notwithstanding any other provision of the Plan, the Company shall have no liability to deliver any shares of Stock under the Plan or make any other distribution of benefits under the Plan unless such delivery or distribution would comply with all applicable laws (including, without limitation, the requirements of the Securities Act of 1933), and the applicable requirements of any securities exchange or similar entity.

(b) To the extent that the Plan provides for issuance of stock certificates to reflect the issuance of shares of Stock, the issuance may be effected on a non-certificated basis, to the extent not prohibited by applicable law or the applicable rules of any stock exchange.

4.4 Tax Withholding. All distributions under the Plan are subject to withholding of all applicable taxes, and the Committee may condition the delivery of any shares or other benefits under the Plan on satisfaction of the applicable withholding obligations. The Committee, in its discretion, and subject to such requirements as the Committee may impose prior to the occurrence of such withholding, may permit such withholding obligations to be satisfied through cash payment by the Participant, through the surrender of shares of Stock which the Participant already owns, or through the surrender of shares of Stock to which the Participant is otherwise entitled under the Plan.

4.5 Use of Shares. Subject to the overall limitation on the number of shares of Stock that may be delivered under the Plan, the Committee may use available shares of Stock as the form of payment for compensation, grants or rights earned or due under any other compensation plans or arrangements of the Company or a Subsidiary, including the plans and arrangements of the Company or a Subsidiary assumed in business combinations.

4.6 Dividends and Dividend Equivalents. An Award (including without limitation an Option or SAR Award) may provide the Participant with the right to receive dividend payments or dividend equivalent payments with respect to Stock subject to the Award (both before and after the Stock subject to the Award is earned, vested, or acquired), which payments may be either made currently or credited to an account for the Participant, and may be settled in cash or Stock as determined by the Committee. Any such settlements, and any such crediting of dividends or dividend equivalents or reinvestment in shares of Stock, may be subject to such conditions, restrictions and contingencies as the Committee shall establish, including the reinvestment of such credited amounts in Stock equivalents.

4.7 Payments. Awards may be settled through cash payments, the delivery of shares of Stock, the granting of replacement Awards, or any combination thereof as the Committee shall determine. Any Award settlement, including payment deferrals, may be subject to such conditions, restrictions and contingencies as the Committee shall determine. The Committee may permit or require the deferral of any Award payment, subject to such rules and procedures as it may establish, which may include provisions for the payment or crediting of interest, or dividend equivalents, including converting such credits into deferred Stock

equivalents. Each Subsidiary shall be liable for payment of cash due under the Plan with respect to any Participant to the extent that such benefits are attributable to the services rendered for that Subsidiary by the Participant. Any disputes relating to liability of a Subsidiary for cash payments shall be resolved by the Committee.

4.8 Transferability. Except as otherwise provided by the Committee, Awards under the Plan are not transferable except as designated by the Participant by will or by the laws of descent and distribution.

4.9 Form and Time of Elections. Unless otherwise specified herein, each election required or permitted to be made by any Participant or other person entitled to benefits under the Plan, and any permitted modification, or

5

revocation thereof, shall be in writing filed with the Committee at such times, in such form, and subject to such restrictions and limitations, not inconsistent with the terms of the Plan, as the Committee shall require.

4.10 Agreement With Company. An Award under the Plan shall be subject to such terms and conditions, not inconsistent with the Plan, as the Committee shall, in its sole discretion, prescribe. The terms and conditions of any Award to any Participant shall be reflected in such form of written document as is determined by the Committee. A copy of such document shall be provided to the Participant, and the Committee may, but need not, require that the Participant shall sign a copy of such document. Such document is referred to in the Plan as an "Award Agreement" regardless of whether any Participant signature is required.

4.11 Action by Company or Subsidiary. Any action required or permitted to be taken by the Company or any Subsidiary shall be by resolution of its board of directors, or by action of one or more members of the board (including a committee of the board) who are duly authorized to act for the board, or (except to the extent prohibited by applicable law or applicable rules of any stock exchange) by a duly authorized officer of such company.

4.12 Gender and Number. Where the context admits, words in any gender shall include any other gender, words in the singular shall include the plural and the plural shall include the singular.

4.13 Limitation of Implied Rights.

(a) Neither a Participant nor any other person shall, by reason of participation in the Plan, acquire any right in or title to any assets, funds or property of the Company or any Subsidiary whatsoever, including, without limitation, any specific funds, assets, or other property which the Company or any Subsidiary, in its sole discretion, may set aside in anticipation of a liability under the Plan. A Participant shall have only a contractual right to the Stock or amounts, if any, payable under the Plan, unsecured by any assets of the Company or any Subsidiary, and nothing contained in the Plan shall constitute a guarantee that the assets of the Company or any Subsidiary shall be sufficient to pay any benefits to any person.

