

LACY VIRGINIA C
Form 4
February 28, 2007

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
LACY VIRGINIA C

(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
CRYOLIFE INC [CRY]

3. Date of Earliest Transaction (Month/Day/Year)
02/27/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--------------------------------------|
| | | | Code | V Amount (D) Price | | | |
| Common Stock | 02/27/2007 | | S ⁽¹⁾ | 800 D \$ 7.86 | 274,480 | I | Beneficiary of Trusts ⁽²⁾ |
| Common Stock | 02/27/2007 | | S ⁽¹⁾ | 500 D \$ 7.87 | 273,980 | I | Beneficiary of Trusts ⁽²⁾ |
| Common Stock | 02/27/2007 | | S ⁽¹⁾ | 400 D \$ 7.88 | 273,580 | I | Beneficiary of Trusts ⁽²⁾ |
| Common Stock | 02/27/2007 | | S ⁽¹⁾ | 100 D \$ 7.89 | 273,480 | I | Beneficiary of Trusts ⁽²⁾ |
| Common Stock | 02/27/2007 | | S ⁽¹⁾ | 200 D \$ 7.9 | 273,280 | I | Beneficiary of Trusts ⁽²⁾ |

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| | | | | | | | | |
|--------------|------------|------------------|-----|---|---------|---------|---|--------------------------------------|
| Common Stock | 02/27/2007 | S ⁽¹⁾ | 400 | D | \$ 8 | 272,880 | I | Beneficiary of Trusts ⁽²⁾ |
| Common Stock | 02/27/2007 | S ⁽¹⁾ | 200 | D | \$ 8.01 | 272,680 | I | Beneficiary of Trusts ⁽²⁾ |
| Common Stock | 02/27/2007 | S ⁽¹⁾ | 300 | D | \$ 8.02 | 272,380 | I | Beneficiary of Trusts ⁽²⁾ |
| Common Stock | 02/27/2007 | S ⁽¹⁾ | 200 | D | \$ 8.03 | 272,180 | I | Beneficiary of Trusts ⁽²⁾ |
| Common Stock | 02/27/2007 | S ⁽¹⁾ | 300 | D | \$ 8.04 | 271,880 | I | Beneficiary of Trusts ⁽²⁾ |
| Common Stock | 02/27/2007 | S ⁽¹⁾ | 200 | D | \$ 8.07 | 271,680 | I | Beneficiary of Trusts ⁽²⁾ |
| Common Stock | 02/27/2007 | S ⁽¹⁾ | 100 | D | \$ 8.08 | 271,580 | I | Beneficiary of Trusts ⁽²⁾ |
| Common Stock | 02/27/2007 | S ⁽¹⁾ | 200 | D | \$ 8.13 | 271,380 | I | Beneficiary of Trusts ⁽²⁾ |
| Common Stock | 02/27/2007 | S ⁽¹⁾ | 100 | D | \$ 8.16 | 271,280 | 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 |

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

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SEC 1474
(9-02)

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 Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned (Instr. 6) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|

| | | | | |
|------|---------------------|--------------------|-------|--|
| | | | | Amount or Number of Shares |
| | Date Exercisable | Expiration Date | Title | |
| Code | V | (A) | (D) | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| LACY VIRGINIA C CRYOLIFE, INC. 1655 ROBERTS BOULEVARD, N.W. KENNESAW, GA 30144 | | X | | |

Signatures

/s/ Virginia C.
Lacy 02/27/2007

**Signature of Reporting Person Date

Explanation of Responses:

- * 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).
- (1) 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.
 - (2) Ms. Lacy is the beneficiary of three trusts and an IRA in the name of her deceased spouse.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.