
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, d.c. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): February 9, 2010

CRYOLIFE, INC.

(Exact name of registrant as specified in its charter)

Florida
(State or Other Jurisdiction
of Incorporation)

1-13165
(Commission File Number)

59-2417093
(IRS Employer
Identification No.)

1655 Roberts Boulevard, N.W., Kennesaw, Georgia 30144
(Address of principal executive office) (zip code)

Registrant's telephone number, including area code: (770) 419-3355

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Section 8 Other Events

Item 8.01 Other Events.

On February 9, 2010, CryoLife, Inc. (“CryoLife”) sent a letter to the shareholders of Medafor, Inc. (“Medafor”) and issued a press release regarding the same. CryoLife also updated the Frequently Asked Questions portion of the Medafor offer portion of its website. These documents are available at www.cryolife.com/medaforoffer and/or have otherwise been disseminated by CryoLife. The letter to the Medafor shareholders and the press release, both dated February 9, 2010, and the updated Frequently Asked Questions portion of the website are attached hereto as Exhibits 99.1, 99.2 and 99.3, respectively.

This filing and the exhibits hereto are provided for informational purposes only and are not offers to purchase nor a solicitation of offers to sell shares of Medafor or CryoLife. Subject to future developments, CryoLife may file a registration statement and/or tender offer documents and/or proxy statement with the SEC in connection with the proposed combination. Shareholders should read those filings, and any other filings made by CryoLife with the SEC in connection with the combination, as they will contain important information. Those documents, if and when filed, as well as CryoLife’s other public filings with the SEC, may be obtained without charge at the SEC’s website at www.sec.gov and at CryoLife’s website at www.cryolife.com.

Section 9 Financial Statements and Exhibits

Item 9.01(d) Exhibits.

(a) Financial Statements.

Not applicable.

(b) Pro Forma Financial Information.

Not applicable.

(c) Shell Company Transactions.

Not applicable.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
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99.1	Letter to the Medafor shareholders dated February 9, 2010
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99.2	Press Release dated February 9, 2010
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99.3	Frequently Asked Questions available at www.cryolife.com/medaforoffer
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February 9, 2010

Dear Fellow Medafor Shareholder:

As you have read in our press release dated February 2, 2010, CryoLife now owns approximately 11 percent of Medafor ("the Company"). As a result, CryoLife has acquired additional shareholder rights, including the right to call a special meeting of Medafor shareholders. We did receive a letter from Medafor's board on January 22, 2010 indicating that Medafor's board is giving serious consideration to our proposal to acquire the outstanding shares of Medafor for \$2.00 per share in cash and stock. We at CryoLife remain committed to engaging with Medafor in good faith negotiations about this proposal in order to help maximize value for all shareholders. However, it has been over two weeks since Medafor's board last communicated with us and almost four weeks since we sent our first letter to the Company. Therefore, we sent another letter to Medafor's board on February 5, 2010, copied below, asking them to articulate their process and timing in response to our letters.

We believe our initial proposal to Medafor is compelling. We look forward to engaging Medafor's board to fully discuss the complete set of opportunities that exist for both companies as a combined entity. We are disappointed that Medafor's board has not yet contacted us to explore this opportunity in earnest. We find the continued delay on the part of Medafor to be harmful to Medafor shareholders and, as Medafor's largest shareholder, we are prepared to take action on behalf of all shareholders to ensure that the board upholds its fiduciary responsibilities.

Medafor Today

CryoLife's goal is to acquire Medafor in order to maximize the potential of its hemostatic technology and the related products, such as HemoStase. Medafor is facing significant capital constraints that are restricting its ability to invest in its technology and products and adequately maximize their market rollout. The Company has been trying to raise funds for the last two years in order to meet basic corporate needs such as working capital, but has to our understanding largely been unable to do so. Furthermore, Medafor received a going concern letter from its auditors at KPMG on September 11, 2009, as a part of Medafor's 2008 financial audit. Going concern qualifications in financial audits are issued by accounting firms when there are substantial doubts that a company will have the financial resources to remain in business over the next 12 months. Common stock shareholders could lose their entire investment in Medafor should the Company ultimately fail to raise necessary funding and file for bankruptcy.

