

| 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*<br><u>LEE DAVID ASHLEY</u><br>_____<br>(Last) (First) (Middle)<br><u>CRYOLIFE, INC.</u><br><u>1655 ROBERTS BLVD, NW</u><br>_____<br>(Street)<br><u>KENNESAW GA 30144</u><br>_____<br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><u>CRYOLIFE INC [ CRY ]</u> | 5. Relationship of Reporting Person(s) to Issuer<br>(Check all applicable)<br>Director 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) Other (specify below)<br><u>Executive VP, COO &amp; CFO</u> |
|  | 3. Date of Earliest Transaction (Month/Day/Year)<br><u>02/19/2017</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                    | 02/19/2017                           | 02/20/2017   | F                              |   | 3,104 <sup>(1)</sup>  | D          | \$17.25 | 288,292   | D  |   |
| Common Stock                    | 02/19/2017                           | 02/20/2017   | F                              |   | 1,330 <sup>(1)</sup>  | D          | \$17.25 | 272,782   | D  |   |
| Common Stock                    | 02/19/2017                           | 02/20/2017   | A                              |   | 18,614 <sup>(2)</sup>   | A          | \$17.25 | 291,396   | D  |   |
| Common Stock                    | 02/21/2017                           | 02/21/2017   | A                              |   | 9,111 <sup>(3)</sup>  | A          | \$0     | 297,403   | D  |   |
| Common Stock                    |                                      |  |                                |   |   |            |         | 1,500   | I  | By Children   |
| Common Stock                    |                                      |  |                                |   |   |            |         | 5,000   | I  | By Spouse   |

**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 |   |  |  |   |  |
| Stock Option (Right to Buy)                | \$16.3   |                                      |  |                                |   |  |     | 02/21/2018   | 02/21/2024      | Common Stock  | 25,665                                     | 25,665   | D   |  |

**Explanation of Responses:**

- These shares were withheld upon the vesting of restricted stock to pay tax withholding obligations.
- Represents performance stock units granted on February 19, 2016 and earned at approximately 142.2% of target based on 2016 adjusted EBITDA. Fifty percent (50%) were issued on February 19, 2017. The remaining shares earned in connection with the February 2016 grant will vest and be issued as follows: 50% on 02/19/2018, and 50% on 02/19/2019, assuming continued employment on the relevant vesting date.
- Represents share of restricted stock that vest on the third anniversary of the grant date if the reporting person remains in the continuous employ of the Company.

/s/ D. Ashley Lee 02/22/2017  
 \*\* 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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