(b) The Plan does not constitute a contract of employment, and selection as a Participant will not give any participating employee the right to be retained in the employ of the Company or any Subsidiary, nor any right or claim to any benefit under the Plan, unless such right or claim has specifically accrued under the terms of the Plan. Except as otherwise provided in the Plan, no Award under the Plan shall confer upon the holder thereof any rights as a shareholder of the Company prior to the date on which the individual fulfills all conditions for receipt of such rights.

4.14 Evidence. Evidence required of anyone under the Plan may be by certificate, affidavit, document or other information which the person acting on it considers pertinent and reliable, and shall be signed, made or presented by the proper party or parties.

SECTION 5

CHANGE IN CONTROL

Subject to the provisions of paragraph 4.2(f) (relating to the adjustment of shares), and except as otherwise provided in the Plan or the Award Agreement reflecting the applicable Award, upon the occurrence of a Change in Control as defined in Section 8:

(a) All outstanding Options held by executive officers and directors of the Company (regardless of whether in tandem with SARs) shall become fully exercisable.

(b) All outstanding SARs held by executive officers and directors of the Company (regardless of whether in tandem with Options) shall become fully exercisable.

(c) All Stock Units, Restricted Stock, Restricted Stock Units, and Performance Shares held by executive officers and directors of the Company shall become fully vested.

6

SECTION 6

COMMITTEE

6.1 Administration. The authority to control and manage the operation and administration of the Plan shall be vested in a committee (the "Committee") in accordance with this Section 6. The Committee shall be selected by the Board, and shall consist solely of two or more members of the Board who are nonemployee directors within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and are outside directors within the meaning of Code Section 162(m). If the Committee does not exist, or for any other reason determined by the Board, the Board may take any action under the Plan that would otherwise be the responsibility of the Committee. Unless otherwise determined by the Board, the Compensation Advisory Committee of the Company shall be designated as the "Committee" hereunder.

6.2 Powers of Committee. The Committee's administration of the Plan shall be subject to the following:

(a) Subject to the provisions of the Plan, the Committee will have the authority and discretion to select from among the Eligible Grantees those persons who shall receive Awards, to determine the time or times of receipt, to determine the types of Awards and the number of shares covered by the Awards, to establish the terms, conditions, performance criteria, restrictions, and other provisions of such Awards, and (subject to the restrictions imposed by Section 7) to cancel or suspend Awards.

(b) To the extent that the Committee determines that the restrictions imposed by the Plan preclude the achievement of the material purposes of the Awards in jurisdictions outside the United States, the Committee will have the authority and discretion to modify those restrictions as the Committee determines to be necessary or appropriate to conform to applicable requirements or practices of jurisdictions outside of the United States.

(c) The Committee will have the authority and discretion to interpret the Plan, to establish, amend, and rescind any rules and regulations relating to the Plan, to determine the terms and provisions of any Award Agreement made pursuant to the Plan, and to make all other determinations that may be necessary or advisable for the administration of the Plan.

(d) Any interpretation of the Plan by the Committee and any decision made by it under the Plan is final and binding on all persons.

(e) In controlling and managing the operation and administration of the Plan, the Committee shall take action in a manner that conforms to the certificate of incorporation and by-laws of the Company, and applicable state corporate law.

6.3 Delegation by Committee. Except to the extent prohibited by applicable law or the applicable rules of a stock exchange, the Committee may allocate all or any portion of its responsibilities and powers to any one or more of its members and may delegate all or any part of its responsibilities and powers to

any person or persons selected by it. Any such allocation or delegation may be revoked by the Committee at any time.

6.4 Information to be Furnished to Committee. The Company and Subsidiaries shall furnish the Committee with such data and information as it determines may be required for it to discharge its duties. The records of the Company and Subsidiaries as to an employee's or Participant's employment, termination of employment, leave of absence, reemployment and compensation shall be conclusive on all persons unless determined to be incorrect. Participants and other persons entitled to benefits under the Plan must furnish the Committee such evidence, data or information as the Committee considers desirable to carry out the terms of the Plan.