Medafor's capital constraints have forced the Company to repeatedly issue new shares in order to raise capital. The Company has also issued new shares, in lieu of cash, to compensate consultants and employees. This has resulted in a continual dilution of shareholders, with common shares issued almost tripling from approximately 7.7 million shares outstanding in 2005 to 20.9 million in 2009, along with additional warrants. Put another way, holding all other factors constant, a share of Medafor common stock that was worth \$2.00 in 2005 would be worth \$.73 today, due to the dilution caused by the additional 13.2 million shares management has issued. Any additional sales of common stock by Medafor will further dilute shareholders and may reduce the value per share of Medafor stock.

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In addition, we believe that Medafor has also failed to provide adequate IP protection for its hemostatic technology. Arista's main patent is patent protected only in the U.S., Germany and France.* As a result, at least one competitor with prior affiliation to Medafor has been able to launch and commercialize a competing product in Europe and other international markets, negatively impacting CryoLife's and Medafor's sales. CryoLife has repeatedly asked Medafor management to take action to defend its IP and our investment. Medafor's inability to adequately protect its IP hinders its growth potential and adversely impacts the Company's value for its shareholders and commercial partners.

CryoLife – a Better Way Forward

CryoLife has the resources, expertise and financial strength to maximize the potential of Medafor's hemostatic technology and related products for the benefit of shareholders and patients. In addition to cash, our current proposal offers a stock component that will allow Medafor shareholders to take part in CryoLife's future successes.

We have a proven and experienced management team (see the enclosed booklet) that has brought several products to market, across multiple product lines, including BioGlue, a leading global surgical adhesive. Our management team has over 150 years combined experience in the medical device and related industries, and are absolutely committed to our business. They have the skills necessary to maximize the potential of Medafor's underlying technology, including manufacturing, product marketing and FDA label expansion experience.

CryoLife has a 50-person strong direct sales force that has helped our products achieve market dominant positions. With this team, CryoLife has become one of the worldwide leaders in sealants and vascular and cardiac allografts. Our direct sales force operates in the U.S., UK and Germany and we have sales representatives in over 70 countries. Combined with our access to world class cardiac and vascular surgery centers across the U.S. and our relationships with over 1,000 cardiac and vascular surgeons, we are confident our sales force and distribution network would maximize Medafor's hemostatic technology for all shareholders.

Our strong track record is evidenced in our success as Medafor's largest distributor. We increased HemoStase's sales from \$1.5 million in 2008 to \$6.0 million in 2009, demonstrating quarterly sequential revenue growth in each quarter that we have sold the product.

In addition, CryoLife's strong cash and liquidity position allows us to make significant investments in R&D, marketing, product rollouts and the protection of our IP. Presently we have cash balances in excess of \$34 million plus availability under our line of credit of \$14.5 million. In 2009 alone, we invested \$24.8 million in R&D and marketing. If we are successful in acquiring Medafor, we plan to invest a significant amount of capital in further developing and marketing their hemostatic technology and related products like HemoStase.

Summary

We hope that the Medafor board will engage with us in discussions over the details of our proposal in a timely manner. We encourage Medafor shareholders to continue to voice your opinions to Medafor's management and the board and learn more about CryoLife and our successful history of growth by visiting www.cryolife.com and www.cryolife.com/medaforoffer.

Ultimately, our proposal is about creating value for all Medafor shareholders and ensuring that more doctors and patients have access to their hemostatic technology and the related products. A combination of CryoLife and Medafor would create a dynamic company poised for significant additional growth, and we would like you to consider being a part of our future success. I look forward to communicating with you again in the near future.

Sincerely,

/s/ Steven G. Anderson
Steven G. Anderson
Founder, CEO and President

* Certain letters mailed to Medafor shareholders erroneously referenced the U.S., Germany and the U.K.

Letter to Medafor Board of Directors dated February 5, 2010:

February 5, 2010

VIA FEDEX
Michael F. Pasquale, Chairman of the Board
Medafor, Inc.

Dear Michael,

Thank you for your response, which we received on January 22, 2010. We are encouraged by your statement that you are giving consideration to our proposal to acquire all of the outstanding shares of Medafor's common stock. We and our advisors are prepared to meet with you and your advisors to answer any questions you may have about our offer and to discuss your perspective on Medafor's valuation. To that end, we would appreciate greater detail on the board's timing and process for considering our proposal and entering into direct discussions with us. A timely response is appreciated as it has been approximately two weeks since your last communication and three weeks since we submitted our proposal.

