

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>LACY VIRGINIA C</u> (Last) (First) (Middle) CRYOLIFE, INC. 1655 ROBERTS BOULEVARD, N.W. (Street) KENNESAW GA 30144 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>CRYOLIFE INC [CRY]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>11/14/2006</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	11/14/2006		s ⁽¹⁾		500	D	\$6.2805	322,780	I	Beneficiary of Trusts ⁽²⁾
Common Stock	11/14/2006		s ⁽¹⁾		100	D	\$6.29	322,680	I	Beneficiary of Trusts ⁽²⁾
Common Stock	11/14/2006		s ⁽¹⁾		200	D	\$6.2905	322,480	I	Beneficiary of Trusts ⁽²⁾
Common Stock	11/14/2006		s ⁽¹⁾		100	D	\$6.3	322,380	I	Beneficiary of Trusts ⁽²⁾
Common Stock	11/14/2006		s ⁽¹⁾		200	D	\$6.3005	322,180	I	Beneficiary of Trusts ⁽²⁾
Common Stock	11/14/2006		s ⁽¹⁾		300	D	\$6.3605	321,880	I	Beneficiary of Trusts ⁽²⁾
Common Stock	11/14/2006		s ⁽¹⁾		200	D	\$6.3705	321,680	I	Beneficiary of Trusts ⁽²⁾
Common Stock	11/14/2006		s ⁽¹⁾		200	D	\$6.3715	321,480	I	Beneficiary of Trusts ⁽²⁾
Common Stock	11/14/2006		s ⁽¹⁾		200	D	\$6.3805	321,280	I	Beneficiary of Trusts ⁽²⁾
Common Stock	11/14/2006		s ⁽¹⁾		200	D	\$6.381	321,080	I	Beneficiary of Trusts ⁽²⁾
Common Stock	11/14/2006		s ⁽¹⁾		100	D	\$6.39	320,980	I	Beneficiary of Trusts ⁽²⁾
Common Stock	11/14/2006		s ⁽¹⁾		100	D	\$6.4	320,880	I	Beneficiary of Trusts ⁽²⁾
Common Stock	11/14/2006		s ⁽¹⁾		200	D	\$6.43	320,680	I	Beneficiary of Trusts ⁽²⁾
Common Stock	11/14/2006		s ⁽¹⁾		300	D	\$6.4305	320,380	I	Beneficiary of Trusts ⁽²⁾
Common Stock	11/14/2006		s ⁽¹⁾		300	D	\$6.431	320,080	I	Beneficiary of Trusts ⁽²⁾
Common Stock	11/14/2006		s ⁽¹⁾		200	D	\$6.432	319,880	I	Beneficiary of Trusts ⁽²⁾

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	11/14/2006		S ⁽¹⁾		300	D	\$6.44	319,580	I	Beneficiary of Trusts ⁽²⁾
Common Stock	11/14/2006		S ⁽¹⁾		200	D	\$6.45	319,380	I	Beneficiary of Trusts ⁽²⁾
Common Stock	11/14/2006		S ⁽¹⁾		100	D	\$6.48	319,280	I	Beneficiary of Trusts ⁽²⁾
Common Stock								2,500	D	
Common Stock								165,879	I	Beneficiary of IRA ⁽²⁾
Common Stock								22,500	I	Administrator of Pension Plan

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date					

Explanation of Responses:

- The sales reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on September 6, 2006.
- Ms. Lacy is the beneficiary of three trusts and an IRA in the name of her deceased spouse.

Remarks:

/s/ Virginia C. Lacy 11/14/2006

** Signature of Reporting Person Date

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

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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