7

SECTION 7

AMENDMENT AND TERMINATION

The Plan may be terminated or amended by the Board of Directors at any time, except that the following actions may not be taken without shareholder approval: (a) materially increasing the number of shares that may be issued under the Plan (except by certain adjustments provided for under the Plan); or (b) amending the Plan provisions regarding the limitations on the Exercise Price. In addition, no amendment or termination may, in the absence of written consent to the change by the affected Participant (or, if the Participant is not then living, the affected beneficiary) adversely affect the rights of any Participant or beneficiary under any Award granted under the Plan prior to the date such amendment is adopted by the Board. Options may not be granted under the Plan after the date of termination of the Plan, but Options granted prior to that date shall continue to be exercisable according to their terms.

SECTION 8

DEFINED TERMS

In addition to the other definitions contained herein, the following definitions shall apply:

(a) Award. The term "Award" shall mean any award or benefit granted under the Plan, including, without limitation, the grant of Options, SARs, Stock Unit Awards, Restricted Stock Awards, Restricted Stock Unit Awards and Performance Share Awards.

(b) Board. The term "Board" shall mean the Board of Directors of the Company.

(c) Change in Control. The term "Change in Control" means a change in the beneficial ownership of the Company's voting stock or a change in the composition of the Board which occurs as follows:

(i) Any "person," including a "syndication" or "group" as those terms are used in Section 13(d)(3) of the Securities Exchange Act of 1934, is or becomes the beneficial owner, directly or indirectly, of securities of the Company representing 20% or more of the combined voting power of the Company's then outstanding "Voting Securities," which is any security which ordinarily possesses the power to vote in the election of the Board of Directors of a corporation without the happening of any precondition or contingency;

(ii) The Company is merged or consolidated with another corporation and immediately after giving effect to the merger or consolidation less than 80% of the outstanding Voting Securities of the surviving or resulting entity are then beneficially owned in the aggregate by (x) the shareholders of the Company immediately prior to such merger or consolidation, or (y) if a record date has been set to determine the shareholders of the Company entitled to vote on such merger or consolidation, the shareholders of the Company as of such record date;

(iii) If at any time the following do not constitute a majority of the Board of Directors of the Company (or any successor entity referred to in clause (ii) above): Persons who, prior to their election as a director of the Company (or successor entity if

applicable) were nominated, recommended or endorsed by a formal resolution of the Board of Directors of the Company; or

(iv) The Company transfers substantially all of its assets to another corporation which is a less than 80% owned subsidiary of the Company.

(d) Code. The term "Code" means the Internal Revenue Code of 1986, as amended. A reference to any provision of the Code shall include reference to any successor provision of the Code.

8

(e) Eligible Grantee. The term "Eligible Grantee" shall mean any employee, consultant or director of the Company or a Subsidiary. An Award may be granted to an employee, in connection with hiring, retention or otherwise, prior to the date the employee first performs services for the Company or the Subsidiaries, provided that such Award shall not become vested prior to the date the employee first performs such services.

(f) Fair Market Value. For purposes of determining the "Fair Market Value" of a share of Stock as of any date, then the "Fair Market Value" as of that date shall be the closing price of the Stock on that date on the New York Stock Exchange.

(g) Subsidiaries. The term "Subsidiary" means any subsidiary of the Company, and any business venture designated by the Committee in which the Company has a significant interest, as determined in the discretion of the Committee.

(h) Stock. The term "Stock" shall mean shares of common stock of the Company.

SECTION 9

GOVERNING LAW

This Plan shall be governed by, and construed in accordance with, the laws of the State of Georgia, except to the extent that the Florida Business Corporation Act shall be applicable.

9

DIRECTORS STOCK OPTION AGREEMENT AND GRANT

THIS STOCK OPTION AGREEMENT (this "Agreement"), dated as of the ___ day of _____, (the "Grant Date"), by, between and among CYROLIFE, INC., a Florida Corporation (the "Corporation"), and _____, a member of the Board of Directors of the Corporation (a "Director") and an individual residing in _____ (the "Optionee").

WITNESSETH:

WHEREAS, the Corporation wishes to grant to the Optionee an option (the "Option") to purchase the number of shares of Common Stock set forth in this Agreement and under the terms and conditions set forth herein including the provision that the Option is not an incentive stock option under Section 422 of the Internal Revenue Code of 1986, as amended ("Code");

NOW THEREFORE, in consideration of the foregoing, the mutual promises and covenants contained herein and the mutual benefit to be derived therefrom and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree as follows:

1. Grant of Option: Subject to the terms and conditions set forth herein, the Corporation hereby grants to the Optionee the option to purchase, in the aggregate, up to _____ shares of the Common Stock (the "Shares") which shall consist of treasury shares of Common Stock. The Option shall be deemed granted by the Corporation to the Optionee as of the Grant Date. This Option is not granted pursuant to the CryoLife, Inc. Amended and Restated Non-Employees Directors Plan (the "Plan").