We urge you to enter into discussions with us in a timely manner as delaying negotiations with us simply delays the creation of value for your shareholders. We believe that CryoLife's resources and financial strength will maximize the potential of Medafor and its hemostatic technology for the benefit of patients and shareholders.

Although we prefer to work with you and your advisors to negotiate a mutually agreeable transaction, in the event that you continue to delay or refuse to meet with us, we will be forced to consider all our options. This includes exercising our right to call a special shareholders meeting as provided for under your bylaws.

We are prepared to commit all the resources necessary to complete a transaction expeditiously. We believe that a combination of CryoLife and Medafor makes strategic and financial sense for the shareholders of both companies and we hope you will work with us in a productive manner.

I look forward to receiving your response with an update on the board's process and timing as soon as possible, as well as the contact details for your advisors. We believe that your other shareholders would welcome this information as well.

Very truly yours,

Steven G. Anderson
President, CEO and Chairman of the Board

cc: Board of Directors of Medafor
Gary J. Shope

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**FOR IMMEDIATE RELEASE****Media Contacts:**

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Chief Operating Officer
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CryoLife Sends Letter to Medafor, Inc. Shareholders

ATLANTA, GA (February 9, 2010) – CryoLife, Inc. (NYSE: CRY), an implantable biological medical device and cardiovascular tissue processing company, announced today that it has sent the following letter to Medafor shareholders.

Important Information for Medafor Shareholders**February 9, 2010**

Dear Fellow Medafor Shareholder:

As you have read in our press release dated February 2, 2010, CryoLife now owns approximately 11 percent of Medafor (“the Company”). As a result, CryoLife has acquired additional shareholder rights, including the right to call a special meeting of Medafor shareholders. We did receive a letter from Medafor’s board on January 22, 2010 indicating that Medafor’s board is giving serious consideration to our proposal to acquire the outstanding shares of Medafor for \$2.00 per share in cash and stock. We at CryoLife remain committed to engaging with Medafor in good faith negotiations about this proposal in order to help maximize value for all shareholders. However, it has been over two weeks since Medafor’s board last communicated with us and almost four weeks since we sent our first letter to the Company. Therefore, we sent another letter to Medafor’s board on February 5, 2010, copied below, asking them to articulate their process and timing in response to our letters.

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In addition, we believe that Medafor has also failed to provide adequate IP protection for its hemostatic technology. Arista's main patent is patent protected only in the U.S., Germany and France. As a result, at least one competitor with prior affiliation to Medafor has been able to launch and commercialize a competing product in Europe and other international markets, negatively impacting CryoLife's and Medafor's sales. CryoLife has repeatedly asked Medafor management to take action to defend its IP and our investment. Medafor's inability to adequately protect its IP hinders its growth potential and adversely impacts the Company's value for its shareholders and commercial partners.

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Summary

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Ultimately, our proposal is about creating value for all Medafor shareholders and ensuring that more doctors and patients have access to their hemostatic technology and the related products. A combination of CryoLife and Medafor would create a dynamic company poised for significant additional growth, and we would like you to consider being a part of our future success. I look forward to communicating with you again in the near future.

Sincerely,

Steven G. Anderson
Founder, CEO and President

Letter to Medafor Board of Directors dated February 5, 2010:

February 5, 2010

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Michael F. Pasquale, Chairman of the Board
Medafor, Inc.

Dear Michael,

Thank you for your response, which we received on January 22, 2010. We are encouraged by your statement that you are giving consideration to our proposal to acquire all of the outstanding shares of Medafor's common stock. We and our advisors are prepared to meet with you and your advisors to answer any questions you may have about our offer and to discuss your perspective on Medafor's valuation. To that end, we would appreciate greater detail on the board's timing and process for considering our proposal and entering into direct discussions with us. A timely response is appreciated as it has been approximately two weeks since your last communication and three weeks since we submitted our proposal.

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Although we prefer to work with you and your advisors to negotiate a mutually agreeable transaction, in the event that you continue to delay or refuse to meet with us, we will be forced to consider all our options. This includes exercising our right to call a special shareholders meeting as provided for under your bylaws.