2. Option Price: The price of the Option shall be the last closing price of the Corporation's Common Stock on the New York Stock Exchange on the day of the grant of the Option. The Option exercise price is the sum of \$_____ per share (the "Option Exercise Price").

3. Option Period: This Option shall vest and become exercisable on the Option's Grant Date. This Option may be exercised at any time after its Grant Date. Notwithstanding the foregoing, no Option may be exercised later than five years after the date of grant thereof.

4. Termination of Option: Except as herein otherwise stated, the Option, to the extent not previously exercised, shall terminate sixty (60) months following the Grant Date.

5. Cessation of Service: If a grantee leaves the Board of Directors for any reason, including without limitation resignation or death, such grantee's Options shall remain in effect and exercisable, and shall expire as if the grantee had remained a Non-Employee Director of the Company. Upon the death of a Non-Employee Director, his or her Options shall be exercisable by his/her legal representatives or heirs, but in no event may the Options be exercised beyond the last date which they could have been exercised had the Non-Employee Director not died.

6. Delivery of Notice: The Optionee may exercise the Option only by delivering written notice to the Corporation of his intent to exercise the Option (the "Notice"). The Notice shall be delivered to the Corporation at its principal office at:

1655 Roberts Blvd., N.W.
Kennesaw, Georgia 30144

or to such other address as may be designated by the Corporation. The Notice shall specify the number of Shares to be purchased in accordance with this Agreement and shall include payment in full of the Option Price.

7. Payment: The Option Exercise Price shall be paid in cash in U.S. Dollars at the time the Option is exercised or in shares of Common Stock of the Company having an aggregate value equal to the Option Exercise Price. If the Option Exercise Price is paid by transfer of shares of Common Stock of the Corporation

then the value of such shares will be determined by the last closing price of the Corporation's Common Stock on the New York Stock Exchange prior to the exercise of the options. The Option Exercise Price may be paid by a combination of cash and Common Stock. Subject to approval by the Board, the phrase "shares of stock of the Company," may include shares which the director is entitled to purchase by reason of a stock option grant, sometimes called "option shares."

8. Delivery of Shares to Optionee: Upon the Optionee's proper exercise of the Option, the Corporation shall deliver to the Optionee one or more certificates evidencing the number of Shares purchased pursuant to the exercise of the Option and such Shares shall be fully paid and nonassessable.

9. Transferability: Except as otherwise provided in this paragraph 9, the Options granted under this Plan are not transferable other than as designated by the grantee by will or by the laws of the descent and distribution, and during the grantee's life, may be exercised only by the grantee. However, the grantee may transfer the Option for no consideration to or for the benefit of the grantee's Immediate Family (including, without limitation, to a trust for the benefit of the grantee's Immediate Family or to a partnership or limited liability company for one or more members of the grantee's Immediate Family or to an IRA for the benefit of one or more members of his Immediate Family), subject to such limits as the Board may establish, and the transferee shall remain subject to all the terms and conditions applicable to such Option prior to such transfer. The foregoing right to transfer the Option shall apply to the right to consent to amendments to the grant agreement and shall also apply to the right to transfer ancillary rights associated with the Option. The term "Immediate Family" shall mean the grantee's spouse, parents, children, stepchildren, adoptive relationships, sisters, brothers and grandchildren (and, for this purpose, shall also include the grantee).

10. Optionee Not a Shareholder: The Optionee shall not be deemed, by reason of this option agreement, for any purposes to be a shareholder of the Corporation with respect to any of the shares of the capital stock of the Corporation or with respect to any of the Shares, except to the extent that the Option has been exercised, in whole or in part, and a stock certificate representing Shares has been issued to the Optionee. Notwithstanding this provision, it is understood and agreed that the Corporation and the Optionee shall make any required disclosure of the "beneficial ownership" of Shares which may be received upon a future exercise of the Option.

11. No Restrictions on the Corporation: The grant of the Option shall not affect in any way the right or power of the Corporation or its shareholders to make or authorize any or all adjustments, recapitalizations, reorganizations, or any other changes in the Corporation's capital structure or its business, or any merger or consolidation of the Corporation, or any issue of bonds, debentures, preferred or prior preference stock ahead of or affecting the Common Stock, or the rights thereof, or dissolution or liquidation of the Corporation, or any sale or transfer of all or any part of the assets or business of the Corporation, or any other corporate act or proceeding, whether of a similar character or otherwise.