We are prepared to commit all the resources necessary to complete a transaction expeditiously. We believe that a combination of CryoLife and Medafor makes strategic and financial sense for the shareholders of both companies and we hope you will work with us in a productive manner.

I look forward to receiving your response with an update on the board's process and timing as soon as possible, as well as the contact details for your advisors. We believe that your other shareholders would welcome this information as well.

Very truly yours,

Steven G. Anderson
President, CEO and Chairman of the Board

cc: Board of Directors of Medafor
Gary J. Shope

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About CryoLife, Inc.

Founded in 1984, CryoLife, Inc. is a leader in the processing and distribution of implantable living human tissues for use in cardiac and vascular surgeries throughout the U.S. and Canada. The Company's CryoValve[®] SG pulmonary heart valve, processed using CryoLife's proprietary SynerGraft[®] technology, has FDA 510(k) clearance for the replacement of diseased, damaged, malformed, or malfunctioning native or prosthetic pulmonary valves. The Company's CryoPatch[®] SG pulmonary cardiac patch has FDA 510(k) clearance for the repair or reconstruction of the right ventricular outflow tract (RVOT), which is a surgery commonly performed in children with congenital heart defects, such as Tetralogy of Fallot, Truncus Arteriosus, and Pulmonary Atresia. CryoPatch SG is distributed in three anatomic configurations: pulmonary hemi-artery, pulmonary trunk, and pulmonary branch. The Company's BioGlue[®] Surgical Adhesive is FDA approved as an adjunct to sutures and staples for use in adult patients in open surgical repair of large vessels. BioGlue is also CE marked in the European Community and approved in Canada and Australia for use in soft tissue repair. The Company's BioFoam[®] Surgical Matrix is CE marked in the European Community for use as an adjunct in the sealing of abdominal parenchymal tissues (liver and spleen) when cessation of bleeding by ligature or other conventional methods is ineffective or impractical. BIOGLUE *Aesthetic*[™] Medical Adhesive is CE marked in the European Community for periosteal fixation following endoscopic browplasty (brow lift) in reconstructive plastic surgery and is distributed by a third party for this indication. CryoLife distributes HemoStase[®], a hemostatic agent, in much of the U.S. for use in cardiac and vascular surgery and in many international markets for cardiac, vascular, and general surgery, subject to certain exclusions.

For additional information about the company, visit CryoLife's Web site:
www.cryolife.com.

END

ADDITIONAL IMPORTANT INFORMATION

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Website FAQ**Why is CryoLife acquiring a stake in Medafor?**

We have acquired this significant stake in Medafor as a first step in our efforts to acquire full control of HemoStase and Medafor's hemostatic technology. We are taking this step in order to help HemoStase and related products realize their full potential. If we are successful, we believe that our experienced management team, strong direct sales force, international distribution network, and financial strength will allow us to drive additional growth of HemoStase and related products, and create value for CryoLife and Medafor shareholders. In the event we are unable to acquire control of Medafor in the near term, we believe we will be able to recover the value of this investment in the future.

How much of Medafor does CryoLife now own?

CryoLife believes it owns approximately 11 percent of the outstanding Medafor common stock and that it is now the largest single shareholder of Medafor, in addition to being Medafor's largest distributor.

What are the terms of the proposal CryoLife made most recently to Medafor?

On January 13, 2010, CryoLife sent a letter to Medafor's management and board requesting to enter into discussions with them regarding a potential acquisition by CryoLife of the remaining outstanding common stock of Medafor for \$2.00 per share in a combination of cash and CryoLife stock, subject to completion of reasonable due diligence. This would provide Medafor shareholders with certain value through a cash component, as well as the opportunity to participate in future upside through continued ownership of the combined company under CryoLife leadership.

We believe this proposal to Medafor represents full and fair value, reflecting both the upside from the growth potential of HemoStase and the product's underlying technology, as well as the downside presented by the IP restrictions on this product.

Our proposal also represents a significant premium to the price at which we believe Medafor's own board and management have recently offered to convert debt into equity.

What is the breakdown between cash and stock?