12. Reclassification, Consolidation or Merger: The number of Option Shares may be adjusted by the Board of Directors if certain events such as merger, reorganization, consolidation, recapitalization, stock dividends, stock splits, or other changes in the Company's corporate structure affecting its Common Stock occur. No adjustments or substitution provided for in this Subsection, however, shall require the Corporation in any Agreement to sell a fractional share, and the total substitution or adjustment herein is and shall be limited accordingly.

13. Optionee's Representations and Warranties: By execution of this Agreement, Optionee represents and warrants to the Company as follows:

A. Investment Representations and Warranties: The Optionee warrants and represents to the Corporation that he is acquiring the Option and, upon exercise of the Option, in whole or in part, the Shares for his own account for investment purposes and not with a view to distribution, as defined in the Securities Act of 1933, as amended (the "Securities Act"), and the rules and regulations of the Securities and Exchange Commission promulgated thereunder. The Optionee further agrees that he will not sell, assign, transfer or pledge the Option or any of the Shares purchased by him pursuant to the exercise of the Option, unless and until either (i) a registration statement under the Securities Act covering the Shares becomes effective or (ii) the Corporation has received an opinion of counsel in form and substance satisfactory to the Corporation and its counsel that such sale, transfer, assignment or pledge may

be accomplished without registration under the Securities Act.

2

B. Compliance with Withholding Rules: The Corporation shall have the right to adopt and apply rules governing the exercise of the Option and the issuance of Shares pursuant thereto which will ensure that the Corporation will be able to comply with the applicable provisions of any federal, state or local laws relating to the withholding of taxes.

C. No Tax Advice: The Optionee understands that neither the Corporation nor any of its affiliates, has given any advice regarding the federal income tax consequences of (i) the Agreement, or (ii) the grant of the Option, or (iii) the acquisition of the Shares upon exercise of the Option. The Optionee acknowledges that he has been encouraged to seek independent advice regarding the grant and the exercise of the Option herein.

14. Legends: The Corporation shall have the discretion to require that the certificates representing the Shares shall bear such legends as are necessary to ensure the enforceability of the conditions and limitations set forth herein.

15. Binding Effect: This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors-in-interest. All parties bound by this Agreement shall take any and all actions necessary or appropriate to effectuate the purposes and provisions hereof.

16. Definition of "Affiliate": The term "affiliate" whenever used in this Agreement, shall mean a person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with the Corporation.

17. Amendments and Waivers: Except as otherwise provided herein, no change or modification of this Agreement shall be valid unless the same is in writing and signed by all the parties hereto. No waiver of any provision of this Agreement shall be valid unless in writing and signed by the person against whom it is sought to be enforced. The failure of any party at any time to insist upon strict performance of any condition, promise, agreement or understanding set forth herein shall not be construed as a waiver or relinquishment of the right to insist upon strict performance of the same condition, promise, agreement or understanding at a future time.

18. Complete Agreement: This Agreement constitutes and sets forth all of the final and complete promises, agreements, conditions, understandings, warranties and representations among the parties hereto with respect to the Option and the Shares, and there are no promises, agreements, conditions, understandings, warranties or representations, oral or written, express or implied, among them with respect to the matters set forth herein other than as set forth herein as it may be amended from time to time.

19. Extension of Time to Perform: Whenever the time for the performance of any action or condition contained in this Agreement falls on a Saturday, Sunday or legal holiday, such time shall be extended to the next business date.

20. Captions and Pronouns: The captions contained in this Agreement are for convenience of reference only and shall not in any way modify or limit the meaning or interpretation of this Agreement. All terms and words used in this Agreement, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine, or neuter, as the context or sense of this Agreement or any section, paragraph or clause herein may require, as if such words had been fully and properly written in the appropriate number and gender.

21. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Georgia.

22. Counterparts: Any number of counterparts of this Agreement may be signed and delivered, and each shall be considered an original and together they shall constitute one agreement.

23. Severability: This Agreement shall not be severable in any way, but if any provision should be held to be invalid, the invalidity shall not effect the validity of the remainder of this Agreement.