Negotiations with the Medafor board would allow us to determine the right mix of cash and stock. We believe a cash/stock offer is appropriate and attractive, as the cash component would provide Medafor shareholders with immediate and certain value, while the stock portion would allow shareholders to participate in future upside through continued ownership of the combined company. We think the prospects for CryoLife are strong and that Medafor shareholders will be able to realize additional value by owning our stock. It is also important to note that ownership of CryoLife stock would provide shareholders with further liquidity, as they would be able to trade this stock on the New York Stock Exchange. That said, given the current economic climate, we recognize that cash may be more important to some shareholders, and we are therefore prepared to evaluate how this is best addressed.

What has been the reaction of Medafor's board to the recent CryoLife proposal?

CryoLife received a letter from Medafor's board on January 22, 2010 that stated that Medafor's board was considering its options. CryoLife has not heard from Medafor's board since that communication. As a result, we have sent the Medafor board a follow up letter encouraging them to provide greater detail on the timing and process for considering our proposal and entering into direct discussions with us. CryoLife remains committed to entering into friendly negotiations with Medafor's board and management, but, in the event that Medafor's board continues to delay, we may consider additional actions to facilitate a transaction with Medafor that would not require the approval of current board members.

Why did CryoLife choose to make this proposal public?

CryoLife has made every effort to work with Medafor as partners in an amicable and productive manner. We have made numerous attempts to engage with Medafor's management and board about a potential value-creating acquisition of the company by CryoLife. Prior to Medafor's most recent communication asking us for additional time, Medafor had summarily rejected all of our overtures and refused to negotiate with us. By providing our fellow Medafor shareholders with complete and timely information about our proposal, we hope to encourage Medafor's management and board to come to the table.

Is the proposal made to the Medafor board available to Medafor shareholders?

Not at this time. It is our hope that by making our proposal public, we will encourage Medafor's management and board to engage in discussions with us, or at least remove any legal barriers that would prevent us from purchasing additional shares from Medafor shareholders.

What can Medafor shareholders who wish to sell their shares to CryoLife do?

We encourage shareholders to make their voices heard to Medafor's management and board by contacting them directly.

Why is CryoLife purchasing additional shares from some investors but not making its proposal available to all?

We have purchased some additional shares from Medafor shareholders in order to bring our holding to over 10 percent and to obtain the additional right of being able to call a special shareholders meeting. At this time, we remain hopeful that we can engage in friendly negotiations with Medafor's board about our proposal. While we may make some additional purchases of Medafor stock from time to time, we encourage shareholders to make their voices heard to Medafor's management and board by contacting them directly. If Medafor's board refuses to enter into negotiations with us, we will consider our other options.

How does CryoLife intend to effect an acquisition of Medafor without agreement from their management/board if Medafor refuses to negotiate?

It is our hope that having demonstrated our commitment to a value-creating transaction by publicly announcing our proposal, Medafor's management and board will agree to engage in discussions with us. Further, we believe that as a substantial shareholder of Medafor, we have a right to a voice in Medafor's management, and we will exercise that right to its fullest potential in order to remove any impediments that currently block Medafor shareholders from being able to sell their shares to us. If necessary, we may consider additional actions to facilitate a transaction with Medafor that would not require the approval of current board members.

Why should Medafor sell itself to CryoLife?

Medafor needs to accelerate its rollout of HemoStase and the underlying hemostatic technology. Such a rollout inherently requires a significant outlay of capital. We think CryoLife can facilitate this rollout in a way that would prevent the need for repeatedly accessing traditional equity markets. Accessing equity markets will likely produce unnecessary further dilution for Medafor's current shareholders. We note that current management has increased outstanding shares by more than 13 million shares since 2005 (at that time there were only 7.7 million shares outstanding), and has not been able to generate an exit strategy that provides value to existing Medafor shareholders. At the same time, as Medafor's largest distributor, we feel that integrating our two companies would produce the greatest revenue growth and profitability for this technology, and increase returns for both Medafor and CryoLife shareholders.

How has Medafor failed to help HemoStase reach its full potential? What will CryoLife do differently?

Medafor has failed to maximize the potential of HemoStase and the product's underlying technology for its shareholders. Medafor's capital constraints prevent it from conducting significant research and development and investing in its sales force and distribution network in a meaningful way. With significantly greater resources, CryoLife would remedy this.

Our management team has over 150 years combined experience in the medical device business. We have a direct sales force in the U.S. and an international distribution network comprised of both direct employees and third party representatives who are focused on cardiac, vascular and general surgeons. HemoStase is a perfect complement to CryoLife's BioGlue technology; together BioGlue and HemoStase offer a full range of products to our surgeon customers to assist them in the control and prevention of bleeding. We have already demonstrated our ability to sell HemoStase (having achieved \$6 million in sales in 2009) and have the resources available to us to ensure that HemoStase and related products properly penetrate the market.

How did CryoLife come to this current proposal?

The proposal price results from a detailed analysis of Medafor, its products, and the market conducted by CryoLife in conjunction with its financial and legal advisors. The valuation is consistent with comparable company valuations, similar M&A transactions, and other relevant metrics and methodologies. We believe our proposal to Medafor represents full and fair value, reflecting both the upside from the growth potential of HemoStase and the product's underlying technology, as well as the downside presented by the significant IP restrictions on this product. Of course, our analysis is based upon the best information available to us. We remain open to negotiating our proposal further with Medafor's management and board, and have indicated our desire to enter into discussions and consider further information about Medafor. Any final offer will be contingent upon the conclusion of reasonable due diligence.

In the event that Medafor's board does not engage in negotiations with us, we plan to provide additional detail with regard to our valuation of Medafor directly to shareholders.

Does CryoLife's Medafor stake give CryoLife any additional powers outside those of a normal shareholder?

Minnesota corporate law gives special rights to persons who own 3% or more of the common stock in Medafor. Thus, CryoLife has the right to propose amendments to the Articles of Incorporation or bylaws of Medafor at a regularly scheduled meeting of shareholders, and if a meeting has not been held during the last 15 months, CryoLife can demand one.

Additionally, as an owner of more than 10% of Medafor's outstanding shares, CryoLife has the right to call a special shareholders meeting pursuant to Medafor's bylaws. CryoLife remains committed to entering into friendly negotiations with Medafor's board and management, but, in the event that Medafor's board continues to delay, a special shareholders meeting would afford CryoLife the opportunity to seek to replace the Medafor board in order to maximize value for all Medafor shareholders.

What are CryoLife's next steps?

We hope to begin negotiations with the Medafor board. If necessary, however, we may consider additional actions to facilitate a transaction with Medafor that would not require the approval of current board members.

When does CryoLife plan to communicate with Medafor shareholders?

Outside of this information, if we are unable to meet with or reach agreement with the Medafor board in a timely fashion, we plan to continue to communicate with Medafor shareholders directly about our offer for Medafor and our strategy for the company going forward.

What is the timing for this process?

If Medafor's board agrees to negotiate with us and we ultimately reach agreement, we believe this process could take several months. If Medafor's board refuses to negotiate with us, then we will evaluate our options.

Who can shareholders contact if they have questions?

You may contact Nina Devlin at Edelman at 212-704-8145 for more information. You may also leave a question at the following email address medaforinfo@cryolife.com and someone will contact you.