3

24. Restricted Securities: Optionee recognizes and understands that this option and the Option Shares have not been and may not be in the future registered under the Securities Act of 1933, as amended (the "Act"), the Georgia Securities Act of 1973, as amended (the "Georgia Act"), or any other state securities law. Any transfer of the option (if otherwise permitted hereunder, and once exercised, the Option Shares) will not be recognized by the Corporation unless such transfer is registered under the Act, the Georgia Act, and any other applicable state securities laws or effected pursuant to an exemption from such registration which may then be available. Any share certificates representing the Option Shares may be stamped with legends restricting transfer thereof in accordance with the Corporation's policy with respect to unregistered shares of its Common Stock issued as a result of exercise of options. The Corporation may make a notation in its stock transfer records of the aforementioned restrictions on transfers and legends. Optionee recognizes and understands that the Option Shares may be restricted securities within the meaning of Rule 144 promulgated under the Act; that the exemption from registration under Rule 144 may not be available under certain circumstances and that Optionee's opportunity to utilize such Rule 144 to sell the Option Shares may be limited or denied. The Corporation shall be under no obligation to maintain or promote a public trading market for the class of shares for which the option is granted or to make provision for adequate information concerning the Corporation to be available to the public as contemplated under Rule 144. The Corporation will be under no obligation to recognize any transfer or sale of any Option Shares unless the terms and conditions of Rule 144 are complied with by the Optionee. By acceptance hereof, Optionee agrees that no permitted disposition of this option or any Option Shares shall be made unless and until (i) there is then in effect a registration statement under the Act, the Georgia Act, and applicable state securities laws covering such proposed disposition and such disposition is made in accordance with such registration statement, or (ii) Optionee shall have notified the Corporation of a proposed disposition and shall have furnished to the Corporation a detailed statement of the circumstances surrounding such disposition, together with an opinion of counsel acceptable in form and substance to the Corporation that such disposition will not require registration of the shares so disposed under the Act, the Georgia Act, and any applicable state securities laws. The Corporation shall be under no obligation to permit such transfer or disposition on its stock transfer books unless counsel for the Corporation shall concur as to such matters.

25. APPLICABLE TAXES: No later than the date as of which an amount first becomes includable in the gross income of the Optionee for Federal income tax purposes with respect to the exercise of the Option, the Optionee shall pay to the Corporation, or make arrangements satisfactory to the Corporation regarding the payment of, any Federal, state, or local taxes of any kind required by law to be withheld with respect to such amount. The obligations of the Corporation under this Agreement shall be conditional upon such payment or arrangements and the Corporation shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Optionee.

IN WITNESS WHEREOF, the Corporation has caused this instrument to be executed by its duly authorized officers and the Optionee has executed this Agreement as of the date and year first above written.

(SEAL)

THE CORPORATION:
CRYOLIFE, INC.

Attest:

Secretary for Corporation

OPTIONEE:

(Print name of Optionee)

CRYOLIFE, INC.
 1655 ROBERTS BOULEVARD N.W.
 KENNESAW, GEORGIA 30144
 (770) 419-3355 - (800) 438-8285
 (800) 533-6406 IN CANADA - FAX (770) 426-0031

Re: GRANT OF NON-QUALIFIED STOCK OPTION

Dear _____:

This letter sets forth the agreement between you and CryoLife, Inc., a Florida corporation (the "Company"), regarding your option to acquire shares of the Company's Common Stock.

1. Grant of Option. Subject to the terms set forth below, the Company hereby grants to Employee the right, privilege, and option to purchase up to _____ shares (the "Option Shares") which shall consist of treasury shares of Common Stock at the purchase price of \$29.25 per share, which price is equal to the mean of the high and low price of the Company's Common Stock on the New York Stock Exchange on the date of grant. The date of grant ("Grant Date") of the option is _____. This option is intended to be and shall be treated as a "Non-Qualified Stock Option", as that term is defined in Section 422 of the Internal Revenue Code of 1986, as amended. This option is not granted pursuant to the CryoLife, Inc. 1998 Long Term Incentive Plan (the "Plan").

2. Time of Exercise of Option. Prior to its termination as set forth in Section 5 below, this option shall vest, and the Employee may exercise the option granted herein on the following dates, or thereafter provided the option is exercised prior to its termination:

Exercise Date -----	Cumulative Percentage of Option Shares Exercisable -----
First Anniversary of Grant Date	20%
Second Anniversary of Grant Date	40%
Third Anniversary of Grant Date	60%
Fourth Anniversary of Grant Date	80%
Fifth Anniversary of Grant Date	100%

Grant of Non-Qualified Stock Option

"Grant Date" - _____
 Page Two

3. Method of Exercise. The option shall be exercised by written notice directed to the Compensation Advisory Committee (the "Committee"), at the Company's principal executive office, accompanied by payment of the option price for the number of Option Shares purchased in accordance with the Plan's requirements. The Company shall make delivery of such shares in accordance with the Plan provided that if any law or regulation requires the Company to take any action with respect to the shares specified in such notice before the issuance thereof, then the date of delivery of such shares shall be extended for the period necessary to take such action.