Statements made in this document that look forward in time or that express management's beliefs, expectations or hopes are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include those regarding future actions we may take with respect to Medafor, our efforts to acquire full control of HemoStase and Medafor's hemostatic technology, our ability to help HemoStase realize its full potential and drive additional sales of HemoStase and related products, and create value and increase returns for CryoLife and Medafor shareholders, our belief that we will be able to recover the value of our investment in Medafor, our plans to communicate with Medafor shareholders about our offer for Medafor and our strategy for the company going forward at a future date, and our beliefs regarding the potential timing of a transaction. These future events may not occur as and when expected, if at all, and, together with our business, are subject to various risks and uncertainties. These risks and uncertainties include that any transaction with Medafor may not occur or may be delayed due to circumstances and events beyond our control, including legal impediments, we may not be able to realize the anticipated benefits of a transaction with Medafor, our plans to acquire Medafor may change, our plans to communicate publicly regarding the proposed transaction may change and may be influenced by various legal and regulatory considerations, and Medafor's management may act in ways that differ from our current expectations. The timing of and our ability to communicate with Medafor shareholders may be impacted by the actions of Medafor management. Also, the success of any transaction between CryoLife and Medafor is subject to risks facing both companies. These risks include that CryoLife is significantly dependent on revenues from BioGlue and there are a variety of risks affecting BioGlue, CryoValve SG pulmonary heart valves and other SynerGraft processed tissues and products may not be accepted by the marketplace, the CryoValve SG pulmonary heart valve has a one year shelf life, the CryoPatch SG has a one year shelf life, we are dependent on the availability of sufficient quantities of tissue from human donors, the CryoValve SG pulmonary heart valve post-clearance study requested by the FDA may not provide the expected positive results, our products and tissues we process and preserve have allegedly caused and may in the future cause injury to patients, and we have been and may be exposed to tissue processing and product liability claims and additional regulatory scrutiny as a result, the possibility that the FDA could impose additional restrictions on our operations, issue a 483, or warning letter, or require a recall, or prevent us from processing and distributing tissues or manufacturing and distributing other products, our failure to adequately comply with government regulations could result in loss of revenues and customers as well as additional compliance expense, our ability to borrow under our credit facility may be limited, the credit facility limits our ability to pursue significant acquisitions, the financial and credit liquidity crisis may adversely affect our ability to borrow money or raise capital, the current economic crisis and future economic crises may adversely affect our business and financial condition, there are limitations on our use of net operating loss carry-forwards that could result in our inability to use them fully or at all, adverse regulatory action outside of the U.S. could affect our business, physicians have been and may be reluctant to implant or use our preserved tissues or products, our existing insurance policies may not be sufficient to cover our actual claims liability, current economic conditions may impact demand for our tissues and products, intense competition may affect our ability to operate profitably, we may be unable to obtain adequate insurance at a reasonable cost or at all, uncertainties related to patents and protection of proprietary technology may adversely affect the value of our intellectual property, uncertainties related to patents and protection of proprietary technology for products distributed by us may adversely affect our ability to distribute those products, we are dependent on key personnel, we may not be successful in obtaining necessary clinical results and regulatory approvals for products and services in development, and our new products and services may not achieve market acceptance, we may be unable to effectively leverage our existing sales force to sell HemoStase, the lawsuit we filed against Medafor regarding our distribution agreement with Medafor may continue to adversely impact our relationship with Medafor and could hamper or prevent us from distributing HemoStase, Medafor may in the future attempt to terminate our distribution agreement, rapid technological change could cause our services and products to become obsolete, extensive government regulation may adversely affect our ability to develop and sell products and services, we have experienced operating losses and negative cash flows in the past, and we must continue to address the underlying causes in order to continue to operate profitably and generate positive cash flows, investments in new technologies and acquisitions of products or distribution rights may not be successful, if we are not successful in expanding our business activities in international markets, we will be unable to pursue one of our strategies for increasing our revenues, continued deflation of foreign currencies relative to the U.S. dollar could materially and adversely impact our foreign revenues, and future healthcare policies, healthcare reimbursement methods, and healthcare reimbursement policies may affect the availability, amount, and timing of our revenues, financial condition, and profitability. These risks and uncertainties include the risk factors detailed in our Securities and Exchange Commission filings, including our Form 10-K filing for the year ended December 31, 2008, our Form 10-Q filing for the quarter ended March 31, 2009, our Form 10-Q filing for the quarter ended June 30, 2009, our Form 10-Q filing for the quarter ended September 30, 2009, and the Company's other SEC filings. Medafor's business is also subject to a number of risks, including the risk that HemoStase does not have adequate intellectual property protection, that additional regulatory approvals may not be obtained in a timely fashion, if at all, and that product liability lawsuits could be filed in connection with the use of HemoStase. In addition, the acquisition of Medafor by CryoLife, if it occurs, could result in unexpected costs or liabilities to CryoLife due to potential non-compliance by Medafor under applicable laws and regulations, although CryoLife is currently not aware of any material non-compliance, or due to other factors that we are not currently able to predict, as we have not had the opportunity to perform a due diligence review with respect to Medafor. The Company does not undertake to update its forward-looking statements. In addition, the calculation of the estimated percentage of Medafor's outstanding shares owned by CryoLife is based on 20,950,445 shares outstanding, the number of outstanding shares shown on Medafor's shareholder list as updated on January 21, 2010. This calculation does not take into account any shares that may have been repurchased or issued by Medafor since that date. As a result, CryoLife's actual percentage ownership of Medafor's outstanding common stock may be greater or less than 11%.