4. The Plan. The Company's 1998 Long Term Incentive Plan, as amended from time to time by the Board of Directors of the Company, is hereby incorporated in this letter and to the extent that anything in this letter is inconsistent with the Plan, the terms of the Plan shall control. Employee acknowledges that the Company has provided a copy of the Plan to Employee. The Optionee has received a

Prospectus covering the Shares subject to this Option.

5. Termination of Option. Except as herein otherwise stated, the option, to the extent not previously exercised, shall terminate in accordance with the Plan and upon the first to occur of the following events:

(a) Disability. The expiration of 36 months after the date on which Employee's employment by the Company is terminated, if such termination be by reason of Employee's permanent and total Disability (as defined in the Plan), provided, however, that (i) the option shall be exercisable only to the extent that Employee had the right to exercise the option at the time of termination and (ii) if the Employee dies within such 36 months period, any unexercised option held by such Employee shall thereafter be exercisable in accordance with the provisions of and shall terminate upon the first to occur of the events described in Sections 5(b) and (d);

(b) Death. In the event of Employee's death while in the employ of the Company, the expiration of 12 months following the date of his or her death, provided that the option shall be exercisable following the Employee's death only to the extent that Employee had the right to exercise the option at the time of his or her death.

(c) Retirement. In the event Employee's employment with the Company terminates by reason of Normal or Early Retirement (as defined in the Plan), any option held by such Employee may be exercised by the Employee for a period of 36 months from the date of such termination; provided, however, that if the Employee dies within such 36 months period any unexercised option held by Employee shall thereafter be exercisable in accordance with the provisions of and shall terminate upon the first to occur of the events described in Section 5(b) and (d); or

2

Grant of Non-Qualified Stock Option

"Grant Date" - _____

Page Three

(d) Other. Upon the earlier to occur of (i) 66 months following the Grant Date, or (ii) upon termination of Employee's employment by the Company (except if such termination be by reason of death, Disability, or Normal or Early retirement).

Except as set forth above, the option may not be exercised unless Employee, at the time he or she exercises the option, is, and has been at all times since the date of grant of the option, an employee of the Company. Employee shall be deemed to be employed by the Company if he or she is employed by the Company or any of its subsidiaries. Notwithstanding the above, in no event may the option be exercised after 66 months following the Grant Date.

6. Reclassification, Consolidation, or Merger. The number of Option Shares may be adjusted in accordance with the Plan if certain events such as merger, reorganization, consolidation, recapitalization, stock dividends, stock splits, or other changes in the Company's corporate structure affecting its Common Stock occur.

7. Rights Prior to exercise of Option. This Option is not transferrable by Employee, except by will or by the laws of descent and distribution or as otherwise set forth in the Plan, and during Employee's lifetime shall be exercisable only by Employee. This option shall confer no rights to the holder hereof to act as stockholder with respect to any of the Option Shares until payment of the option price and delivery of a share certificate has been made.

8. Employee's Representations and Warranties. By execution of this agreement, Employee represents and warrants to the Company as follows:

(a) The entire legal and beneficial interest of the option and the Option Shares are for and will be held for the account of the Employee only and neither in whole nor in part for any other person.

Grant of Non-Qualified Stock Option

"Grant Date" - _____
Page Four

(b) Employee resides at the following address:

(c) Employee is familiar with the Company and its plans, operations, and financial condition. Prior to the acceptance of this option, Employee has received all information as he or she deems necessary and appropriate to enable an evaluation of the financial risk inherent in accepting the option and has received satisfactory and complete information concerning the business and financial condition of the Company in response to all inquiries in respect thereof.

9. Restricted Securities. Employee recognizes and understands that this option and the Option Shares are not currently registered under the Securities Act of 1933, as amended (the "Act"), and if registered in the future may not remain so registered and are not registered under any state securities law. Any transfer of the option (if otherwise permitted hereunder, and once exercised, the Option Shares) will not be recognized by the Company unless such transfer is registered under the Act, the Georgia Securities Act of 1973, as amended, (the "Georgia Act") and any other applicable state securities laws or effected pursuant to an exemption from such registration which may then be available. If the Option Shares are not registered, any share certificates representing the Option Shares may be stamped with legends restricting transfer thereof in accordance with the Company's policy with respect to unregistered shares of its Common Stock issued to employees as a result of exercise of options granted under the Plan. The Company may make a notation in its stock transfer records of the aforementioned restrictions on transfers and legends. Employee recognizes and understands that the Option Shares may be restricted securities within the meaning of Rule 144 promulgated under the Act; that the exemption from registration under Rule 144 may not be available under certain circumstances and that Employee's opportunity to utilize such Rule 144 to sell the Option Shares may be limited or denied. The Company shall be under no obligation to maintain or promote a public trading market for the class of shares for which the option is granted or to make provision for adequate information concerning the Company to be available to the public as contemplated under Rule 144. The Company will be under no obligation to recognize any transfer or sale of any Option Shares pursuant to Rule 144 unless the terms and conditions of Rule 144 are complied with by the Employee. By acceptance hereof, Employee agrees that no permitted disposition of any Option Shares shall be made unless and until (i) there is at the time of exercise of the option in effect a registration statement under the Act, or (ii) Employee shall have notified the Company of a proposed Option disposition and shall have furnished to the Company a detailed statement of the circumstances surrounding such disposition, together with an opinion of counsel acceptable in form and substance to the Company that such disposition will not require registration of the shares so disposed under the Act, the Georgia Act, and any applicable state securities laws. The Company shall be under no

Grant of Non-Qualified Stock Option

"Grant Date" - _____
Page Five

obligation to permit such transfer or disposition on its stock transfer books unless counsel for the Company shall concur as to such matters. Employee recognizes and understands that as long as Employee remains a designated Section 16 officer of the Company, and for up to six months thereafter, any sales of Option Shares will be subject to Section 16 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the regulations promulgated

thereunder. Employee also recognizes and understands that any sale of the Option Shares will also be subject to Rule 10b-5 promulgated under the Exchange Act. Employee agrees that any disposition of the Option Shares shall be made only in compliance with the Act, the Exchange Act, and the rules and regulations promulgated thereunder.

10. Tax Matters. The Employee hereby agrees to comply with any applicable federal, state, and local income and employment tax requirements which might arise with regard to a disposition of any Option Shares and to inform the Company of any such disposition which occurs prior to the expiration of (i) two years from the date of grant of the option, and (ii) one year from the date of transfer to him of Option Shares. No later than the date as of which an amount first becomes includable in the gross income of the Employee for federal income tax purposes with respect to the exercise of any option under the Plan, Employee shall pay to the Company, or make arrangements satisfactory to the Committee regarding the payment of, any federal, state, or local taxes of any kind required by law to be withheld with respect to such amount. The obligations of the Company under the Plan are conditional on such payment or arrangements and the Company shall have the right to deduct any such taxes from any payment of any kind otherwise due to Employee.

11. Payment: The Option Exercise Price shall be paid in cash in U.S. Dollars at the time the Option is exercised or in shares of Common Stock of the Company held by the employee for at least six months and having an aggregate value equal to the Option Exercise Price. If the Option Exercise Price is paid by transfer of shares of Common Stock of the Corporation then the value of such shares will be determined by the mean of the high and low prices of the Corporation's Common Stock on the New York Stock Exchange on the date of the exercise of the option. The Option Exercise Price may be paid by a combination of cash and Common Stock. Notwithstanding the foregoing, Employee may elect to pay the Option Exercise Price by authorizing a third party to sell shares of stock (or a sufficient portion of the shares) acquired upon exercise of the Option and remit to the Company a sufficient portion of the sale proceeds to pay the entire Option Exercise Price and any tax withholding resulting from such exercise.

Grant of Non-Qualified Stock Option

"Grant Date" - _____

Page Six

12. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors, and permissible assigns.

13. Miscellaneous. This Agreement shall be governed by and construed under the laws of the State of Georgia. If any term or provision hereof shall be held invalid or unenforceable, the remaining terms and provisions hereof shall continue in full force and effect. Any modification to this Agreement shall not be effective unless the same shall be in writing and such writing shall be signed by authorized representatives of both of the parties hereto. The terms of paragraphs 8 and 9 hereof shall survive exercise of the option by Employee and shall attach to the Option Shares. The option contained in this letter shall not confer upon Employee any right to continued employment with the Company, nor shall it interfere in any way with the right of the Company to terminate the employment of Employee at any time. This letter can be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

Please signify your acceptance of the option and your agreement to be bound by the terms hereof by promptly signing one of the two original letters provided to you and returning the same to the President of the Company.

Thank you for your good work and service. The Company looks forward to a long and mutually beneficial relationship.

Very truly yours,
CRYOLIFE, INC.

(SEAL)

BY: _____

Title: President & CEO

ATTEST:

RONALD D. McCALL

ACCEPTED AND AGREED on this _____ day of _____.

EMPLOYEE:

Print Name:
