FORM 10-K

BIOLIFE SOLUTIONS INC - BLFS

Filed: March 29, 2012 (period: December 31, 2011)

Annual report with a comprehensive overview of the company

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-K

(Mark One)
☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the year ended **December 31, 2011**

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

For the transition period from_____to_____

Commission File Number **0-18170**

BioLife Solutions, Inc.

(Exact name of registrant as specified in its charter)

DELAWARE	**94-3076866**
(State or other jurisdiction of incorporation or organization)	*(IRS Employer Identification No.)*

3303 MONTE VILLA PARKWAY, SUITE 310, BOTHELL, WASHINGTON, 98021
(Address of registrant's principal executive offices, Zip Code)

(425) 402-1400
(Telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:
COMMON STOCK, $0.001 PAR VALUE

Indicate by check mark whether the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☑

Indicate by check mark whether the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☑

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (S232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post said files). Yes ☑ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☑

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer", and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐	Non-accelerated filer ☐	Smaller reporting company ☑

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☑

As of the registrant's most recently completed second fiscal quarter, the aggregate market value of common equity held by non-affiliates was $2,554,045.

As of February 29, 2012, 69,679,854 shares of the registrant's common stock were outstanding.

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PART I

ITEM 1. BUSINESS

Note: The terms "the Company," "us," "we" and "our" refer to BioLife Solutions, Inc.

Overview

BioLife Solutions, Inc. ("BioLife" or the "Company"), a life sciences tools provider, was incorporated in 1998 in Delaware as a wholly owned subsidiary of Cryomedical Sciences, Inc. ("Cryomedical"), a company that was engaged in manufacturing and marketing cryosurgical products. In 2002, BioLife was merged into Cryomedical, which changed its name to BioLife Solutions, Inc. Our product offerings include:

- Patented biopreservation media products for cells, tissues, and organs
- Generic formulations of blood stem cell freezing media products
- Custom product formulation and custom packaging services
- Contract aseptic manufacturing fill and finish services

Our proprietary HypoThermosol®, CryoStor®, and generic BloodStor® biopreservation media products are marketed to regenerative medicine companies, hospital-based stem cell transplant centers, pharmaceutical companies, cord blood and adult stem cell banks, hair transplant surgeons, and suppliers of cells to the drug discovery, toxicology testing and diagnostic markets. All of our products are serum-free and protein-free, fully defined, and are manufactured under current Good Manufacturing Practices using United States Pharmacopeia ("USP")/Multicompendial or the highest available grade components.

Our patented biopreservation media products are formulated to reduce preservation-induced, delayed-onset cell damage and death. Our platform enabling technology provides our customers significant shelf life extension of biologic source material and final cell products, and also greatly improved post-preservation cell, tissue, and organ viability and function.

The discoveries made by our scientists and consultants relate to how cells, tissues, and organs respond to the stress of hypothermic storage, cryopreservation, and the thawing process. These discoveries enabled the formulation of truly innovative biopreservation media products that protect biologic material from preservation-related cellular injury, much of which is not apparent immediately after return to normothermic body temperature. Our product formulations have demonstrated remarkable reduction in apoptotic (programmed) and necrotic (pathologic) cell death mechanisms and are enabling the clinical and commercial development of a number of innovative regenerative medicine products.

Our principal executive offices are located at 3303 Monte Villa Parkway, Suite 310, Bothell, WA 98021 and the telephone number is (425) 402-1400. Our cGMP manufacturing suite is located at 3301 Monte Villa Parkway, Suite 105, Bothell WA 98021.

Mission

We strive to be the leading provider of biopreservation tools for cells, tissues, and organs; to facilitate basic and applied research and commercialization of new therapies by maintaining the health and function of biologic source material and finished products during the preservation process.

Technological Overview

Stability (shelf life), and functional recovery are crucial aspects of academic research and clinical practice in the biopreservation of biologic-based source material, intermediate derivatives, and isolated/derived/expanded cellular products. Limited stability is especially critical in the regenerative medicine field, where harvested cells and tissue, if not maintained at normothermic body temperature (98.6ºF/37ºC), or stored in an effective preservation medium, will lose viability over time. Chilling (hypothermia) is used to reduce metabolism and delay degradation of harvested cells, tissues, and organs. However, subjecting biologic material to hypothermic environments produces mixed results. Although cooling successfully reduces metabolism (i.e., lowers demand for oxygen), various levels of cellular damage and death occur. To solve this problem, transplant surgeons, for example, flush the donor tissue with an engineered preservation solution designed to provide short-term biopreservation support after removal of the organ from the donor and during transportation. Clinicians engaged in regenerative medicine product development also maintain the original and derived cellular material in a solution before and after cell manipulation and processing, and during necessary transportation up to the point of infusion/injection into the patient. Traditional support solutions range from simple "balanced salt" (electrolyte) formulations to complex mixtures of electrolytes, energy substrates such as sugars, osmotic buffering agents and antibiotics. The limited stability which results from traditional biopreservation media formulations is a significant shortcoming that our optimized products address with great success.

Our scientific research activities over the last 20 years enabled a detailed understanding of the molecular basis for the cryogenic (low-temperature induced) damage/destruction of cells through apoptosis and necrosis. This research led directly to the development of our engineered and patented HypoThermosol technology. Working from the HypoThermosol technology base, we developed a family of proprietary cell, tissue and organ hypothermic storage and CryoStor cryopreservation media formulations. Our products are specifically formulated to:

- Minimize cell and tissue swelling
- Remove free radicals upon formation
- Maintain appropriate low temperature ionic balances
- Provide regenerative, high energy substrates to stimulate recovery upon warming
- Avoid the creation of an acidic state (acidosis)
- Inhibit the onset of apoptosis and necrosis

A key feature of our products is their “fully-defined” nature. All of our GMP manufactured products are serum-free, protein-free and packaged under aseptic processing using United States Pharmaopeia (“USP”)/Multicompendial grade or highest quality available synthetic components. All of these features benefit prospective customers by facilitating the qualification process required to incorporate our products into their manufacturing and patient delivery processes and regulatory filings.

The results of independent testing demonstrate that our patented HypoThermosol solutions significantly extend shelf-life and improve cell and tissue post-thaw viability and function, which may, in turn, improve clinical outcomes for existing and new cell and tissue therapy applications. Our proprietary HypoThermosol technology is optimized based on low temperature molecular biology principles and genetic analysis. Competing biopreservation media products are often formulated with culture media, animal serum, a sugar, and in the case of cryopreservation media, a permeating cryoprotectant such as Dimethyl Sulfoxide (“DMSO”). A key differentiator of our proprietary formulations is the tuning and optimizing of the key ionic component concentrations for hypothermic environments, as opposed to normal body temperature around 37°C, as found in culture-media or saline based formulas. Furthermore, our CryoStor formulations incorporate multiple permeating and non-permeating cryoprotectant agents. Our research and intellectual property related to the cellular stress response to cold temperature also led to discoveries in the field of cryosurgery. Specifically, through contracted research and completion of the specific aims of two National Institutes of Health (“NIH”) Small Business Innovative Research (“SBIR”) grants awarded to Cryomedical Sciences, our predecessor, and to BioLife, we determined via in vitro experiments on cancer cells, that the combination of chemotherapy and cryosurgery was more effective than cryosurgery alone. This intellectual property was excluded from the asset sold to Endocare in 2002, and has been the subject of extensive publications.

Products

HypoThermosol®

HypoThermosol biopreservation media is a novel, engineered, optimized hypothermic storage and shipping media product.

Serum-free, protein-free HypoThermosol is designed to provide maximum storage and shipping stability for biologics at 2˚-8˚C.

This proprietary, optimized formulation mitigates temperature-induced molecular cell stress responses that occur during chilling and re-warming of biologics, intermediate products, and final cell products intended for research and clinical applications.

Similar to our companion freeze media CryoStor, our HypoThermosol FRS includes components that scavenge free radicals, provide pH buffering, oncotic/osmotic support, energy substrates, and ionic concentrations that balance the intracellular state at low temperatures.

Across a broad spectrum of cell and tissue types, our HypoThermosol product has proven much more effective in reducing post-preservation necrosis and apoptosis as compared to commercial and home-brew isotonic and extracellular formulations. This results in greatly extended shelf life and improved post-preservation viability.

HypoThermosol meets USP <71> Sterility and USP <85> Endotoxin testing standards, and is manufactured under cGMP.

HypoThermosol® FRS

This solution has been formulated to decrease the free radical accumulation in cells undergoing prolonged hypothermic preservation. Numerous investigators have shown that an increase in free radicals can lead to either necrosis (pathological cell death) or apoptosis (programmed cell death) in clinical conditions. HypoThermosol FRS is very effective at extending the shelf life and improving the post-preservation viability and function of numerous cell and tissue types.

HypoThermosol PURGE

HypoThermosol PURGE is a flush solution specifically designed for use during the transitions from normothermic to mild hypothermic (37°C to 20°C) to rinse culture media and native fluids from tissue and whole organ systems prior to suspension in a preservation solution. HypoThermosol PURGE is also used to support the transition from hypothermic to normothermic temperatures following the preservation interval.

CryoStor®

CryoStor cryopreservation freeze media products have been designed to mitigate temperature-induced molecular cell stress responses during freezing and thawing. CryoStor proprietary freeze media products are intended for cryopreservation of biologics at -80 to -196˚C and are based on the novel HypoThermosol formula. All CryoStor products are pre-formulated with USP grade DMSO, a permeant solute cryoprotective agent which helps mitigate damage from the formation of intracellular ice.

Across a broad spectrum of cell types, CryoStor products have proven much more effective in reducing post-preservation necrosis and apoptosis as compared to commercial and home-brew isotonic and extracellular formulations. This enables greatly improved post-thaw cell yield, viability, and recovery.

CryoStor products meet USP <71> Sterility and USP <85> Endotoxin testing standards, and are manufactured under cGMP.

CryoStor is offered in several packages and pre-formulated with DMSO in final concentrations of 2%, 5%, and 10%.

CryoStor® CS2

Pre-formulated with 2% DMSO, in some cell types, CryoStor CS2 has demonstrated biopreservation efficacy at or above the levels of competing commercial and in-house formulated freeze media, even in the presence of greatly reduced levels of DMSO.

CryoStor® CS5

Pre-formulated with 5% DMSO, CryoStor CS5 routinely outperforms competing freeze media containing 10% DMSO and is recommended for cryopreservation of most cell types.

CryoStor® CS10

Pre-formulated with 10% DMSO, CryoStor CS10 has demonstrated remarkable biopreservation efficacy in numerous cell types, including sensitive cells such as hepatocytes. CryoStor CS10 has demonstrated improved post-thaw cell survival and function in specific cell systems that may be more sensitive to cryopreservation-induced cell damage and death. This variant has also been adopted by customers with cell processing methods that might entail some dilution of the cryopreservation media.

BloodStor®

BloodStor freeze media is specifically designed for cryopreservation of stem cells isolated from umbilical cord blood, peripheral blood, and bone marrow.

BloodStor 55-5 is pre-formulated with 55% (w/v) DMSO USP, 5% (w/v) Dextran-40 USP, and water for injection (WFI) quality water. BloodStor 100 contains 100% (w/v) DMSO USP.

BloodStor products meet USP <71> Sterility and USP <85> Endotoxin testing standards, and are manufactured under cGMP.

Market Opportunity

Recent advances in cord blood banking, adult stem cell banking, cell therapy, and tissue engineering have highlighted the significant and unmet need to maintain the stability and shelf life of biologics in the development and commercialization of new regenerative medicine products and therapies. Scarce and fragile source cells or tissues are extracted from a patient, transported to a cell processing and culture laboratory, and then transported back to the clinic for patient infusion or injection. Because this entire process can take months and may involve transportation over long distances, maintenance of cellular viability is of paramount importance.

Our target markets include:

Regenerative Medicine:

- Our proprietary HypoThermosol® and CryoStor® biopreservation media products are used by customers to store, transport, and freeze biologic source material and cell-or tissue-based final products. Our scientific discoveries related to preservation-induced cell stress enabled the development and commercialization of a new class of patented biopreservation media formulations that have demonstrated broad and significant ability to extend shelf life/stability and improve post-preservation viability and function of numerous biologics.

- This market is comprised of nearly 700 commercial companies and numerous other hospital-based transplant centers developing and delivering cellular therapies such as stem cells isolated from bone marrow, peripheral and umbilical cord blood as well as engineered tissue-based products.

- MedMarket Diligence, LLC, estimates that the current worldwide market for regenerative medicine products and services is growing at 20 percent annually. We expect pre-formulated biopreservation media products such as our HypoThermosol and CryoStor to continue to displace "home-brew" cocktails due to increased regulatory and quality oversight, creating demand for high quality clinical grade preservation reagents that will grow at greater than the overall end market rate. We estimate that "home-brew" in-house formulated storage and freeze media comprise 80 percent of the market.

- We have shipped our proprietary biopreservation media products to over 250 regenerative medicine customers. We estimate that our products are now incorporated in over 50 regenerative medicine cell or tissue-based products in pre-clinical and clinical trial stages of development.

- While this market is still in an early stage, we have secured a valuable position as a supplier of critical reagents to several commercial companies. Short-term revenue can be highly variable as customer therapies navigate the regulatory approval process, but we estimate that annual revenue from a typical regenerative medicine customer could reach $1 million per year within three to five years following their product approval. Our position as the leading provider of optimized clinical grade hypothermic storage and cryopreservation freeze media has also led to increased recognition of our scientific expertise.

Drug Discovery:

- Our customers in the drug screening market are pharmaceutical companies that grow and preserve various cell types to measure pharmacologic effects and toxicity of new drug compounds, and also cell suppliers that provide preserved live cells for end-user testing in pharmaceutical companies. Key customers include 8 of the 10 largest cell suppliers and numerous pharmaceutical companies.

- To leverage our scientific discoveries and presence in this market, we continue to develop a proprietary disposable labware product that may address a significant workflow bottleneck in the drug screening market - insufficient supply of preserved cells required in high-throughput screening of new drug compounds. In April 2010, we filed an international patent application (PCT) to protect our intellectual property rights for our inventions which may for the first time, enable bulk freezing of cells in multiwell tissue culture plates.

Biobanking:

Our customers in this segment include public and private cord blood banks, adult stem cell banks, tissue banks, hair transplant centers, and biorepositories. Of note, since the product launch in the third quarter of 2009, we continue to realize increased sales of our BloodStor® 55-5, a GMP version of the standard "home-brew" cord blood stem cell freeze media. Sales of CryoStor and HypoThermosol in this segment also continue to increase as we displace home-brew preservation media due to the quality and performance profile of our proprietary products.

Sales and Marketing

In addition to our direct sales activities, our products are marketed and distributed by STEMCELL Technologies, Sigma-Aldrich, and several other regional distributors under non-exclusive agreements.

Manufacturing

Our internal production facility was validated and became operational during the second quarter of 2009. In December 2009, our quality and manufacturing systems became certified to ISO 13485:2003. The systems are organized according to 21 CFR Part 820 - Quality System Regulation for Good Manufacturing Practice (GMP) of medical devices, 21 CFR Parts 210 and 211 covering GMP for Aseptic Production, Volume 4, EU Guidelines, Annex 1 for the Manufacture of Sterile Medicinal Products, ISO 13408 for aseptic processing of healthcare products, and ISO 14644, clean rooms and associated controlled environments.

Governmental Regulation

As an ancillary reagent or excipient used in the production, transportation, and infusion of our customers' regulated clinical products, HypoThermosol, CryoStor, and BloodStor are not subject to specific FDA or other non-US pre-market approval for drugs, devices, or biologics. In particular, we are not required to sponsor formal prospective, controlled clinical-trials in order to establish safety and efficacy. However, to support our current and prospective clinical customers, we comply with Current Good Manufacturing Practice ("cGMP").

To assist customers with regulatory applications, we have submitted Type II Master Files to the FDA for CryoStor and HypoThermosol, which provide the FDA with information regarding our manufacturing plant and process, our quality system, and stability and safety testing that has been performed. Customers engaged in clinical applications who wish to notify the FDA of their intention to use our products in their product development and manufacturing process can now request a cross-reference to our Master Files.

There can be no assurance that we will not be required to obtain approval from the FDA or foreign regulatory authorities prior to marketing any of our products in the future.

Intellectual Property

Currently, we have six issued U.S. patents, one issued European patent, one issued Japanese patent, and several pending US and international patent applications.

In addition to our corporate logo and name, we have registered the following marks:

- HypoThermosol
- GelStor
- Powering the Preservation Sciences
- CryoStor CS2
- BioPreservation Today
- CP-RXCUE
- BloodStor
- CryoStor

While we believe that the protection of patents and trademarks is important to our business, we also rely on a combination of trade secrets, nondisclosure and confidentiality agreements, scientific expertise and continuing technological innovation to maintain our competitive position. Despite these precautions, it may be possible for unauthorized third parties to copy certain aspects of our products and/or to obtain and use information that we regard as proprietary. The laws of some foreign countries in which we may sell our products do not protect our proprietary rights to the same extent as do the laws of the United States.

Research and Development

Currently, we employ a team of research scientists, some of whom hold Ph.D. degrees in molecular biology or related fields. Also, we conduct collaborative research with several leading academic and commercial entities in our strategic markets.

During 2011 and 2010, we spent approximately $516,500 and $318,900, respectively, on research and development activities.

Our Scientific Advisory Board (SAB) is comprised of leaders in the fields of regenerative medicine, biopreservation mechanics, quality systems, and regulatory compliance. These members advise us on our product development, quality systems, and overall marketing strategies. The current members are:

- Shelly Heimfeld, Ph.D., Director of the Cellular Therapy Laboratory at the Fred Hutchinson Cancer Research Center in Seattle, and former President of the International Society of Cellular Therapy. Dr. Heimfeld is internationally recognized for research in hematopoietic-derived stem cells and the development of cell processing technologies for improved cancer therapy.

- Dayong Gao, Ph.D., Professor of Biomedical Engineering at the University of Washington in Seattle. Dr. Gao has been actively engaged in cryopreservation research for more than 20 years, and has authored over 130 peer-reviewed journal articles on cryopreservation.

- Darin Weber, Ph.D., a leading regulatory expert for cellular and tissue based products, and former FDA cellular therapy reviewer. Dr. Weber's knowledge of the regulatory landscape for cell and gene therapy is extensive and directly relevant to our business since our biopreservation solutions are a critical process component in several active clinical trials for new cellular therapy products.

- Andrew Hinson, Vice President for Clinical and Regulatory Affairs for Lone Star Heart, Inc. (formerly CardioPolymers, Inc.) since 2004. Lone Star Heart is a venture capital backed privately-held developer of therapeutic biopolymer therapies for the treatment of heart failure and other cardiac abnormalities. Mr. Hinson is also a Director of the Company.

- Scott R. Burger, M.D., Principal, Advanced Cell and Gene Therapy, a consulting firm specializing in cell, gene, and tissue-based therapies. Dr. Burger works with clients in industry and academic centers worldwide, providing assistance in process development and validation, GMP/GTP manufacturing, GMP facility design and operation, regulatory affairs, technology evaluation, and strategic analysis.

- Erik J. Woods, Ph.D., Co-founder, CEO and Laboratory Director of The Genesis Bank, a private cord blood bank, and also Director of Genome Resources, an anonymous donor and client depositor sperm bank. Both laboratories are FDA registered and CLIA compliant.

- Lizabeth J. Cardwell, Principal, Compliance Consulting, LLC, a private consulting business offering quality and regulatory consulting services to cell therapy, medical device, and pharmaceutical companies.

- Colleen Delaney, MSc., M.D., Director of the Cord Blood Research and Transplant Program at Fred Hutchinson Cancer Research Center (FHCRC) and Seattle Cancer Care Alliance (SCCA). She is an attending physician at Seattle Children's Hospital, Assistant Member of the Clinical Research Division of FHCRC and Assistant Professor at the University of Washington, School of Medicine.

- John McMannis, Ph.D., is the Executive Vice President of Manufacturing at Mesoblast Limited (ASX: MSB; OTC ADR: MBLTY). Dr. McMannis was previously the Director, Cellular Therapy Laboratory, Department of Stem Cell Transplantation, Division of Cancer Medicine, University of Texas MD Anderson Cancer Center, Houston, Texas.

- Jon Rowley, Ph.D., is the Innovation Director of Cell Processing Technologies at Lonza Biosciences, responsible for driving technology development and innovation related to commercial scale bioprocessing of therapeutic cell-based products.

- Edward LeCluyse, Ph.D., is Senior Research Investigator at The Hamner Institutes for Health Sciences. Dr. LeCluyse pioneered the use of HypoThermosol® and CryoStor® in improving preservation of research designated livers and derived commercial hepatocytes marketed to the pharmaceutical industry.

Competition

The life sciences industry is highly competitive. Most of our potential competitors have considerably greater financial, technical, marketing, and other resources than we do.

Our competitors include companies such as Life Technologies Corp. (formally Invitrogen), distributors STEMCELL Technologies, Sigma Aldrich, and less than 10 other much smaller companies. However, it is our belief that in-house formulated biopreservation media, whereby the user purchases raw ingredients and manually mixes the ingredients, satisfies the large majority of the annual worldwide demand. Our products offer significant advantages over in-house formulations including, time saving, improved quality of components, more rigorous quality control release testing, and improved preservation efficacy.

We expect competition to intensify with respect to the areas in which we are involved as technical advances are made and become more widely known.

Employees

At December 31, 2011, we had 16 employees, of which six were engaged in manufacturing; three in quality assurance; two in research and development; one in sales and marketing; and four in finance and administration. Our employees are not covered by any collective bargaining agreement. We consider relations with our employees to be good.

Reports to Security Holders

This annual report on Form 10-K, including the exhibits and schedules filed as part of the annual report, may be inspected at the public reference facility maintained by the Securities and Exchange Commission ("SEC") at its public reference room at 450 Fifth Street NW, Washington, DC 20549 and copies of all or any part thereof may be obtained from that office upon payment of the prescribed fees. One may call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference room and request copies of the documents upon payment of a duplicating fee, by writing to the SEC. In addition, the SEC maintains a website that contains reports, proxy and information statements and other information regarding registrants, including the Company, that file electronically with the SEC which can be accessed at www.sec.gov.

Also, we make our periodic and current reports available, free of charge, on our website, www.BioLifeSolutions.com, as soon as reasonably practicable after such material is electronically filed with the SEC. Information available on our website is not a part of, and is not incorporated into, this annual report on Form 10-K.

Safe Harbor for Forward-Looking Statements Under the Securities Litigation Reform Act of 1995; Risk Factors

This Annual Report on Form 10-K and other reports, releases, and statements (both written and oral) issued by the Company and its officers from time to time may contain statements concerning our future results, future performance, intentions, objectives, plans, and expectations that are deemed to be "forward-looking statements." Such statements are made in reliance upon safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Our actual results, performance, and achievements may differ significantly from those discussed or implied in the forward-looking statements as a result of a number of known and unknown risks and uncertainties including, without limitation, those discussed below and in "Management's Discussion and Analysis of Financial Condition and Results of Operations." In light of the significant uncertainties inherent in such forward-looking statements, the inclusion of such statements should not be regarded as a representation by the Company or any other person that the Company's objectives and plans will be achieved. Words such as "believes," "anticipates," "expects," "intends," "may," and similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements. We undertake no obligation to revise any of these forward-looking statements.

ITEM1A. RISK FACTORS

The risks presented below may not be all of the risks we may face. These are the factors that we believe could cause actual results to be different from expected and historical results. Other sections of this report include additional factors that could have an effect on our business and financial performance. The industry in which we compete is very competitive and changes rapidly. Sometimes new risks emerge and management may not be able to predict all of them or how they may cause actual results to be different from those contained in any forward-looking statements. One should not rely upon forward-looking statements as a prediction of future results.

We may need additional capital to reach and maintain a sustainable level of positive cash flow.

We have borrowed $10.1 million from two investors and have not achieved positive cash flow. Although these investors historically have demonstrated a willingness to grant access to additional funding and renegotiate terms of previous credit arrangements, there is no assurance they will continue to do so in the future. If we are unable to collect adequate cash from customer collections and the Investors were to become unwilling to provide access to additional funds, we would need to find immediate additional sources of capital. There can be no assurance that such capital would be available, or, if available, that the terms of such financing would not be dilutive to stockholders. If we are unable to secure additional capital as circumstances require, we may not be able to continue our operations.

We have a history of losses and may never achieve or maintain profitability.

We have incurred annual operating losses since inception, and may continue to incur operating losses because new products will require substantial development, clinical, regulatory, manufacturing, marketing, and other expenditures. For the fiscal years ended December 31, 2011 and December 31, 2010, we had net losses of $(1,956,639) and $(1,983,630), respectively. As of December 31, 2011, our accumulated deficit was $(54,151,491). We may not be able to successfully commercialize our current or future products, achieve significant revenues from sales, or achieve or sustain profitability. Successful completion of our commercialization program and our transition to profitable operations is dependent upon achieving a level of revenues adequate to support our cost structure.

The market for our Common Stock is limited and our stock price is volatile.

Our common stock, traded on the OTC Bulletin Board, has historically traded at low average daily volumes, resulting in a limited market for the purchase and sale of our common stock.

The market prices of many publicly traded companies, including emerging companies in the life sciences industry, have been, and can be expected to be, highly volatile. The future market price of our common stock could be significantly impacted by:

- Future sales of our common stock
- Announcements of technological innovations for new commercial products by our present or potential competitors
- Developments concerning proprietary rights
- Adverse results in our field or with clinical tests of our products in customer applications
- Adverse litigation
- Unfavorable legislation or regulatory decisions
- Public concerns regarding our products
- Variations in quarterly operating results
- General trends in the health care industry
- Other factors outside of our control

There is uncertainty surrounding our ability to successfully commercialize our biopreservation media products and contract research and development and manufacturing services.

Our growth depends, in part, on our continued ability to successfully develop, commercialize and market our HypoThermosol, CryoStor, and BloodStor biopreservation media products and contract research and development and manufacturing services. Even in markets that do not require us to undergo clinical trials and obtain regulatory approvals, our products will not be used unless they present an attractive alternative to competitive products and the benefits and cost savings achieved through their use outweigh the cost of our products.

The success of our HypoThermosol, CryoStor, and BloodStor biopreservation media products is dependant, in part, on the commercial success of new regenerative medicine technologies.

Our HypoThermosol, CryoStor, and BloodStor biopreservation media products are marketed to biotechnology companies and research institutions engaged in research and development of cell, gene and tissue engineering therapies. The end-products or therapies developed by these biotechnology companies and research institutions are subject to substantial regulatory oversight by the FDA and other regulatory bodies, and many of these therapies are years away from commercialization. Thus demand, if any, for HypoThermosol, CryoStor, and BloodStor is expected to be limited for several years.

We face significant competition.

The life sciences industry is highly competitive. Many of our competitors are significantly larger than us and have greater financial, technical, research, marketing, sales, distribution and other resources than us. There can be no assurance that our competitors will not succeed in developing or marketing technologies and products that are more effective or commercially attractive than any that are being developed or marketed by us, or that such competitors will not succeed in obtaining regulatory approval, or introducing or commercializing any such products, prior to us. Such developments could have a material adverse effect on our business, financial condition and results of operations. Also, even if we are able to compete successfully, there can be no assurance that we could do so in a profitable manner.

Our success will depend on our ability to attract and retain key personnel.

In order to execute our business plan, we must attract, retain and motivate highly qualified managerial, scientific, manufacturing, and sales personnel. If we fail to attract and retain skilled scientific and sales personnel, our research and development and sales efforts will be hindered. Our future success depends to a significant degree upon the continued services of key scientific and technical personnel. If we do not attract and retain qualified personnel we will not be able to achieve our growth objectives.

If we fail to protect our intellectual property rights, our competitors may take advantage of our ideas and compete directly against us.

Our success will depend to a significant degree on our ability to secure and protect intellectual proprietary rights and enforce patent and trademark protections relating to our technology. While we believe that the protection of patents and trademarks is important to our business, we also rely on a combination of copyright, trade secret, nondisclosure and confidentiality agreements, know-how and continuing technological innovation to maintain our competitive position. From time to time, litigation may be advisable to protect our intellectual property position. However, these legal means afford only limited protection and may not adequately protect our rights or permit us to gain or keep any competitive advantage. Any litigation in this regard could be costly, and it is possible that we will not have sufficient resources to fully pursue litigation or to protect our intellectual property rights. This could result in the rejection or invalidation of our existing and future patents. Any adverse outcome in litigation relating to the validity of our patents, or any failure to pursue litigation or otherwise to protect our patent position, could materially harm our business and financial condition. In addition, confidentiality agreements with our employees, consultants, customers, and key vendors may not prevent the unauthorized disclosure or use of our technology. It is possible that these agreements will be breached or that they will not be enforceable in every instance, and that we will not have adequate remedies for any such breach. Enforcement of these agreements may be costly and time consuming. Furthermore, the laws of foreign countries may not protect our intellectual property rights to the same extent as the laws of the United States.

Because the life sciences industry is litigious, we may be sued for allegedly violating the intellectual property rights of others.

In the past, the life sciences industry has been characterized by a substantial amount of litigation and related administrative proceedings regarding patents and intellectual property rights. In addition, many life science companies have used litigation against emerging growth companies as a means of gaining a competitive advantage. Should third parties file patent applications or be issued patents claiming technology claimed by us in pending applications, we may be required to participate in interference proceedings in the U.S. Patent and Trademark Office to determine the relative priorities of our inventions and the third parties' inventions. We could also be required to participate in interference proceedings involving our issued patents and pending applications of another entity. An adverse outcome in an interference proceeding could require that we cease using the technology or license rights from prevailing third parties. Third parties may claim that we are using their patented inventions and may go to court to stop us from engaging in our normal operations and activities. These lawsuits are expensive to defend and conduct and would also consume and divert the time and attention of our management. A court may decide that we are infringing on a third party's patents and may order us to cease the infringing activity. The court could also order us to pay damages for the infringement. These damages could be substantial and could harm our business, financial condition and operating results. If we are unable to obtain any necessary license following an adverse determination in litigation or in interference or other administrative proceedings, we would have to redesign our products to avoid infringing a third party's patent and temporarily or permanently discontinue manufacturing and selling some of our products. If this were to occur, it would negatively impact future sales.

If we fail to obtain or maintain future regulatory clearances or approvals for our products, or if approvals are delayed or withdrawn, we will be unable to commercially distribute and market our products or any product modifications.

As an ancillary or excipient reagent used in the production, transportation, and infusion of our customers' regulated clinical products, HypoThermosol, CryoStor, and BloodStor are not subject to specific FDA or other non-US pre-market approval for drugs, devices, or biologics. In particular, we are not required to sponsor formal prospective, controlled clinical-trials in order to establish safety and efficacy. However, to support our current and prospective clinical customers, we comply with Current Good Manufacturing Practice ("cGMP").

There can be no assurance that we will not be required to obtain approval from the FDA, or foreign regulatory authorities, as applicable, prior to marketing any of our products in the future. During 2009, we submitted updated Type II Master Files to the FDA for CryoStor and HypoThermosol. These enhanced regulatory submissions provide the FDA with information regarding the quality of components used in the formulation of our products, the manufacturing process, our quality system, and stability testing that we have performed. Customers engaged in clinical applications who wish to notify the FDA of their intention to use our products in their product development and manufacturing process can now request a cross-reference to our Master Files.

We are dependent on outside suppliers for all of our manufacturing supplies.

We rely on outside suppliers for all of our manufacturing supplies, parts and components. Although we believe we could develop alternative sources of supply for most of these components within a reasonable period of time, there can be no assurance that, in the future, our current or alternative sources will be able to meet all of our demands on a timely basis. Unavailability of necessary components could require us to re-engineer our products to accommodate available substitutions which would increase costs to us and/or have a material adverse effect on manufacturing schedules, products performance and market acceptance.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 2. PROPERTIES

In July 2007, we signed a four-year lease, commencing August 1, 2007, for 4,366 square feet of office and laboratory space in Bothell, Washington at an initial rental rate of $6,367 per month. We are also responsible for paying our proportionate share of property taxes and other operating expenses as defined in the lease.

In November 2008, we signed an amended five-year lease to gain 5,798 square feet of additional clean room space for manufacturing in a facility adjacent to our corporate office facility leased in Bothell, Washington at an initial rental rate of $14,495 per month. Included in this amendment is the exercise of the renewal option for our current office and laboratory space to make the lease for such space coterminous with the new facility five-year lease period.

In March of 2012, we signed an amended lease agreement which expanded the premises leased by the Company from the Landlord to approximately 21,000 rentable square feet. The term of the lease was extended for nine (9) years commencing on July 1, 2012 and expiring on June 30, 2021. The amendment includes two (2) options to extend the term of the lease, each option is for an additional period of five (5) years, with the first extension term commencing, if at all, on July 1, 2021, and the second extension term commencing, if at all, immediately following the expiration of the first extension term. In accordance with the amended lease agreement, the Company's monthly base rent will increase, as of July 1, 2012, to approximately $35,000. The Company will be required to pay an amount equal to the Company's proportionate share of certain taxes and operating expenses.

ITEM 3. LEGAL PROCEEDINGS

On February 7, 2007, Kristi Snyder, a former employee of the Company filed a complaint in the New York State Supreme Court, County of Broome, against the Company alleging a breach of an employment agreement and seeking damages of up to $300,000 plus attorneys' fees. This case currently is in discovery. The Company is vigorously defending its position.

On April 6, 2007, the Company was served with a complaint filed by John G. Baust, the Company's former Chief Executive Officer and President, and thereafter, until January 8, 2007, the Chairman, Sr. Vice President and Chief Scientific Officer, in the New York State Supreme Court, County of Tioga, against the Company seeking, among other things, damages under his employment agreement to be determined upon trial of the action plus attorneys' fees, a declaratory judgment that he did not breach his fiduciary duties to the Company, and that his covenant not to compete is void as against public policy or unenforceable as a matter of law, and to enjoin the Company from commencing an action against him in Delaware courts seeking damages for breaches of his fiduciary obligations to the Company. The parties have engaged in extensive motion practice. By decision of December 18, 2009, Justice Tait rejected Plaintiff Baust's efforts to obtain partial summary judgment. This case currently is in discovery. The Company is vigorously defending its position.

On June 15, 2007, the Company filed a lawsuit in the State of New York Supreme Court, County of Tioga against Cell Preservation Services, Inc. ("CPSI") and Coraegis Bioinnovations, Inc. ("Coraegis"), both of which are owned and/or controlled by John M. Baust, a former employee of the Company and the son of John G. Baust, both of whose employment with the Company was terminated on January 8, 2007.

On March 15, 2004, the Company had entered into a Research Agreement with CPSI, pursuant to which CPSI took over the processing of the Company's existing SBIR grants, on behalf of the Company was to apply for additional SBIR grants and, in each case, was to perform the research with respect to such grants. In connection therewith, the Company granted to CPSI a limited license to use the Company's technology ("BioLife's Technology"), including the Company's proprietary cryopreservation solutions (collectively, "Intellectual Property"), solely for the purpose of conducting the research pertaining to the SBIR grants, and CPSI agreed to keep confidential all Company confidential information disclosed to CPSI ("Confidential Information"). On January 8, 2007, the Company informed CPSI that the Research Agreement would not be extended and would terminate in accordance with its terms on March 15, 2007.

The lawsuit states various causes of action, including, (1) repeated violations of the Research Agreement by CPSI by improperly using BioLife's Technology, Intellectual Property and Confidential Information for its own purposes, (2) the unlawful misappropriation by CPSI and Coraegis of the Company's trade secrets, (3) unfair competition on the part of CPSI and Coraegis through their unlawful misappropriation and misuse of BioLife's Technology, Intellectual Property and Confidential Information, and (4) the conversion of BioLife's Technology, Intellectual Property and Confidential Information by CPSI and Coraegis to their own use without the Company's permission.

The lawsuit seeks, among other things, (1) to enjoin CPSI from continuing to violate the Research Agreement, (2) damages as a result of CPSI's breaches of the Research Agreement, (3) to enjoin CPSI and Coraegis from any further use of the Company's trade secrets, (4) damages (including punitive damages) as a result of CPSI's and Coraegis' misappropriation of the Company's trade secrets, (5) to enjoin CPSI and Coraegis from any further use of BioLife's Technology, Intellectual Property and Confidential Information, (6) damages (including punitive damages) as a result of CPSI's and Coraegis' unfair competition against the Company, and (7) damages (including punitive damages) as a result of CPSI's and Coraegis' conversion of BioLife's Technology, Intellectual Property and Confidential Information to their own use. On September 30, 2008, Justice Jeffrey Tait issued a Letter Decision and Order which provides for a multi-phase process for discovery concerning contested discovery disclosures. The parties are awaiting Justice Tait's decision on the initial process to be used concerning these contested discovery issues. The parties have engaged in extensive motion practice. By decision of December 18, 2009, Justice Tait denied the attempt of the Defendants to dismiss Plaintiff's complaint. This case currently is in discovery. The Company is vigorously pursuing its position.

On December 4, 2007, John M. Baust, the son of John G. Baust, filed a complaint in the New York State Supreme Court, County of Tioga, against the Company and Michael Rice, the Company's Chairman and Chief Executive Officer, alleging, among other things, a breach of an employment agreement and defamation of character and seeking damages against the Company in excess of $300,000 plus attorneys fees. This case currently is in discovery. The Company is vigorously defending its position.

In December, 2011, the proceedings instituted by John G. Baust and John M. Baust before the State of New York, Division of Human Rights, were resolved by the parties entering into Settlement and Release Agreements discontinuing the proceedings without prejudice as to the claims raised by the Bausts in their aforementioned New York State Supreme Court actions, and with the express understanding that nothing shall be construed as an admission of any allegation nor constitute any admission of any fact, liability or fault as to any charges or claims.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Price Range of Common Stock

The common stock, par value $.001 per share, of the Company ("Common Stock") is traded on the OTC Bulletin Board under the symbol "BLFS". As of December 31, 2011, there were approximately 3,000 holders of record of its common stock. The Company has never paid cash dividends on its common stock and does not anticipate that any cash dividends will be paid in the foreseeable future.

The following table sets forth, for the periods indicated, the range of high and low quarterly closing sales prices of its common stock:

	High	Low
Year ended December 31, 2010		
4th Quarter	$ 0.09	$ 0.05
3rd Quarter	0.09	0.04
2nd Quarter	0.11	0.06
1st Quarter	0.13	0.08
Year ended December 31, 2011		
4th Quarter	$ 0.10	$ 0.02
3rd Quarter	0.09	0.02
2nd Quarter	0.10	0.06
1st Quarter	0.11	0.06

ITEM 6. SELECTED FINANCIAL DATA

Not applicable.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with our audited financial statements and notes thereto that appear elsewhere in this report. This discussion contains forward-looking statements reflecting our current expectations that involve risks and uncertainties. Actual results may differ materially from those discussed in these forward-looking statements due to a number of factors, including those set forth in the section entitled "Risk Factors" and elsewhere in this report.

The statements contained in this Annual Report on Form 10-K, including statements under this section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations," include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including, without limitation, statements regarding our management's expectations, hopes, beliefs, intentions or strategies regarding the future. The words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," "plan" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. The forward-looking statements contained in this Annual Report on Form 10-K is based on our current expectations and beliefs concerning future developments and their potential effects on us. There can be no assurance that future developments affecting us will be those that we anticipated. These forward-looking statements involve a number of risks, uncertainties or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include those factors described in greater detail in Item 1A of Part I, "Risk Factors". Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those anticipated in these forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

Overview

Management's discussion and analysis provides additional insight into the Company and is provided as a supplement to, and should be read in conjunction with, our audited financial statements and accompanying footnotes thereto.

Our proprietary HypoThermosol®, CryoStor®, and generic BloodStor® biopreservation media products are marketed to cell therapy companies, pharmaceutical companies, cord blood banks, hair transplant surgeons, and suppliers of cells to the toxicology testing and diagnostic markets. All of our products are serum-free and protein-free, fully defined, and are manufactured under current Good Manufacturing Practices using United States Pharmacopeia ("USP") or the highest available grade components.

Our products are formulated to reduce preservation-induced, delayed-onset cell damage and death. This platform enabling technology provides academic and clinical researchers significant extension in biologic source material shelf life and also improved post-preservation cell, tissue, and organ viability and function.

The discoveries made by our scientists and consultants relate to how cells, tissues, and organs respond to the stress of hypothermic storage, cryopreservation, and the thawing process, and enabled the formulation of truly innovative biopreservation media products that protect biologic material from preservation related cellular injury, much of which is not apparent immediately post-thaw. Our enabling technology provides significant improvement in post-preservation viability and function of biologic material. This yield improvement can reduce research, development, and commercialization costs of new cell and tissue based clinical therapies.

Critical Accounting Policies and Significant Judgments and Estimates

Management's discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of financial statements requires that we make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements as well as reported revenues and expenses during the reporting periods. On an ongoing basis, we evaluate estimates, including, but not limited to those related to accounts receivable allowances, determination of fair value of share-based compensation, contingencies, income taxes, and expense accruals. We base our estimates on historical experience and on other factors that we believes are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ materially from these estimates under different assumptions or conditions.

Share-based Compensation

We account for share-based compensation by estimating the fair value of share-based compensation using the Black-Scholes option pricing model on the date of grant. We utilize assumptions related to stock price volatility, stock option term and forfeiture rates that are based upon both historical factors as well as management's judgment. Non-cash compensation expense is recognized on a straight-line basis over the applicable requisite service period of one to four years, based on the fair value of such share-based awards on the grant date.

Income Taxes

We follow the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on differences between the financial reporting and tax basis of assets and liabilities and on the expected future tax benefits to be derived from net operating loss carryforwards measured using current tax rates. A valuation allowance is established if it is more likely than not that some portion or all of the deferred tax assets will not be realized. We have not recorded any liabilities for uncertain tax positions or any related interest and penalties. Our tax returns are open to audit for the years ending December 31, 2009 to 2011.

Results of Operations

Summary of 2011 Achievements

- Revenue and customer base continued to grow with shipments of CryoStor®, HypoThermosol®, and BloodStor®, to dozens of new and most existing customers in strategic direct markets of regenerative medicine, biobanking, and drug discovery. Our estimated direct and indirect customer base now totals more than 400.
- Revenue from distributors grew more than 150% over 2010 and was 20% of total revenue.
- The Company executed a significant confidential multi-year contract manufacturing services agreement to perform aseptic media formulation, fill, and finish of several biopreservation solutions for a new multinational customer.

Comparison of Annual Results of Operations

Percentage comparisons have been omitted within the following table where they are not considered meaningful.

Revenue and Gross Margin

	Years Ended December 31,			
	2011	2010	Change	% Change
Revenue				
Product sales	$ 2,738,729	$ 2,061,565	$ 677,164	33%
Licensing revenue	20,000	20,000	-	-
Total revenue	2,758,729	2,081,565	677,164	33%
Cost of sales	1,355,571	1,225,177	130,394	11%
Gross profit	$ 1,403,158	$ 856,388	$ 546,710	64%
Gross margin %	50.9%	41.1%		

Product Sales and Cost of Sales. Our products are sold through both direct and indirect channels. Product sales in 2011 increased compared to 2010 primarily due to significantly higher sales to our network of distributors in 2011 and increased sales to our contract manufacturing partners. Sales to our direct customers increased 19% in 2011 compared to 2010. Sales to distributors in 2011 increased 159% over sales to distributors in 2010. In addition, product sales increased due to sales to direct customers at higher selling prices in 2011 compared to 2010 for our family of products.

Cost of product sales consists of raw materials, labor and overhead expenses. Cost of sales in 2011 increased compared to 2010 due to increased product sales. Gross margin as a percentage of revenue increased in 2011 compared to 2010, primarily due to increased utilization of our manufacturing facility. Increased utilization resulted in lower overhead costs per unit manufactured being included in cost of sales. This is offset partially by certain non-recurring costs related to employee transition that occurred in the first quarter of 2011.

Licensing Revenue. We have entered into license agreements with one customer that provides this customer with limited access to our intellectual property under certain conditions. This customer paid upfront fees for the specific rights and we recognize license revenue ratably over the term of the agreements.

Revenue Concentration. We have focused our sales efforts on diversification of our customers in order to reduce the concentration of our revenue with a small number of customers. As of December 31, 2011, we estimate over 400 direct and indirect customers. In 2011, no individual customer made up more than 10% of sales. In 2010, sales to individual customers representing more than 10% of total revenue totaled approximately $535,000. This was the result of sales to two customers, one which totaled $322,000, representing 16% of total product sales, and the other which totaled $213,000, representing 10% of total product sales.

Operating Expenses

Our operating expenses for the years ended December 31, 2011 and 2010 were:

	Years Ended December 31,			
	2011	2010	Change	% Change
Research and development	$ 516,454	$ 318,897	197,557	62%
% of revenue	19%	15%		
Sales and marketing	267,080	431,007	(163,927)	-38%
% of revenue	10%	21%		
General and administrative	1,829,307	1,500,680	328,627	22%
% of revenue	66%	72%		
Total operating expenses	2,612,841	2,250,584	362,257	16%
% of revenue	95%	108%		

Research and Development. Research and Development expenses consist primarily of salaries and other personnel expenses, consulting and other outside services, laboratory supplies, and other costs. We expense all R&D costs as incurred. R&D expenses for the year ended December 31, 2011 increased compared to 2010 primarily due to higher personnel expenses related to new employees in 2011 and reclassification of one employee from marketing to research and development in January 2011. Additional increases were due to higher legal and consulting expenses as the company continues to explore uses for its products.

Sales and Marketing. Sales and marketing expenses consist primarily of salaries and other personnel-related expenses, consulting, trade shows and advertising. The 38% decrease in 2011 sales and marketing expenses compared to 2010 was due primarily to lower personnel related costs due to a reclassification of one employee from marketing to research and development in January 2011 and to reduced spending on marketing materials in 2011.

General and Administrative Expenses. General and administrative expenses consist primarily of salaries and other personnel-related expenses, non-cash stock-based compensation for administrative personnel and non-employee members of the board of directors, professional fees, such as accounting and legal, corporate insurance and facilities costs. The 16% increase in general and administrative expenses in 2011 compared to 2010 was due to higher personnel costs in 2011, higher stock compensation costs recorded for options granted in the first quarter of 2011 and an increase in legal fees in 2011, offset somewhat by a reduction in consulting expenses due to the termination of one consulting agreement in the third quarter of 2011.

Other Income (Expenses)

Interest Expense. The increase in interest expense in 2011 compared to 2010 was due to a higher average debt balance.

Amortization of Deferred Financing Costs. Amortization of deferred financing costs represents the cost of warrants issued in the fourth quarter of 2010 and the third quarter of 2011 which are being amortized over the life of the warrants.

Outlook

In 2012, BioLife management expects revenue to increase by at least 50% to approximately $4.1MM. Revenue drivers include:

- Sales to our contract manufacturing customers; the new agreement we executed in late 2011 is expected to generate $1MM - $2MM in annual contract manufacturing revenue. Shipments are expected to commence in the second quarter of 2012.

- Continued steady increases in revenue shipments to existing and new direct customers, specifically in the regenerative medicine market segment, as our customers continue to move their cell and tissue based therapies and products through the clinical trial and regulatory approval processes. Management estimates that a typical regenerative medicine customer could contribute $1MM - $2MM in annual revenue if their product is approved for worldwide commercialization. While this segment is still in an early stage, and it is impossible to predict when or if any of our customers will receive marketing and regulatory approvals, this segment represents significant upside in our business model.

- Throughout 2011 and the first quarter of 2012, BioLife executed non-exclusive agreements with several new distributors outside the US, and expects its indirect channel revenue to continue to grow at a strong rate.

Management expects slightly lower gross margin as a percentage of revenue in 2012 as a result of increased contract manufacturing, in addition to increased operating expenses associated with selling and product development activity. The company believes it will achieve positive cash flow from operations in 2012 and that cash generated from customer collections will provide sufficient funds to operate our business.

Liquidity

At December 31, 2011, we had cash and cash equivalents of $16,864 compared to cash and cash equivalents of $3,211 at December 31, 2010. At December 31, 2011, we had working capital of $581,159, compared to working capital of $474,271 at December 31, 2010. We have been unable to generate sufficient income from operations in order to meet our operating needs and have an accumulated deficit of approximately $54 million at December 31, 2011. This raises substantial doubt about our ability to continue as a going concern.

Net Cash Used in Operating Activities

During the year ended December 31, 2011, net cash used in operating activities was $989,917 compared to net cash used by operating activities of $1,252,526 for the year ended December 31, 2010. Cash used in operating activities relates primarily to funding net losses and changes in operating assets and liabilities, offset by non-cash compensation related to stock options and depreciation.

Net Cash Used in Investing Activities

Net cash used in investing activities totaled $91,430 during the year ended December 31, 2011, and $28,414 during the year ended December 31, 2010. Cash used in investing activities was due to purchase of property and equipment.

Net Cash Provided by Financing Activities

Net cash provided by financing activities totaled $1,095,000 for the year ended December 31, 2011 and $1,145,000 for the year ended December 31, 2010 and resulted from funding from the Secured Multi-Draw Term Loan Facility Agreements (the "Facility Agreements") with two shareholders, Thomas Girschweiler, a director and stockholder of the Company, and Walter Villiger, an affiliate of the Company (the "Investors"). On August 10, 2011, each Facility Agreement was increased by $500,000 to $5,250,000 (an aggregate of $10,500,000).

Off-Balance Sheet Arrangements

As of December 31, 2011, we did not have any off-balance sheet financing arrangements.

Contractual Obligations

In July 2007, we signed a four-year lease, commencing August 1, 2007, for 4,366 square feet of office and laboratory space in Bothell, WA at an initial rental rate of $6,367 per month. We are also responsible for paying our proportionate share of property taxes and other operating expenses as defined in the lease.

In November 2008, we signed an amended five-year lease to gain 5,798 square feet of additional clean room space for manufacturing in a facility adjacent to our corporate office facility leased in Bothell, WA at an initial rental rate of $14,495 per month. Included in this amendment is the exercise of the renewal option for our current office and laboratory space to make the lease for such space coterminous with the new facility five-year lease period.

In March of 2012, we signed an amended lease agreement which expanded the premises leased by the Company from the Landlord to approximately 21,000 rentable square feet. The term of the lease was extended for nine (9) years commencing on July 1, 2012 and expiring on June 30, 2021. The amendment includes two (2) options to extend the term of the lease, each option is for an additional period of five (5) years, with the first extension term commencing, if at all, on July 1, 2021, and the second extension term commencing, if at all, immediately following the expiration of the first extension term. In accordance with the amended lease agreement, the Company's monthly base rent will increase, as of July 1, 2012, to approximately $35,000. The Company will be required to pay an amount equal to the Company's proportionate share of certain taxes and operating expenses.

Going Concern

If we are unable to continue as a going concern, we may be unable to realize our assets and discharge our liabilities in the normal course of business. Factors that would negatively impact our ability to finance our operations include (a) significant reductions in revenue from our internal projections, (b) increased capital expenditures, (c) significant increases in cost of goods and operating expenses, or; (d) an adverse outcome resulting from current litigation. If we are unable to collect adequate cash from customer collections and the Investors were to become unwilling to provide access to additional funds through the amended Facilities, we would need to find immediate additional sources of capital. There can be no assurance that such capital would be available, or, if available, that the terms of such financing would not be dilutive to stockholders. If we are unable to secure additional capital as circumstances require, we may not be able to continue our operations.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

INDEX TO FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders
BioLife Solutions, Inc.
Bothell, Washington

We have audited the accompanying balance sheets of BioLife Solutions, Inc. ("the Company") as of December 31, 2011 and 2010, and the related statements of operations, shareholders' equity (deficiency), and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company has determined that it is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of BioLife Solutions, Inc. as of December 31, 2011 and 2010, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has been unable to generate sufficient income from operations in order to meet its operating needs and has an accumulated deficit of approximately $54 million at December 31, 2011. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans regarding those matters are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/S/ PETERSON SULLIVAN LLP

Seattle, Washington
March 29, 2012

BioLife Solutions, Inc.
Balance Sheets

	December 31, 2011	December 31, 2010
Assets		
Current assets		
Cash and cash equivalents	$ 16,864	$ 3,211
Accounts receivable, trade, net of allowance for doubtful accounts of $1,100 at December 31, 2011 and 2010	547,143	338,899
Inventories	505,956	410,486
Prepaid expenses and other current assets	90,444	62,377
Total current assets	1,160,407	814,973
Property and equipment		
Furniture and computer equipment	177,013	170,256
Manufacturing and other equipment	623,782	542,775
Subtotal	800,795	713,031
Less: Accumulated depreciation	(447,393)	(352,331)
Net property and equipment	353,402	360,700
Long term deposits	36,166	36,166
Deferred financing costs	112,042	97,220
Total assets	$ 1,662,017	$ 1,309,059
Liabilities and Shareholders' Equity (Deficiency)		
Current liabilities		
Accounts payable	$ 403,103	$ 117,068
Accrued expenses and other current liabilities	69,582	108,015
Accrued compensation	86,563	95,619
Deferred revenue	20,000	20,000
Total current liabilities	579,248	340,702
Long term liabilities		
Promissory notes payable, related parties	10,128,127	9,033,127
Accrued interest, related parties	2,025,961	1,354,975
Deferred revenue, long term	109,167	129,167
Total liabilities	12,842,503	10,857,971
Commitments and Contingencies (Note 8)		
Shareholders' equity (deficiency)		
Common stock, $0.001 par value; 100,000,000 shares authorized, 69,679,854 shares issued and outstanding at December 31, 2011 and 2010	69,680	69,680
Additional paid-in capital	42,901,325	42,576,260
Accumulated deficit	(54,151,491)	(52,194,852)
Total shareholders' equity (deficiency)	(11,180,486)	(9,548,912)
Total liabilities and shareholders' equity (deficiency)	$ 1,662,017	$ 1,309,059

The accompanying Notes to Financial Statements are an integral part of these financial statements

BioLife Solutions, Inc.
Statements of Operations

	Years Ended December 31,	
	2011	**2010**
Revenue		
Product sales	$ 2,738,729	$ 2,061,565
Licensing revenue	20,000	20,000
Total revenue	2,758,729	2,081,565
Cost of product sales	1,355,571	1,225,177
Gross profit	1,403,158	856,388
Operating expenses		
Research and development	516,454	318,897
Sales and marketing	267,080	431,007
General and administrative	1,829,307	1,500,680
Total operating expenses	2,612,841	2,250,584
Operating loss	(1,209,683)	(1,394,196)
Other income (expenses)		
Interest income	46	193
Interest expense	(670,986)	(588,001)
Amortization of deferred financing costs	(74,403)	—
Loss on disposal of property and equipment	(1,613)	(1,626)
Total other income (expenses)	(746,956)	(589,434)
Net Loss	$ (1,956,639)	$ (1,983,630)
Basic and diluted net loss per common share	$ (0.03)	$ (0.03)
Basic and diluted weighted average common shares used to calculate net loss per common share	69,679,854	69,679,854

The accompanying Notes to Financial Statements are an integral part of these financial statements

BioLife Solutions, Inc.
Statements of Shareholders' Equity (Deficiency)

	Common Stock		Additional Paid-in	Accumulated	Total Shareholders' Equity
	Shares	Amount	Capital	Deficit	(Deficiency)
Balance, December 31, 2009	69,679,854	$ 69,680	$ 42,314,560	$ (50,211,222)	$ (7,826,982)
Stock-based compensation	—	—	164,480	—	164,480
Warrants issued as consideration for deferred financing costs	—	—	97,220	—	97,220
Net loss	—	—	—	(1,983,630)	(1,983,630)
Balance, December 31, 2010	69,679,854	$ 69,680	$ 42,576,260	$ (52,194,852)	$ (9,548,912)
Stock-based compensation	—	—	235,840	—	235,840
Warrants issued as consideration for deferred financing costs	—	—	89,225	—	89,225
Net loss	—	—	—	(1,956,639)	(1,956,639)
Balance, December 31, 2011	69,679,854	$ 69,680	$ 42,901,325	$ (54,151,491)	$ (11,180,486)

The accompanying Notes to Financial Statements are an integral part of these financial statements

BioLife Solutions, Inc.
Statements of Cash Flows

	Years Ended December 31,	
	2011	**2010**
Cash flows from operating activities		
Net loss	$ (1,956,639)	$ (1,983,630)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation	97,115	71,741
Loss on disposal of property and equipment	1,613	1,626
Stock-based compensation expense	235,840	164,480
Amortization of deferred financing costs	74,403	—
Change in operating assets and liabilities		
(Increase) Decrease in		
Accounts receivable, trade	(208,244)	(23,534)
Inventories	(95,470)	(52,267)
Prepaid expenses and other current assets and long-term deposits	(28,067)	17,258
Increase (Decrease) in		
Accounts payable	286,035	(75,766)
Accrued compensation and other expenses and other current liabilities	(47,489)	59,564
Accrued interest, related parties	670,986	588,002
Deferred revenue	(20,000)	(20,000)
Net cash used in operating activities	(989,917)	(1,252,526)
Cash flows from investing activities		
Cash received from sale of property and equipment	2,100	—
Purchase of property and equipment	(93,530)	(28,414)
Net cash used in investing activities	(91,430)	(28,414)
Cash flows from financing activity		
Proceeds from notes payable	1,095,000	1,145,000
Net cash provided by financing activity	1,095,000	1,145,000
Net increase (decrease) in cash and cash equivalents	13,653	(135,940)
Cash and cash equivalents - beginning of year	3,211	139,151
Cash and cash equivalents - end of year	$ 16,864	$ 3,211
Non-cash financing activities		
Deferred financing costs from issuance of warrants (see note 6)	$ 89,225	$ 97,220

The accompanying Notes to Financial Statements are an integral part of these financial statements

NOTES TO FINANCIAL STATEMENTS

1. Organization and Significant Accounting Policies

Business

BioLife Solutions, Inc. ("BioLife," "us," "we," "our," or the "Company") develops, manufactures and markets patented hypothermic storage and cryopreservation solutions for cells and tissues. The Company's proprietary HypoThermosol® and CryoStor® platform of solutions are marketed to academic and commercial organizations involved in cell therapy, tissue engineering, cord blood banking, drug discovery, and toxicology testing. BioLife's products are serum-free and protein-free, fully defined, and are formulated to reduce preservation-induced, delayed-onset cell damage and death. BioLife's enabling technology provides academic and clinical researchers significant improvements in post-thaw cell, tissue, and organ viability and function. Additionally, for our direct, distributor, and contract customers, we perform custom formulation, fill, and finish services.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Net loss per share

Basic net loss per common share is calculated by dividing the net loss by the weighted average number of common shares outstanding during the period. Diluted earnings per share is calculated using the weighted average number of common shares outstanding plus dilutive common stock equivalents outstanding during the period. Common stock equivalents are excluded for the years ending December 31, 2011 and 2010 since the effect is anti-dilutive due to the Company's net losses. Common stock equivalents include stock options and warrants.

Basic weighted average common shares outstanding, and the potentially dilutive securities excluded from loss per share computations because they are antidilutive, are as follows for the years ended December 31, 2011 and 2010:

	2011	2010
Basic and diluted weighted average common stock shares outstanding	69,679,854	69,679,854
Potentially dilutive securities excluded from loss per share computations:		
Common stock options	17,873,277	14,564,815
Common stock purchase warrants	6,218,750	4,218,750

Cash and cash equivalents

Cash equivalents consist primarily of interest-bearing money market accounts. We consider all highly liquid debt instruments purchased with an initial maturity of three months or less to be cash equivalents. We maintain cash balances that may exceed federally insured limits. We do not believe that this results in any significant credit risk.

Inventories

Inventories represent biopreservation solutions and raw materials and are stated at the lower of cost or market. Cost is determined using the first-in, first-out ("FIFO") method.

Accounts receivable

Accounts receivable are stated at principal amount, do not bear interest, and are generally unsecured. We provide an allowance for doubtful accounts based on an evaluation of customer account balances past due ninety days from the date of invoicing. Accounts considered uncollectible are charged against the established allowance.

Property and equipment

Furniture and equipment are stated at cost and are depreciated using the straight-line method over estimated useful lives of three to ten years.

Deferred Financing Costs

Deferred financing costs consist of fees associated with obtaining or restructuring existing debt. These fees are amortized over the term of the related debt using the effective interest method.

Revenue recognition

We recognize product revenue, including shipping and handling charges billed to customers, upon shipment of product when title and risk of loss pass to customers. Shipping and handling costs are classified as part of cost of product sales. Generally, revenue related to licensing agreement activity is recognized ratably over the estimated term of the service period. Payments received in advance of the related licensing agreement period are recorded as deferred revenue and recognized when earned.

Income taxes

We account for income taxes using an asset and liability method which generally requires recognition of deferred tax assets and liabilities for the expected future tax effects of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are recognized for the future tax effects of differences between tax bases of assets and liabilities, and financial reporting amounts, based upon enacted tax laws and statutory rates applicable to the periods in which the differences are expected to affect taxable income. We evaluate the likelihood of realization of deferred tax assets and provide an allowance where, in management's opinion, it is more likely than not that the asset will not be realized.

We have not recorded any liabilities for uncertain tax positions or any related interest and penalties. Our tax returns are open to audit for years ending December 31, 2008 to 2011.

Advertising

Advertising costs are expensed as incurred and totaled $16,521 and $3,064 for the years ended December 31, 2011 and 2010, respectively.

Fair value of financial instruments

We generally have the following financial instruments: cash and cash equivalents, accounts receivable, accounts payable, accrued expenses and notes payable. The carrying value of cash and cash equivalents, accounts receivable, accounts payable and accrued expenses approximate their fair value based on the short-term nature of these financial instruments. The carrying values of notes payable approximate their fair value because interest rates of notes payable approximate market interest rates.

Operating segments

As described above, our activities are directed in the life sciences field of biopreservation products and services. As of December 31, 2011 and 2010 this is the Company's only operating unit and segment.

Research and Development

Research and development costs are expensed as incurred.

Concentrations of Credit Risk

We have focused our sales efforts on diversification of our customers in order to reduce the concentration of our revenue with any one customer. In 2011, no individual customer made up more than 10% of sales. In 2010, sales to individual customers representing more than 10% of total revenue totaled approximately $535,000. This was the result of sales to two customers, one which totaled $322,000, representing 16% of total product sales, and the other which totaled $213,000, representing 10% of total product sales. At December 31, 2011, two customers accounted for approximately 29% of total gross accounts receivable, and at December 31, 2010, one customer accounted for approximately 24% of total gross accounts receivable.

Stock-based compensation

We use the Black-Scholes option pricing model as our method of valuation for share-based awards. Share-based compensation expense is based on the value of the portion of the stock-based award that will vest during the period, adjusted for expected forfeitures. Our determination of the fair value of share-based awards on the date of grant using an option pricing model is affected by our stock price as well as assumptions regarding a number of highly complex and subjective variables. These variables include, but are not limited to, the expected life of the award, expected stock price volatility over the term of the award and historical and projected exercise behaviors. The estimation of share-based awards that will ultimately vest requires judgment, and to the extent actual or updated results differ from our current estimates, such amounts will be recorded in the period estimates are revised. Although the fair value of share-based awards is determined in accordance with authoritative guidance, the Black-Scholes option pricing model requires the input of highly subjective assumptions and other reasonable assumptions could provide differing results. Share-based compensation expense is recognized ratably over the applicable requisite service period based on the fair value of such share-based awards on the grant date.

The fair value of options and warrants at the date of grant is determined under the Black-Scholes option pricing model. During the years ended December 31, 2011 and 2010, the following weighted-average assumptions were used:

Assumptions	2011	2010
Risk-free rate	2.12%	2.22%
Annual rate of dividends	—	—
Historical volatility	92.91%	87.76%
Expected life	6.0 years	6.8 years

The risk-free interest rate was based on the U.S. Treasury yield curve in effect at the time of grant. We do not anticipate declaring dividends in the foreseeable future. Volatility was based on historical data. We utilize the simplified method as allowed by SEC Staff Accounting Bulletin No. 107 and 110 in determining option lives. The simplified method is used due to the fact that we have had significant structural changes in our business such that our historical exercise data may not provide a reasonable basis to estimate option lives.

We recognize compensation expense for only the portion of options that are expected to vest. Therefore, management applies an estimated forfeiture rate that is derived from historical employee termination data. The estimated forfeiture rate applied for the years ended December 31, 2011 and 2010 was 9.37% and 7.48%, respectively. If the actual number of forfeitures differs from those estimated by management, additional adjustments to compensation expense may be required in future periods. Our stock price volatility, option lives and expected forfeiture rates involve management's best estimates at the time of such determination, all of which impact the fair value of the option calculated under the Black-Scholes methodology and, ultimately, the expense that will be recognized over the life of the option.

Recent Accounting Pronouncements

There have been no new accounting pronouncements made effective during the year ended December 31, 2011 or not yet effective, that are of significance, or potential significance, to us.

2. Financial Condition

We have been unable to generate sufficient income from operations in order to meet our operating needs and have an accumulated deficit of approximately $54 million at December 31, 2011. This raises substantial doubt about our ability to continue as a going concern.

We believe that cash generated from customer collections in combination with continued access to funds from investors, will provide sufficient funds through December 31, 2012. Factors that would negatively impact our ability to finance our operations include (a) significant reductions in revenue from our internal projections, (b) increased capital expenditures, (c) significant increases in cost of goods and operating expenses, or; (d) an adverse outcome resulting from current litigation. If we are unable to collect adequate cash from customer collections and our investors were to become unwilling to provide access to additional funds, we would need to find immediate additional sources of capital. There can be no assurance that such capital would be available, or, if available, that the terms of such financing would not be dilutive to stockholders. If we are unable to secure additional capital as circumstances require, we may not be able to continue our operations.

These financial statements assume that we will continue as a going concern. If we are unable to continue as a going concern, we may be unable to realize our assets and discharge our liabilities in the normal course of business. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to amounts and classification of liabilities that may be necessary should we be unable to continue as a going concern.

3. Inventories

Inventories consist of the following at December 31, 2011 and 2010:

	2011	2010
Raw materials	$ 173,510	$ 143,338
Work in progress	11,768	45,277
Finished goods	320,678	221,871
Total	$ 505,956	$ 410,486

4. Promissory Notes Payable

At December 31, 2011 and 2010, notes payable and related accrued interest consisted of the following:

	2011	2010
Notes payable to Thomas Girschweiler and Walter Villiger, secured by all assets of the Company, principal balances of all notes payable outstanding due in full in January 2013, including interest of 7%, total amount available $10,500,000	$ 10,128,127	$ 9,033,127
Total interest payable on these notes (due at maturity of the notes), long-term	$ 2,025,961	$ 1,354,975

5. Income Taxes

Income tax benefit reconciled to tax calculated at statutory rates is as follows:

	2011	2010
Federal tax (benefit) at statutory rate	$ (665,257)	$ (941,240)
Expiration of net operating loss carryforwards	1,794,072	486,462
Expiration of tax credits	33,000	114,000
Change in valuation allowance	(1,162,821)	339,840
Other	1,006	938
Provision for income taxes, net	$ —	$ —

At December 31, 2011 and 2010, the components of the Company's deferred taxes are as follows:

	2011	2010
Deferred tax assets (liabilities)		
Net operating loss carryforwards	$ 8,209,728	$ 9,654,193
Tax credits	—	33,000
Accrued compensation	29,431	32,448
Depreciation	173	(4,406)
Stock-based compensation	276,929	196,743
Accrued related party interest	688,827	460,692
Other	7,649	2,888
Total	9,212,737	10,375,558
Less: Valuation allowance	(9,212,737)	(10,375,558)
Net deferred tax asset	$ —	$ —

The Company has the following net operating loss tax carryforwards available at December 31, 2011:

Year of Expiration	Net Operating Losses
2012	1,570,000
2013	1,425,000
2014	1,234,000
2020	2,849,000
2021	4,168,000
2023	1,217,000
2024	646,000
2025	589,000
2026	873,000
2027	2,607,000
2028	2,512,000
2029	2,196,000
2030	1,232,000
2031	1,028,000
Total	$24,146,000

In the event of a significant change in the ownership of the Company, the utilization of such loss and tax credit carryforwards could be substantially limited.

6. Shareholders' Equity (Deficiency)

Warrants

The following table summarizes warrant activity for the years ended December 31, 2011 and 2010:

	Year Ended December 31, 2011		Year Ended December 31, 2010	
	Shares	Wtd. Avg. Exercise Price	Shares	Wtd. Avg. Exercise Price
Outstanding at beginning of year	4,218,750	$ 0.10	2,218,750	$ 0.12
Granted	2,000,000	0.06	2,000,000	0.07
Exercised	—	—	—	—
Forfeited	—	—	—	—
Outstanding and exercisable at end of year	6,218,750	$ 0.08	4,218,750	$ 0.10

During the years ended December 31, 2011 and December 31, 2010, the Company issued a total of 2,000,000 warrants each year to the current note holders in consideration for financing fees related to the restructuring of the existing promissory notes. The warrants were valued using the Black-Scholes option pricing model resulting in a total value of $89,225 in 2011 and $97,220 in 2010, which was recorded as deferred financing costs and is being amortized to expense over the term of the notes.

The outstanding warrants have expiration dates between May 2012 and August 2016.

Stock compensation plans

During 1998, we adopted the 1998 Stock Option Plan ("the Plan"). An aggregate of 4,000,000 shares of common stock were reserved for issuance upon the exercise of options granted under the Plan. In September 2005, the shareholders approved an increase in the number of shares available for issuance to 10,000,000 shares. The Plan expired on August 31, 2008. The options are exercisable for up to ten years from the grant date. As of December 31, 2011, there were outstanding options to purchase 6,300,000 share of Company common stock under the Plan.

Subsequent to the expiration of the Plan, the Company issued, outside of the Plan, non-incentive stock options for an aggregate of 11,573,227 (net of cancellations) shares of Company common stock. All non-incentive stock options issued in 2011 and 2010 were issued outside of the Plan.

Certain options awarded during 2011 and 2010 contain provisions which allow for the automatic proportionate adjustment of the number of shares covered and the exercise price of each share in the event that the Company changes its shares of common stock by a stock dividend, stock split, combination, reclassification, exchange, merger or consolidation.

The following is a summary of stock option activity under the Plan and outside of the Plan for 2011 and 2010, and the status of stock options outstanding at December 31, 2011 and 2010:

	Year Ended December 31, 2011		Year Ended December 31, 2010	
	Shares	Wtd. Avg. Exercise Price	Shares	Wtd. Avg. Exercise Price
Outstanding at beginning of year	14,564,815	$ 0.09	9,265,000	$ 0.09
Granted	6,220,873	0.08	5,324,815	0.10
Exercised	-	-	-	-
Forfeited	(2,912,461)	(0.08)	(25,000)	(0.25)
Outstanding at end of year	17,873,227	$ 0.08	14,564,815	$ 0.09
Stock options exercisable at year end	9,667,990	$ 0.08	7,896,510	$ 0.08

Weighted average fair value of options granted was $0.06 and $0.08 per share for the years ended December 31, 2011 and 2010, respectively.

As of December 31, 2011, there was $5,750 of aggregate intrinsic value of outstanding stock options, including $2,625 of aggregate intrinsic value of exercisable stock options. Intrinsic value is the total pretax intrinsic value for all "in-the-money" options (i.e., the difference between the Company's closing stock price on the last trading day of 2011 and the exercise price, multiplied by the number of shares) that would have been received by the option holders had all option holders exercised their options as of December 31, 2011. This amount will change based on the fair market value of the Company's stock.

The following table summarizes information about stock options outstanding at December 31, 2011:

Range of Exercise Prices	Number Outstanding at December 31, 2011	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price
$ 0.04-$0.07	2,800,000	6.20	$ 0.06
$ 0.08-$0.09	10,728,768	7.22	$ 0.08
$ 0.10-$0.25	4,344,459	7.67	$ 0.11
	17,873,227	7.23	$ 0.08

Total unrecognized compensation cost at December 31, 2011 of $330,319 is expected to be recognized over a weighted average period of 2.1 years.

When options and warrants are exercised, it is the Company's policy to issue new shares.

7. Related Party Transactions

We incurred $52,132 and $21,902 in legal fees during the years ended December 31, 2011 and 2010, respectively, for services provided by Breslow & Walker, LLP in which Howard S. Breslow, a director and stockholder of the Company, is a partner. At December 31, 2011 and 2010, accounts payable included $22,631 and $149, respectively, due to Breslow & Walker, LLP for services rendered.

We incurred $56,000 and $96,000 in consulting fees during the years ended December 31, 2011 and 2010, respectively, to Roderick de Greef, a director of the Company, for the task of overseeing the Company's financing activities, internal accounting functions and SEC reporting, and assisting in the search for, and reviewing, strategic alternatives, on a part-time basis. At December 31, 2011 and 2010, accounts payable included $2,500 and $0, respectively, due to Mr. de Greef for services rendered.

The agreement with Mr. De Greef was terminated in August of 2011.

8. Commitments and Contingencies

Leases

In July 2007, we signed a four-year lease, commencing August 1, 2007, for 4,366 square feet of office and laboratory space in Bothell, Washington at an initial rental rate of $6,367 per month. We are also responsible for paying a proportionate share of property taxes and other operating expenses as defined in the lease.

In November 2008, we signed an amended five-year lease to gain 5,798 square feet of additional clean room space for manufacturing in a facility adjacent to our corporate office facility leased in Bothell, Washington at an initial rental rate of $14,495 per month. Included in this amendment is the exercise of the renewal option for our current office and laboratory space to make the lease for such space coterminous with the new facility five-year lease period.

The following is a schedule of future minimum lease payments required under the facility leases as of December 31, 2011:

Year Ending December 31	
2012	$285,049
2013	296,451
2014	77,077
Total	$ 658,577

Rental expense for this facility lease for the years ended December 31, 2011 and 2010 totaled $368,273 and $345,404, respectively. These amounts include the Company's proportionate share of property taxes and other operating expenses as defined by the lease.

Employment agreements

We have employment agreements with the Chief Executive Officer and Chief Financial Officer of the Company which automatically renews for successive one year periods in the event either party does not send the other a "termination notice" not less than 90 days prior to the expiration of the initial term or any subsequent term. The agreements provide for certain minimum compensation per month and incentive bonuses at the discretion of the Board of Directors. Under certain conditions, we may be required to continue to pay the base salary under the agreement for a period of up to two years.

Litigation

On February 7, 2007, Kristi Snyder, a former employee of the Company filed a complaint in the New York State Supreme Court, County of Broome, against the Company alleging a breach of an employment agreement and seeking damages of up to $300,000 plus attorneys' fees. This case currently is in discovery. The Company is vigorously defending its position.

On April 6, 2007, the Company was served with a complaint filed by John G. Baust, the Company's former Chief Executive Officer and President, and thereafter, until January 8, 2007, the Chairman, Sr. Vice President and Chief Scientific Officer, in the New York State Supreme Court, County of Tioga, against the Company seeking, among other things, damages under his employment agreement to be determined upon trial of the action plus attorneys' fees, a declaratory judgment that he did not breach his fiduciary duties to the Company, and that his covenant not to compete is void as against public policy or unenforceable as a matter of law, and to enjoin the Company from commencing an action against him in Delaware courts seeking damages for breaches of his fiduciary obligations to the Company. The parties have engaged in extensive motion practice. By decision of December 18, 2009, Justice Tait rejected Plaintiff Baust's efforts to obtain partial summary judgment. This case currently is in discovery. The Company is vigorously defending its position.

On June 15, 2007, the Company filed a lawsuit in the State of New York Supreme Court, County of Tioga against Cell Preservation Services, Inc. ("CPSI") and Coraegis Bioinnovations, Inc. ("Coraegis"), both of which are owned and/or controlled by John M. Baust, a former employee of the Company and the son of John G. Baust, both of whose employment with the Company was terminated on January 8, 2007.

On March 15, 2004, the Company had entered into a Research Agreement with CPSI, pursuant to which CPSI took over the processing of the Company's existing SBIR grants, on behalf of the Company was to apply for additional SBIR grants and, in each case, was to perform the research with respect to such grants. In connection therewith, the Company granted to CPSI a limited license to use the Company's technology ("BioLife's Technology"), including the Company's proprietary cryopreservation solutions (collectively, "Intellectual Property"), solely for the purpose of conducting the research pertaining to the SBIR grants, and CPSI agreed to keep confidential all Company confidential information disclosed to CPSI ("Confidential Information"). On January 8, 2007, the Company informed CPSI that the Research Agreement would not be extended and would terminate in accordance with its terms on March 15, 2007.

The lawsuit states various causes of action, including, (1) repeated violations of the Research Agreement by CPSI by improperly using BioLife's Technology, Intellectual Property and Confidential Information for its own purposes, (2) the unlawful misappropriation by CPSI and Coraegis of the Company's trade secrets, (3) unfair competition on the part of CPSI and Coraegis through their unlawful misappropriation and misuse of BioLife's Technology, Intellectual Property and Confidential Information, and (4) the conversion of BioLife's Technology, Intellectual Property and Confidential Information by CPSI and Coraegis to their own use without the Company's permission.

The lawsuit seeks, among other things, (1) to enjoin CPSI from continuing to violate the Research Agreement, (2) damages as a result of CPSI's breaches of the Research Agreement, (3) to enjoin CPSI and Coraegis from any further use of the Company's trade secrets, (4) damages (including punitive damages) as a result of CPSI's and Coraegis' misappropriation of the Company's trade secrets, (5) to enjoin CPSI and Coraegis from any further use of BioLife's Technology, Intellectual Property and Confidential Information, (6) damages (including punitive damages) as a result of CPSI's and Coraegis' unfair competition against the Company, and (7) damages (including punitive damages) as a result of CPSI's and Coraegis' conversion of BioLife's Technology, Intellectual Property and Confidential Information to their own use. On September 30, 2008, Justice Jeffrey Tait issued a Letter Decision and Order which provides for a multi-phase process for discovery concerning contested discovery disclosures. The parties are awaiting Justice Tait's decision on the initial process to be used concerning these contested discovery issues. The parties have engaged in extensive motion practice. By decision of December 18, 2009, Justice Tait denied the attempt of the Defendants to dismiss Plaintiff's complaint. This case currently is in discovery. The Company is vigorously pursuing its position.

On December 4, 2007, John M. Baust, the son of John G. Baust, filed a complaint in the New York State Supreme Court, County of Tioga, against the Company and Michael Rice, the Company's Chairman and Chief Executive Officer, alleging, among other things, a breach of an employment agreement and defamation of character and seeking damages against the Company in excess of $300,000 plus attorneys fees. This case currently is in discovery. The Company is vigorously defending its position.

We have not made any accrual related to future litigation outcomes as of December 31, 2011 or 2010.

9. Supplemental Cash Flow Disclosures

Actual cash payments

No cash was paid for either interest expense or income taxes for the years ended December 31, 2011 and 2010.

Non-cash investing and financing activities

During the years ended December 31, 2011 and December 31, 2010, the Company issued a total of 2,000,000 warrants each year to the current note holders in consideration for financing fees related to the restructuring of the existing promissory notes. The warrants were valued using the Black-Scholes option pricing model resulting in a total value of $89,225 in 2011 and $97,220 in 2010, which was recorded as deferred financing costs and is being amortized to expense over the term of the notes.

10. Subsequent Events

Additional Notes Payable

Subsequent to December 31, 2011, the Company received an additional $175,000 in total from the Investors pursuant to the amended notes payable described in Note 4.

Stock Options Issued

In February 2012, the Company issued ten-year options to employees and directors to purchase 1,100,000 common shares.

Amended Lease Agreement

In March of 2012, we signed an amended lease agreement which expanded the premises leased by the Company from the Landlord to approximately 21,000 rentable square feet. The term of the lease was extended for nine (9) years commencing on July 1, 2012 and expiring on June 30, 2021. The amendment includes two (2) options to extend the term of the lease, each option is for an additional period of five (5) years, with the first extension term commencing, if at all, on July 1, 2021, and the second extension term commencing, if at all, immediately following the expiration of the first extension term. In accordance with the amended lease agreement, the Company's monthly base rent will increase, as of July 1, 2012, to approximately $35,000. The Company will be required to pay an amount equal to the Company's proportionate share of certain taxes and operating expenses.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A.CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that material information required to be disclosed in our periodic reports filed under the Securities Exchange Act of 1934, as amended, or 1934 Act, is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and to ensure that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer as appropriate, to allow timely decisions regarding required disclosure. During the quarter ended December 31, 2011 we carried out an evaluation, under the supervision and with the participation of our management, including the chief executive officer and chief financial officer, as required by the rules and regulations under the 1934 Act, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rule 13a-15(e) under the 1934 Act. Based on this evaluation, our chief executive officer and chief financial officer concluded that, as of December 31, 2011, our disclosure controls and procedures were effective.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) under the Securities Exchange Act of 1934, as amended. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of the financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. This process includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of the internal control over financial reporting to future periods are subject to risk that the internal control may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

Our management, including our chief executive officer and chief financial officer, conducted an evaluation of the design effectiveness of our internal control over financial reporting based on the framework in "Internal Control — Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"), as of December 31, 2011. Based on our assessment, we conclude that as of December 31, 2011 our internal control over financial reporting was effective.

This annual report does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our registered public accounting firm pursuant to rules of the Securities and Exchange Commission that permit us to provide only management's report in this annual report.

Changes in Internal Control Over Financial Reporting

There were no changes that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting during the year ended December 31, 2011.

Limitations on Controls

Management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all error and fraud. Any control system, no matter how well designed and operated, is based upon certain assumptions and can provide only reasonable, not absolute, assurance that our objectives will be met. Further, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have been detected.

ITEM 9B.OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE

The following table and text set forth the names and ages of all directors and executive officers of the Company as of March 29, 2012. The Board of Directors is comprised of only one class. All of the directors will serve until the next annual meeting of shareholders, and until their successors are elected and qualified, or until their earlier death, retirement, resignation or removal. There are no family relationships among directors and executive officers. Also provided herein are brief descriptions of the business experience of each director and executive officer during the past five years (based on information supplied by them) and an indication of directorships held by each director in other companies subject to the reporting requirements under the Federal securities laws.

Name	Age	Position and Offices With the Company
Michael Rice	49	Chief Executive Officer, President, and Director
Daphne Taylor	45	Chief Financial Officer
Howard S. Breslow	72	Director, Secretary
Roderick de Greef	51	Director
Thomas Girschweiler	54	Director
Raymond Cohen	52	Director
Andrew Hinson	46	Director

Michael Rice has been President and Chief Executive Officer and a director of the Company since August 2006, and Chairman of the board of directors since August 2007. From October 2004 to August 2006, Mr. Rice served as Sr. Business Development Manager for the Medical & Wireless Products Group at AMI Semiconductor, Inc. (NASDAQ: AMIS). Prior thereto, from October 2000 to October 2004, he served as Director of Marketing & Business Development, Western Region Sales Manager, and Director, Commercial Sales at Cardiac Science, Inc. (NASDAQ: CSCX); from May 1998 to October 2000 as Vice President, Sales and Marketing at TEGRIS Corporation; and from May 1986 to May 1998 in several sales and marketing roles at Physio Control Corporation.

Daphne Taylor has been Vice President, Finance & Administration, and Chief Financial Officer since August 2011, and from March 2011 through July 2011 she served as Corporate Controller. Prior to joining BioLife, Ms. Taylor served as Vice President, Corporate Controller and Chief Accounting Officer of Cardiac Science Corporation from November 2005 through January 2009. From April 2002 through November 2005, she held various positions, including Vice President and Corporate Controller for LookSmart, Inc.

Howard S. Breslow has served as a director of the Company since July 1988. He has been a practicing attorney in New York City for more than 40 years and is a member of the law firm of Breslow & Walker, LLP, New York, NY, which firm serves as general counsel to the Company.

Mr. de Greef has been a director of the Company since June 2000, and from July 2007 through August 2011,was retained by the Company to provide strategic and financial consulting services. Mr. de Greef provides corporate advisory services to several other companies, including Cambridge Heart, Inc., where he has been employed as Chairman of the board of directors since November 2008. From October 2005 to July 2007, Mr. de Greef was Chief Financial Officer of Cambridge Heart, and Vice President of Finance and Administration from June 2006 to July 2007. From February 2001 to September 2005, Mr. de Greef was Executive Vice President and Chief Financial Officer of Cardiac Science, Inc., which merged with Quinton Cardiology, Inc. From 1995 to 2001, Mr. de Greef provided independent corporate finance advisory services to a number of early-stage companies, including BioLife Solutions and Cardiac Science. From 1986 to 1995, Mr. de Greef served as Vice President of Finance and Chief Financial Officer of several publicly held, development stage medical technology companies. Mr. de Greef is also a member of the board of directors of Irvine, CA based Endologix, Inc., and Amsterdam based Elephant Talk Communications, Inc. Mr. de Greef has a B.A. in Economics and International Relations from California State University at San Francisco and earned his M.B.A. from the University of Oregon.

Thomas Girschweiler joined the Board in 2003. Mr. Girschweiler has been engaged in corporate financing activities on his own behalf since 1996. From 1981 to 1996 he was an investment banker with Union Bank of Switzerland. Mr. Girschweiler is a graduate of the Swiss Banking School.

Raymond W. Cohen joined the Board in May 2006. Mr. Cohen is an Accredited Public Company Director and currently serves as the CEO and member of the Board of Directors of Vessix Vascular, Inc., a venture backed developer of a novel RF balloon catheter technology for treatment of hypertension. Mr. Cohen also serves as the Chairman of the Board of Directors of Syncroness, Inc., a private engineering and product development firm. In addition, Mr. Cohen is a member of the Board of Directors of LoneStar Heart, Inc. (formerly CardioPolymers, Inc.) a privately-held developer of novel biotherapeutics for the treatment of congestive heart failure and also serves an advisor to Fjord Ventures, LLC., a life science incubator. Previously, Mr. Cohen served as Chairman and Chief Executive Officer of publicly-traded Cardiac Science, Inc., which in 2004 was ranked as the 4th fastest growing technology company in North America on Deloitte & Touche's Fast 500 listing. In 2008, Mr. Cohen was named by AeA as the Private Company Life Science CEO of the Year. Mr. Cohen was named Entrepreneur of the Year in 2002 by the Orange County Business Journal and was a finalist for Ernst & Young's Entrepreneur of the Year in the medical company category in 2004. Mr. Cohen is a member of a number of local Southern California organizations, notably the Forum of Corporate Directors and the Keck Graduate Institute BioScience MBA program. Mr. Cohen holds a B.S. in Business Management from Binghamton University.

Andrew Hinson joined the Board in February 2007. Currently, he is the Vice President for Clinical and Regulatory Affairs for LoneStar Heart, Inc., a developer of proprietary biopolymer, small molecule and cellular-based therapies to effectively treat heart failure and other cardiac conditions. Mr. Hinson has diverse experience in the cell and gene therapy markets and extensive experience with regulatory and clinical trial issues for new therapies for cardiac, neurologic, and gastrointestinal applications.

Committees of the Board

The *Audit Committee*'s role includes the oversight of our financial, accounting and reporting processes; our system of internal accounting and financial controls; and our compliance with related legal, regulatory and ethical requirements. The Audit Committee oversees the appointment, compensation, engagement, retention, termination and services of our independent registered public accounting firm, including conducting a review of its independence; reviewing and approving the planned scope of our annual audit; overseeing our independent registered public accounting firm's audit work; reviewing and pre-approving any audit and non-audit services that may be performed by our independent registered public accounting firm; reviewing with management and our independent registered public accounting firm the adequacy of our internal financial and disclosure controls; reviewing our critical accounting policies and the application of accounting principles; and monitoring the rotation of partners of our independent registered public accounting firm on our audit engagement team as required by regulation.

Also, the Audit Committee's role includes meeting to review our annual audited financial statements and quarterly financial statements with management and our independent registered public accounting firm. The Audit Committee has the authority to obtain independent advice and assistance from internal or external legal, accounting and other advisors, at BioLife's expense.

Each member of the Audit Committee meets the independence criteria prescribed by applicable regulation and the rules of the SEC for audit committee membership and is an "independent director" within the meaning of applicable standards. Each Audit Committee member meets the SEC's financial literacy requirements. The Board of Directors has determined that Mr. de Greef is an "audit committee financial expert" as defined in Item 407(d)(5)(ii) of Regulation S-K.

The Audit Committee acts pursuant to a written charter, which complies with the applicable provisions of the Sarbanes-Oxley Act of 2002 and related rules of the SEC, a copy of which can be found on our website at http://biolifesolutions.com/biopreservation-media/2012ac.pdf.

The *Compensation Committee* sets and administers the policies governing all compensation of our executive officers, including cash and non-cash compensation and equity compensation programs, and is responsible for making recommendations to the Board concerning Board and committee compensation. Also, the Compensation Committee reviews and approves equity-based compensation grants to our non-executive officer employees. In addition, the Compensation Committee is responsible for oversight of our overall compensation plans and benefit programs, as well as the approval of all employment, severance and change of control agreements and plans applicable to our executive officers. Furthermore, the Compensation Committee has the authority to obtain independent advice and assistance from internal or external legal, accounting and other advisors, at BioLife's expense.

The members of the Compensation Committee are independent directors within the meaning of applicable standards, and all of the members are "non-employee directors" within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934 (the "Exchange Act") and "outside directors" for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"). The Compensation Committee acts pursuant to a written charter, a copy of which can be found on our website at http://biolifesolutions.com/biopreservation-media/2012cc.pdf.

The *Nominating and Corporate Governance Committee* is responsible for reviewing suggestions of candidates for director made by directors and others, identifying individuals qualified to become Board members, and recommending to the Board the director nominees for the next annual meeting of shareholders, recommending to the Board director nominees for each committee of the Board, recommending to the Board the corporate governance principles applicable to the Company, and overseeing the annual evaluation of the Board and management. Pursuant to the Nominating and Corporate Governance Committee Charter, there is no difference in the manner in which a nominee recommended by a stockholder or otherwise is evaluated.

The Nominating and Corporate Governance Committee's primary purpose is to evaluate candidates for membership on our Board and make recommendations to our Board regarding candidates; make recommendations with respect to the composition of our Board and its committees; review and make recommendations regarding the functioning of our Board as an entity; recommend corporate governance principles applicable to BioLife; manage periodic review, discussion and evaluation of the performance of our Board, its committees and its members; assess the independence of our directors; review the board memberships of other entities held by members of the Board and review and approve such memberships for our executive officers. Also, the Nominating and Corporate Governance Committee assists our Board in reviewing and assessing succession planning for our executive officers. The Nominating and Corporate Governance Committee has the authority to obtain independent advice and assistance from internal or external legal, accounting and other advisors, at BioLife's expense.

The members of our Nominating and Corporate Governance Committee are independent directors within the meaning of applicable standards. The Nominating and Corporate Governance Committee operates pursuant to a written charter, a copy of which can be found on our website at http://biolifesolutions.com/biopreservation-media/2012gn.pdf.

In carrying out its function to nominate candidates for election to our Board, the Nominating and Corporate Governance Committee considers the Board's mix of skills, experience, character, commitment and diversity—diversity being broadly construed to mean a variety of opinions, perspectives and backgrounds, such as gender, race and ethnicity differences, as well as other differentiating characteristics, all in the context of the requirements and needs of our Board at that point in time. In reviewing potential candidates, the Committee will also consider all relationships between any proposed nominee and any of BioLife's stockholders, competitors, customers, suppliers or other persons with a relationship to BioLife. The Nominating and Corporate Governance Committee believes that each candidate should be an individual who has demonstrated integrity and ethics in such candidate's personal and professional life, has an understanding of elements relevant to the success of a publicly traded company and has established a record of professional accomplishment in such candidate's chosen field.

The Nominating and Corporate Governance Committee's methods for identifying candidates for election to our Board include the solicitation of ideas for possible candidates from a number of sources, including from members of our Board, our executive officers, individuals who our executive officers or Board members believe would be aware of candidates who would add value to our Board and through other research. The Nominating and Corporate Governance Committee may, from time to time, retain, for a fee, one or more third-party search firms to identify suitable candidates. The Nominating and Corporate Governance Committee will consider all candidates identified through the processes described above, and will evaluate each candidate, including incumbents, based on the same criteria.

Meetings of the Board and Committees

During 2011, our Board held four meetings, and its three standing committees—Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee—collectively held six meetings. Each Director attended or participated in 100% of the meetings of the Board of Directors held during the year ended December 31, 2011.

The following table sets forth the three standing committees of our Board, the members of each committee, and the number of meetings held by our Board and the committees during 2011:

Name	Board	Audit	Compensation	Nominating and Corporate Governance
Mr. Rice	Chair			
Mr. Breslow	X			Chair
Mr. de Greef (financial expert)	X	X		X
Mr. Cohen	X	Chair	Chair	
Mr. Girschweiler	X	X	X	
Mr. Hinson	X		X	X
Number of meetings held in 2011	4	4	2	None

The members of the respective committees satisfy the applicable qualification requirements of the SEC and the Code of Ethics.

AUDIT COMMITTEE PRE-APPROVAL OF SERVICES PERFORMED BY OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

It is the policy of our Audit Committee to pre-approve all audit and permissible non-audit services to be performed by Peterson Sullivan, our independent registered accounting firm. All audit fees and all other fees provided by Peterson Sullivan during 2011 and 2010 were pre-approved by the Audit Committee.

CORPORATE GOVERNANCE

Code of Ethics

We believe in sound corporate governance practices and have always encouraged our employees, including officers and directors to conduct business in an honest and ethical manner. Additionally, it has always been our policy to comply with all applicable laws and provide accurate and timely disclosure.

Accordingly, the Board has adopted a formal written code of ethics for all employees. The Board has adopted an additional corporate code of ethics for its Chief Executive Officer, Chief Financial Officer and other senior financial officers, which is a "code of ethics" as defined by applicable SEC rules. The Code of Ethics is publicly available on our website at http://biolifesolutions.com/biopreservation-media/CODE-OF-ETHICS-FOR-CEO-AND-SENIOR-FINANCIAL-OFFICERS1.pdf. The code of ethics is designed to deter wrongdoing and promote honest and ethical conduct and compliance with applicable laws and regulations. These codes also incorporate what we expect from our executives so as to enable us to provide accurate and timely disclosure in our filings with the Securities and Exchange Commission and other public communications. Any amendments made to the Code of Ethics will be available on our website.

Section 16(a) Beneficial Ownership Reporting Compliance

Our executive officers, directors, and beneficial owners of more than 10% of any class of its equity securities registered pursuant to Section 12 of the Securities Exchange Act of 1934 (collectively, the "Reporting Persons") are required to file reports of ownership and changes in beneficial ownership of the Company's equity securities with the Securities Exchange Commission. Copies of those reports also must be furnished to us. Based solely on review of the copies of such forms furnished by the Company, we believe that during the year ended December 31, 2011, the Reporting Persons complied with all applicable Section 16(a) filing requirements.

ITEM 11. EXECUTIVE COMPENSATION

The following table sets forth certain information concerning the compensation paid by the Company to its Chief Executive Officer, Chief Financial Officer and any additional executive officers that received salary and bonus payments in excess of $100,000 during the fiscal year ended December 31, 2011 (collectively the "Named Executive Officers").

SUMMARY COMPENSATION TABLE

Name and Principal Positions (a)	Year (b)	Salary ($) (c)	Bonus ($) (d)	Stock Awards ($) (e)	Option Awards ($) (f) (1)	Non-Equity Incentive Plan Compensation ($) (g)	Nonqualified Deferred Compensation Earnings ($) (h)	All Other Compensation ($) (i)	Total ($) (j)
Michael Rice	2011	270,000	—	—	161,220(2)	—	—	—	431,220
President, Chief	2010	270,000	—	—	92,305(3)	—	—	—	362,305
Executive Officer and Director (8/06 –present)									
Daphne Taylor	2011	102,087	—	—	44,192(4)	—	—	—	146,279
Chief Financial Officer (3/11 – present)									

_____

(1) See Note 1 to Notes to Financial Statements for a description on the valuation methodology of stock option awards.

(2) Amount is a result of options to purchase 400,000 shares at $0.08 per share granted to officer on 2/25/11, which options vested 100% upon grant of the awards, and options to purchase 2,247,939 shares at $0.08 per share granted to officer on 2/25/11, which options vest at the end of the quarter the Company achieves cash flow break even.

(3) Amount is a result of options to purchase 1,190,878 shares at $0.10 per share granted to officer on 2/5/2010, which options vest to the extent of 297,719 shares on 2/5/2011 and, thereafter, in monthly increments of 15,938 shares.

(4) Amount is the result of options to purchase 250,000 shares at $0.10 per share granted to officer on 3/1/11, which options vest to the extent of 62,500 shares on March 1, 2012, March 1, 2013, March 1, 2014 and March 1, 2015, and options to purchase 500,000 shares at $0.063 per share granted to officer on August 17, 2011, which options vest to the extent of 125,000 shares on 8/17/12, and, thereafter, in monthly increments of 10,417 shares.

Employment Agreements

We have an employment agreement with Michael Rice, our President and Chief Executive Officer, which automatically renews for successive one year periods in the event either party does not send the other a "termination notice" not less than 90 days prior to the expiration of the initial term or any subsequent term. The agreement provided for a salary of $200,000 per year and an incentive bonus based on certain quarterly milestones, to be determined by the Board of Directors. Mr. Rice also received a ten-year incentive stock option to purchase 1,500,000 shares of common stock at $.07 per share (the fair market value on the date of grant), which vested to the extent of 500,000 shares on each of the first three anniversary dates of the date of grant. We amended this employment agreement on February 7, 2007 to provide that if, in connection with a "change in control," Mr. Rice's employment is terminated without "Cause" or he resigns for "Good Reason," he will be entitled to the continued payment of salary and bonuses and the reimbursement of medical insurance premiums for 24 months following the change in control event. On February 11, 2008, Mr. Rice's salary was increased to $300,000 per annum, retroactive to January 1, 2008 and his quarterly bonus plan was supplanted by annual reviews of the Compensation Committee in 2008, 2009, and 2010. Beginning on August 1, 2009, Mr. Rice's salary was decreased 10% in conjunction with the Company's 10% across the board pay cuts.

We have an employment agreement with Daphne Taylor, our Chief Financial Officer, which automatically renews for successive one year periods in the event either party does not send the other a "termination notice" not less than 90 days prior to the expiration of the initial term or any subsequent term. The agreement provides for a salary of $150,000 per year and an incentive bonus based on certain quarterly milestones of up to 10% of Ms. Taylor's base salary. If, in connection with a "change in control," Ms. Taylor's employment is terminated without "Cause" or she resigns for "Good Reason," she will be entitled to the continued payment of salary and bonuses and the reimbursement of medical insurance premiums for 6 months following the change in control event.

The following table provides information related to outstanding equity awards for each of the Named Executive Officers as of December 31, 2011:

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

	OPTION AWARDS					STOCK AWARDS			
Name (a)	Number of Securities Underlying Unexercised Options (#) Exercisable (b)	Number of Securities Underlying Unexercised Options (#) Unexercisable (c)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#) (d)	Option Exercise Price ($) (e)	Option Expiration Date (f)	Number of Shares or Units of Stock That Have Not Vested (#) (g)	Market Value of Shares or Units of Stock That Have Not Vested ($) (h)	Equity Incentive Plan Awards: Number of Unearned Shares, units or Other Rights That Have Not Vested (#) (i)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($) (j)
Michael Rice	1,500,000	—	—	0.07	8/7/2016 (1)	—	—	—	—
Michael Rice	1,000,000	—	—	0.08	2/7/2017 (2)	—	—	—	—
Michael Rice	541,875	223,125	—	0.09	2/2/2019 (3)	—	—	—	—
Michael Rice	297,719	893,159	—	0.10	2/5/2020 (4)	—	—	—	—
Michael Rice	400,000	—	—	0.08	2/25/2021 (5)	—	—	—	—
Michael Rice	—	2,247,939	—	0.08	2/25/2021 (6)	—	—	—	—
Daphne Taylor	—	250,000	—	0.10	3/1/2021 (7)	—	—	—	—
Daphne Taylor	—	500,000	—	0.063	8/17/2021 (8)	—	—	—	—

(1) This award vested 500,000 shares on each of 8/7/2007, 8/7/2008, and 8/7/2009.

(2) This award vested 333,333 shares on each of 2/7/2008, 2/7/2009, and 333,334 shares on 2/7/2010.

(3) This award vests 191,250 shares on 2/2/2010 and, thereafter, in monthly increments of 15,938 shares.

(4) This award vests 297,719 shares on each of 2/5/2012, 2/5/2013, and 297,721 shares on 2/5/2014.

(5) This award vested on the date of grant.

(6) This award vests at the end of the quarter the Company achieves cash flow break even.

(7) This award vests 62,500 shares on each of 3/1/2012, 3/1/2013, 3/1/2014, and 3/1/2015.

(8) This award vests 125,000 shares on 8/17/12 and, thereafter, in monthly increments of 10,417 shares.

Compensation of Directors

Outside directors were compensated with a quarterly retainer fee of $1,500. The Audit Committee Chairman was compensated an additional quarterly retainer fee of $2,000. All directors receive $1,000 for attending board meetings and $500 per meeting for telephonic board meetings. Directors who attend audit committee and the compensation committee meetings receive $500. A total of $61,000 in director compensation was recorded during the year ended December 31, 2011.

The following table sets forth compensation paid to outside directors during the fiscal year ended December 31, 2011:

DIRECTOR COMPENSATION

Name (a)	Fees Earned or Paid in Cash ($) (b)	Stock Awards ($) (c)	Option Awards ($) (d)(1)	Non-Equity Incentive Plan Compensation ($) (e)	Non-Qualified Deferred Compensation Earnings ($) (f)	All Other Compensation ($) (g)	Total ($) (j)
Howard Breslow (2)	8,500	—	9,133	—	—	—	17,633
Thomas Girschweiler (3)	12,000	—	9,133	—	—	—	21,133
Roderick de Greef (4)	11,000	—	9,133	—	—	56,000	76,133
Raymond Cohen (5)	20,000	—	9,133	—	—	—	29,133
Andrew Hinson (6)	9,500	—	9,133	—	—	—	18,633

(1) See Note 1 to Notes to Financial Statements for a description on the valuation methodology of stock option awards.

(2) During the year ended December 31, 2011, Mr. Breslow had received a grant of 150,000 options which vested 100% on 3/11/2012. He owned the following additional options and warrants, all of which were exercisable: options to purchase 800,000 shares of Common Stock and warrants to purchase 500,000 shares of Common Stock.

(3) During the year ended December 31, 2011, Mr. Girschweiler had received a grant of 150,000 options which vested 100% on 3/11/2012. He owned the following additional options, all of which were exercisable: options to purchase 550,000 shares of Common Stock and warrants to purchase 2,000,000 shares of Common Stock.

(4) During the year ended December 31, 2011, Mr. de Greef had received a grant of 150,000 options which vested 100% on 3/11/2012. He owned the following additional options and warrants, all of which were exercisable: options to purchase 914,864,000 shares of Common Stock and warrants to purchase 1,250,000 shares of Common Stock.

(5) During the year ended December 31, 2011, Mr. Cohen had received a grant of 150,000 options which vested on 3/11/2012. He owned the following additional options, all of which were exercisable: options to purchase 1,050,000 shares of Common Stock.

(6) During the year ended December 31, 2011, Mr. Hinson had received a grant of 150,000 options which vested on 3/11/2012. He owned the following additional options, all of which were exercisable: options to purchase 550,000 shares of Common Stock.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth, as of March 29, 2012, certain information regarding the beneficial ownership of Common Stock by (i) each stockholder known by the Company to be the beneficial owner of more than 5% of the outstanding shares thereof; (ii) each director of the Company; (iii) each Named Executive Officer of the Company; and (iv) all of the Company's current directors and executive officers as a group.

Name and Address of Beneficial Owner	Common Stock (1)	Percentage of Class (1)
Michael Rice (Officer and Director) c/o BioLife Solutions, Inc. 3303 Monte Villa Pkwy, Suite 310 Bothell, WA 98021	4,117,003(2)	5.6%
Daphne Taylor (Officer) c/o BioLife Solutions, Inc. 3303 Monte Villa Pkwy, Suite 310 Bothell, WA 98021	72,917(3)	0.1%
Howard S. Breslow, Esq. (Director) c/o Breslow & Walker, LLP 767 Third Avenue New York, NY 10017	1,503,600(4)	2.1%
Raymond Cohen (Director) c/o BioLife Solutions, Inc. 3303 Monte Villa Pkwy, Suite 310 Bothell, WA 98021	1,245,000(5)	1.8%
Roderick de Greef (Director) c/o BioLife Solutions, Inc. 3303 Monte Villa Pkwy, Suite 310 Bothell, WA 98021	5,978,891(6)	8.3%
Thomas Girschweiler (Director) c/o BioLife Solutions, Inc. 3303 Monte Villa Pkwy, Suite 310 Bothell, WA 98021	17,106,552(7)	23.6%
Andrew Hinson (Director) c/o BioLife Solutions, Inc. 3303 Monte Villa Pkwy, Suite 310 Bothell, WA 98021	700,000(8)	1.0%
Walter Villiger c/o BioLife Solutions, Inc. 3303 Monte Villa Pkwy, Suite 310 Bothell, WA 98021	21,240,081	29.6%
John G. Baust 175 Raish Hill Road Candor, NY 13743	3,694,722	5.3%
Beskivest Chart LTD Goodmans Bay Center West Bay Street & Sea View Drive Nassau, Bahamas	7,255,026	10.4%
All officers and directors as a group (six persons)	30,723,962	37.3%

(1) Shares of Common Stock subject to options and warrants that are exercisable or will be exercisable within 60 days are deemed outstanding for computing the number of shares beneficially owned. The percentage of the outstanding shares held by a person holding such options or warrants includes those currently exercisable or exercisable within 60 days, but such options and warrants are not deemed outstanding for computing the percentage of any other person. Except as indicated by footnote, and subject to community property laws where applicable, the Company believes that the persons named in the table have sole voting and investment power with respect to all shares shown as beneficially owned by them.

(2) Includes 2,500,000 shares of Common Stock issuable upon the exercise of outstanding stock options under the Company's 1998 Stock Option Plan, 1,617,003 shares of Common Stock issuable upon the exercise of outstanding stock options granted subsequent to the expiration of its plan. This does not include 143,438, 595,438, and 2,247,939 shares of Common Stock issuable upon the exercise of non-vested stock options granted on February 2, 2009, February 5, 2010, and February 25, 2011, respectively.

(3) Includes 72,917 shares of Common Stock issuable upon the exercise of outstanding stock options granted subsequent to the expiration of the Company's 1998 plan. This does not include 177,083, 500,000, and 250,000 shares of Common Stock issuable upon the exercise of non-vested stock options granted on March 1, 2011, August 17, 2011, and February 10, 2012, respectively.

(4) Includes 500,000 shares of Common Stock issuable upon the exercise of outstanding stock options under the Company's 1998 Stock Option Plan, 450,000 shares of Common Stock issuable upon the exercise of outstanding stock options granted subsequent to the expiration of its plan, and 500,000 shares of Common Stock issuable upon the exercise of outstanding warrants, all of which options and warrants are currently exercisable, and 53,600 common shares.

(5) Includes 750,000 shares of Common Stock issuable upon the exercise of outstanding stock options under the Company's 1998 Stock Option Plan, 450,000 shares of Common Stock issuable upon the exercise of outstanding stock options granted subsequent to the expiration of its plan, all of which options are currently exercisable, and 45,000 common shares.

(6) Includes 500,000 shares of Common Stock issuable upon the exercise of outstanding stock options under the Company's 1998 Stock Option Plan, 679,728 shares of Common Stock issuable upon the exercise of outstanding stock options granted subsequent to the expiration of its plan, and 1,250,000 shares of Common Stock issuable upon the exercise of outstanding warrants, all of which options and warrants are currently exercisable, and 3,549,163 common shares.

(7) Includes 250,000 shares of Common Stock issuable upon the exercise of outstanding stock options under the Company's 1998 Stock Option Plan, 450,000 shares of Common Stock issuable upon the exercise of outstanding stock options granted subsequent to the expiration of its plan and 2,000,000 shares of Common Stock issuable upon the exercise of outstanding warrants, all of which options are currently exercisable, and 14,406,552 common shares.

(8) Includes 250,000 shares of Common Stock issuable upon the exercise of outstanding stock options under the Company's 1998 Stock Option Plan, 450,000 shares of Common Stock issuable upon the exercise of outstanding stock options granted subsequent to the expiration of its plan, all of which options are currently exercisable.

Securities Authorized for Issuance under Equity Compensation Plan at December 31, 2011

Plan category	Number of securities to be issued upon exercise of outstanding options and warrants (in thousands)	Weighted Average exercise price of outstanding options and warrants	Number of securities remaining available for future issuance (in thousands)
Equity compensation plans approved by security holders	6,300	$ .08	—
Equity compensation plans not approved by security holders*	11,253	$ .09	—
Total	17,873	$ .08	—

*See note 6 of Notes to Financial Statements

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

Howard S. Breslow, a director of the Company, is a member of Breslow & Walker, LLP, and general counsel to the Company. Mr. Breslow currently owns 53,600 shares of Common Stock of the Company and holds rights to purchase an aggregate of 1,450,000 additional shares pursuant to stock options and warrants issued to him and/or affiliates. The Company incurred approximately $52,132 in legal fees during the year ended December 31, 2011 for services provided by Breslow & Walker, LLP. At December 31, 2011, accounts payable includes $22,631 due to Breslow & Walker, LLP.

On January 11, 2008, we entered into a Secured Convertible Multi-Draw Term Loan Facility Agreement (the "Facility Agreement") with each of Thomas Girschweiler, a director and stockholder of the Company, and Walter Villiger, an affiliate of the Company (the "Investors"), pursuant to which each Investor extended to the Company a secured convertible multi-draw term loan facility of $2,500,000, which Facility (a) incorporated (i) a refinancing of then existing indebtedness of the Company to the Investor, and accrued interest thereon, in the aggregate amount of $1,431,563.30, (ii) a then current advance of $300,000, and (iii) a commitment to advance to the Company, from time to time, additional amounts up to a maximum of $768,436.70, (b) bears interest at the rate of 7% per annum on the principal balance outstanding from time to time, (c) is evidenced by a secured convertible multi-draw term loan note (the "Multi-Draw Term Loan Note"), which was due and payable, together with accrued interest thereon, the earlier of (i) January 11, 2010, or (ii) an Event of Default (as defined in the Multi-Draw Term Loan Note), (d) if outstanding at the time of any bona fide equity financing of the Company of at least Two Million Dollars ($2,000,000) (a "Financing"), at the option of the Investor, could be converted into that number of fully paid and non-assessable shares or units of the equity security(ies) of the Company sold in the Financing ("New Equity Securities") as is equal to the quotient obtained by dividing the principal amount of the Facility outstanding at the time of the conversion plus accrued interest thereon by 85% of the per share or per unit purchase price of the New Equity Securities, and (e) is secured by all of the Company's assets. In 2009, the conversion feature was eliminated from the Facility.

In May and July 2008, we received $1,000,000 in total from the Investors pursuant to the Multi-Draw Term Loan Facility. On October 20, 2008, each Facility was increased by $2,000,000 to $4,500,000 (an aggregate of $9,000,000), and, on October 24, 2008, we received $600,000 in total from the Investors pursuant to the amended Multi-Draw Loan Facilities. In 2009, we received an additional $2,825,000 in total from the Investors pursuant to the amended Facilities. In December 2009, the Investors extended the repayment date to January 11, 2011. On November 16, 2010, each Facility was increased by $250,000 to $4,750,000 (an aggregate of $9,500,000) and the Investors granted an extension of the repayment date to January 11, 2013. In 2010, we received $1,145,000 in total from the Investors pursuant to the amended Facilities. In 2011, we received $1,095,000 in total from the Investors pursuant to the amended Facilities. In August 2011 the Company entered into an Amendment to its Facility Agreement with each of the Investors, pursuant to which the amount of each of the Investor's Facility was increased to $5,250,000. The Note previously delivered to each of the Investors also was amended to reflect the changes to the Facility Agreement. In consideration of such amendments, the Company issued to each of the Investors a five-year warrant to purchase 1,000,000 shares of the Company's Common Stock, par value $0.001 per share, at a price of $0.063 per share.

Roderick de Greef, a director of the Company, was engaged by the Board with the task of overseeing the Company's financing activities, internal accounting functions and SEC reporting, and assisting in the search for, and reviewing, strategic alternatives, on a part-time basis (up to 80 hours per month on an as needed basis). The Company incurred $56,000 in consulting fees during the year ended December 31, 2011 for services provided by Mr. de Greef.

The agreement with Mr. de Greef was terminated in August of 2011.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

During 2011, Peterson Sullivan LLP acted as the independent auditors for the Company. The following table sets forth the aggregate fees billed and expected to be billed for audit and review services rendered in connection with the financial statements and reports for the years ending December 31, 2011 and December 31, 2010 and for other services rendered during the years ending December 31, 2011 and December 31, 2010 on behalf of the Company:

ACCOUNTANT FEES AND SERVICES

	Years Ended December 31,	
Description	**2011**	**2010**
Audit Fees	$ 67,500	$ 68,900
All Other Fees	—	—
Totals	$ 67,500	$ 68,900

The Board of Directors pre-approves all audit and non-audit services to be performed by the Company's independent auditors.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as part of this annual report on Form 10-K:

(1) Financial Statements (Included Under Item 8): The Index to the Financial Statements is included on page 19 of this annual report on Form 10-K and is incorporated herein by reference.

(2) Financial Statement Schedules:

None.

(b) Exhibits

Reference is made to the Index of Exhibits beginning on page 50 which is incorporated herein by reference.

(c) Excluded financial statements:

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: March 29, 2012

BIOLIFE SOLUTIONS, INC.

/s/Michael Rice
Michael Rice
Chief Executive Officer

March 29, 2012

/s/Daphne Taylor
Daphne Taylor
Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Date: March 29, 2012

/s/Michael Rice
Michael Rice
Director

Date: March 29, 2012

/s/Roderick de Greef
Roderick de Greef
Director

Date: March 29, 2012

/s/Howard S. Breslow
Howard S. Breslow
Director

Date: March 29, 2012

/s/Thomas Girschweiler
Thomas Girschweiler
Director

Date: March 29, 2012

/s/Raymond Cohen
Raymond Cohen
Director

Date: March 29, 2012

/s/Andrew Hinson
Andrew Hinson
Director

Index of Exhibits

See Exhibit Index below for exhibits filed as part of this Annual Report on Form 10-K

Exhibit Number	Document
3.1	Certificate of Incorporation, as amended. (1)
3.2	By-Laws, and amendment, dated March 19, 1990, thereto. (1)
4.1	Specimen of Common Stock Certificate. (1)
10.1	1998 Stock Option Plan (2)
10.2	Employment Agreement dated July 26, 2006 between the Company and Michael Rice (3) ^
10.3	Amendment to Employment Agreement dated February 7, 2007 between the Company and Michael Rice (4) ^
10.4	Manufacturing Service Agreement dated October 26, 2007 between the Company and Bioserv, Inc., a division of NextPharma Technologies, Inc. (5)
10.5	Quality Agreement dated October 26, 2007 between the Company and Bioserv, Inc., a division of NextPharma Technologies, Inc. (5)
10.6	Storage Services Agreement dated October 26, 2007 between the Company and Bioserv, Inc., a division of NextPharma Technologies, Inc. (5)
10.7	Order Fulfillment Services Agreement dated October 26, 2007 between the Company and Bioserv, Inc., a division of NextPharma Technologies, Inc. (5)
10.8	Lease Agreement dated August 1, 2007 for facility space 3303 Monte Villa Parkway, Bothell, WA 98021 (6)
10.9	Consulting Agreement dated August 7, 2007 between the Company and Roderick de Greef (7)
10.10	Secured Convertible Multi-Draw Term Loan Facility Agreement dated January 11, 2008, between the Company and Thomas Girschweiler (8)
10.11	Secured Convertible Multi-Draw Term Loan Facility Agreement dated January 11, 2008, between the Company and Walter Villiger (8)
10.12	First Amendment to the Secured Convertible Multi-Draw Term Loan Facility Agreement dated October 20, 2008, between the Company, Thomas Girschweiler, and Walter Villiger (9)
10.13	Promissory Note dated October 20, 2008 issued by the Company to Thomas Girschweiler (9)

10.14	Promissory Note dated October 20, 2008 issued by the Company to Walter Villiger (9)
10.15	First Amendment to the Lease, dated the November 4, 2008, between the Company and Monte Villa Farms, LLC (9)
10.16	Second Amendment to the Secured Convertible Multi-Draw Term Loan Facility Agreement dated December 16, 2009, between the Company, Thomas Girschweiler and Walter Villiger (10)
10.17	Promissory Note dated December 16, 2009 issued by the Company to Thomas Girschweiler (10)
10.18	Promissory Note dated December 16, 2009 issued by the Company to Walter Villiger (10)
10.19	Third Amendment to the Secured Multi-Draw Term Loan Facility Agreement dated November 29, 2010, between the Company, Thomas Girschweiler and Walter Villiger (11)
10.20	Promissory Note dated November 29, 2010 issued by the Company to Thomas Girschweiler (11)
10.21	Promissory Note dated November 29, 2010 issued by the Company to Walter Villiger (11)
10.22	Warrant to purchase 1,000,000 shares of the Company's Common Stock, at $0.07 per share, issued to Thomas Girschweiler (11)
10.23	Warrant to purchase 1,000,000 shares of the Company's Common Stock, at $0.07 per share, issued to Walter Villiger (11)
10.24	Fourth Amendment to the Secured Multi-Draw Term Loan Facility Agreement dated August 10, 2011, between the Company, Thomas Girschweiler and Walter Villiger*
10.25	Promissory Note dated August 10, 2011 issued by the Company to Thomas Girschweiler*
10.26	Promissory Note dated August 10, 2011 issued by the Company to Walter Villiger*
10.27	Warrant to purchase 1,000,000 shares of the Company's Common Stock, at $0.063 per share, issued to Thomas Girschweiler*
10.28	Warrant to purchase 1,000,000 shares of the Company's Common Stock, at $0.063 per share, issued to Walter Villiger*
10.29	Employment Agreement dated August 17, 2011 between the Company and Daphne Taylor*^
31.1	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 *
31.2	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 *
32.1	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 *
32.2	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 *

(1)Incorporated by reference to the Company's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2000.

(2)Incorporated by reference to the Company's Definitive Proxy Statement for the special meeting of shareholders held on December 16, 1998.

(3)Incorporated by reference to the Company's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2006.

(4)Incorporated by reference to the Company's current report on Form 8-K filed February 12, 2007.

(5)Incorporated by reference to the Company's current report on Form 8-K filed October 30, 2007.

(6)Incorporated by reference to the Company's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2007.

(7)Incorporated by reference to the Company's current report on Form 8-K filed November 19, 2007.

(8)Incorporated by reference to the Company's current report on Form 8-K filed January 14, 2008.

(9)Incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2008.

(10)Incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2009.

(11)Incorporated by reference to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2010.

* Filed herewith

^ Compensatory plan or arrangement

EXHIBIT 10.24

AMENDMENT NO. 4
TO
SECURED MULTI-DRAW
TERM LOAN FACILITY AGREEMENT

This Amendment No. 4 to the Secured Multi-Draw Term Loan Facility Agreement, dated as of the 11th day of January, 2008, by and between BioLife Solutions, Inc., and Thomas Girschweiler and Walter Villiger, as previously amended on the October 20, 2008 December 16, 2009 and November 16, 2010 (the "Agreement"), is entered into as of the 10th day of August, 2011. Any capitalized term not otherwise defined herein shall have the meaning ascribed to such term in the Agreement.

The third WHEREAS clause of the Agreement is hereby amended to read as follows:

"WHEREAS, each Investor is willing to extend to the Company a secured multi-draw term loan facility (the "Facility") of $5,250,000, which Facility shall (a) incorporate (i) a refinancing of the Investor's Notes and accrued interest thereon, in the aggregate amount of $1,431,563.30, (ii) advances of principal made to the date hereof, and (iii) a commitment from the Investor to advance to the Company, from time to time, additional amounts which, when added to the monies referred to in items (a)(i) and (ii) hereof, will total, in the aggregate, the amount of the Facility, (b) bear interest at the rate of 7% per annum on the principal balance outstanding from time to time, (c) be evidenced by a secured multi-draw term loan note in the form attached hereto as Exhibit A (the "Multi-Draw Term Loan Note"), (d) become due and payable, together with accrued interest thereon, on the earlier of (i) January 11, 2013 (the "Maturity Date"), or (ii) an Event of Default (as defined in the Multi-Draw Term Loan Note), and (e) be secured by all of the Company's assets."

Section 1 of the Agreement is hereby amended to read as follows:

"1. The Facility.

(a) Commitment to Extend Facility. Each Investor hereby agrees to make available to the Company, from time to time during the period commencing with the date hereof through the Maturity Date, for working capital purposes, the principal sum of $5,250,000, consisting of:

(i) A refinancing of the Investor's Notes and accrued interest thereon in the aggregate amount of $1,431,563.30 (the "Refinanced Amount");

(ii) Advances of principal made to the date hereof ("Advances"); and

(iii) Additional advances which, when added to the Refinanced Amount and the Advances, will total, in the aggregate, the amount of the Facility (each an "Additional Advance"), in accordance with Section 3 hereof."

Section 2 of the Agreement is hereby amended to read as follows:

"2. Closing. Concurrently with the execution and delivery of this Agreement (a) the Company is issuing to each Investor a Multi-Draw Term Loan Note, registered in the name of the Investor, in the principal amount of $5,250,000, (b) each Investor is delivering to the Company the Investor's Notes, and by wire transfer the amount set forth in Section 1(a)(ii) above, and (c) the parties are executing and delivering a Security Agreement in the form attached hereto as Exhibit B."

Except as amended hereby, all of the provisions of the Agreement remain in full force and effect.

This Amendment may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 4 to the Agreement as of the day and year first above written.

BioLife Solutions, Inc.

By: /S/ MICHAEL RICE
Mike Rice, President & CEO

/S/ THOMAS GIRSCHWEILER
Thomas Girschweiler

/S/ WALTER VILLIGER
Walter Villiger

EXHIBIT 10.25

THE ISSUANCE OF THE SECURITIES EVIDENCED HEREBY HAS NOT BEEN REGISTERED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES COMMISSION OF ANY STATE UNDER ANY STATE SECURITIES LAW. THE SECURITIES WERE ISSUED PURSUANT TO A SAFE HARBOR FROM REGISTRATION UNDER REGULATION S ("REGULATION S") PROMULGATED UNDER THE ACT. THE SECURITIES MAY NOT BE OFFERED, SOLD, OR OTHERWISE TRANSFERRED UNLESS SUCH OFFERS, SALES, AND TRANSFERS ARE REGISTERED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS, ARE MADE PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THOSE LAWS, OR ARE MADE IN ACCORDANCE WITH REGULATION S PROMULGATED UNDER THE ACT. FURTHERMORE, HEDGING TRANSACTIONS INVOLVING THE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE ACT.

$5,250,000

Bothell, Washington
January 11, 2008
(as amended October 20, 2008,
December 16, 2009,
November 16, 2010
and August 10, 2011)

BIOLIFE SOLUTIONS, INC.

SECURED MULTI-DRAW TERM LOAN NOTE

BioLife Solutions, Inc., a Delaware corporation (the "Maker"), for value received, hereby promises to pay to Thomas Girschweiler (the "Holder"), the principal amount of Five Million Two Hundred and Fifty Thousand Dollars ($5,250,000) or such lesser amount as shall equal the aggregate amount of the unpaid Refinanced Amount and the principal amounts of Advances and Additional Advances made to the Company by the Holder (collectively, "Advances") under, and as defined in, the Secured Multi-Draw Term Loan Facility Agreement (as defined below), together with interest on the unpaid amount thereof from the date hereof until paid in accordance with the terms hereof.

1. Secured Multi-Draw Term Loan Note ("Note").

1.1 Interest Rate. The rate of interest hereunder ("Interest Rate") shall equal seven percent (7%) per annum and shall be computed on the basis of a 365 day year for the actual number of days elapsed; provided that in no event shall the interest rate be less than the minimum rate of interest required in order to avoid the imputation of interest for federal income tax purposes.

1.2 Payment. Subject to the provisions of Section 2 hereof regarding the payment of this note upon the occurrence of an Acquisition (as defined therein) the Advances plus all accrued interest thereon shall become due and payable in one lump sum on the earlier of (a) January 11, 2013 (the "Due Date") or (b) an Event of Default (as defined below). The Maker may at any time prepay in whole or in part the principal and interest accrued under this Note. Any payment will be applied first to the payment of any and all accrued and unpaid interest through the payment date and second to the payment of principal remaining due hereunder. Payment shall be made at the offices or residence of the Holder, or at such other place as the Holder shall have designated to the Maker in writing, in lawful money of the United States of America.

1.3 Secured Multi-Draw Term Loan Facility Agreement. This Note is one of the Secured Multi-Draw Term Notes issued pursuant to a Secured Multi-Draw Term Loan Facility Agreement, dated as of the 11th day of January, 2008 and as amended as of the 20th day of October, 2008, the 16th day of December, 2009, the 16th day of November, 2010 and the 10th day of August, 2011, by and between Maker, Holder and Walter Villiger (the "Agreement") and is subject and entitled to the terms, conditions, covenants, protections, benefits and agreements contained therein and the Security Agreement referenced to therein. Reference is hereby made to the Agreement for a statement of all of the terms and conditions under which the Advances evidenced hereby have been made or are to be made and are to be repaid. Any capitalized terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

2 Acquisition. In the event the Maker is to be acquired, whether by means of a merger, sale of all or substantially all of the assets of the Maker, sale of securities representing more than fifty percent (50%) of the equity interests in Maker, or otherwise, prior to the Due Date (an "Acquisition"), then the Issue Price plus all accrued but previously unpaid interest thereon shall become due and payable in one lump sum immediately upon the closing of such Acquisition.

3. Events of Default. The Advances and accrued interest on this Note shall, at the option of the Holder, become due and payable, subject to applicable law, upon the happening of any one of the following specified events:

(a) a decree or order of a court having jurisdiction is entered adjudging the Maker a bankrupt or insolvent, or issuing sequestration or process of execution against, or against any substantial part of, the property of the Maker, or appointing a receiver of the Maker or any substantial part of its property, or ordering the winding-up or liquidation of its affairs, unless the Maker actively and diligently contests in good faith such decree or order and has such decree or order stayed on or before 60 days after the issue of such decree or order by a court;

(b) an order is made or a resolution is passed for the winding-up or liquidation of the Maker, or the Maker institutes proceedings to be adjudicated a bankrupt or insolvent, or consents to the institution of bankruptcy or insolvency proceedings against it, or consents to the filing of any such petition or to the appointment of a receiver of the Maker or any substantial part of its property, or makes a general assignment for the benefit of creditors, or admits in writing its inability to pay its debts generally as they become due, or takes corporate action in furtherance of any of the aforesaid purposes;

(c) the Maker defaults in observing or performing any material covenant or condition of this Note or the Secured Multi-Draw Term Loan Facility Agreement on its part to be observed or performed, and such default continues for a period of fifteen (15) days after notice in writing has been given to the Maker by the Holder specifying such default and requiring the Maker to rectify the same;

(d) an encumbrancer takes possession of all or substantially all of the property of the Maker, or any process of execution is levied or enforced upon or against all or substantially all of the property of the Maker and remains unsatisfied for such period as would permit any such property to be sold thereunder, unless the Maker actively and diligently contests in good faith such process, but in that event the Maker shall, if the Holder so requires, give security which, in the discretion of the holder, is sufficient to pay in full the amount thereby claimed in case the claim is held to be valid.

4. Intentionally Omitted.

5. Miscellaneous.

5.1 Transfer of Note. This Note shall not be transferable or assignable in any manner and no interest shall be pledged or otherwise encumbered by the Holder without the consent of the Maker, which consent shall not be unreasonably withheld.

5.2 Titles and Subtitles. The titles and subtitles used in this Note are for convenience only and are not to be considered in construing or interpreting this Note.

5.3 Attorneys' Fees. If any action at law or in equity is necessary to enforce or interpret the terms of this Note, the prevailing party shall be entitled to reasonable attorneys' fees, costs and disbursements in addition to any other relief to which such party may be entitled.

5.4 Amendments and Waivers. This Note may be amended and the observance of any other term of this Note may be waived (either generally or in a particular instance and either retroactively or prospectively), with the written consent of the Maker and the Holder. The Maker waives presentment, demand for performance, notice of nonperformance, protest, notice of protest, and notice of dishonor. No delay on the part of the Holder in exercising any right hereunder shall operate as a waiver of such right under this Note.

5.5 Severability. If one or more provisions of this Note are held to be unenforceable under applicable law, such provision shall be excluded from this Note and the balance of the Note shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

5.6 Governing Law. This Note shall be governed by and construed and enforced in accordance with the laws of the State of Delaware, without giving effect to its conflicts of laws principles.

5.7 Counterparts. This Note may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Executed as of the date first written above.

MAKER:
BIOLIFE SOLUTIONS, INC.
a Delaware corporation

By: /S/ MICHAEL RICE
Title: CEO, President
Name: Michael Rice
Address: 3303 Monte Villa Parkway
Suite 310
Bothell, WA 98021

HOLDER:

/S/ THOMAS GIRSCHWEILER
Thomas Girschweiler

EXHIBIT 10.26

THE ISSUANCE OF THE SECURITIES EVIDENCED HEREBY HAS NOT BEEN REGISTERED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES COMMISSION OF ANY STATE UNDER ANY STATE SECURITIES LAW. THE SECURITIES WERE ISSUED PURSUANT TO A SAFE HARBOR FROM REGISTRATION UNDER REGULATION S ("REGULATION S") PROMULGATED UNDER THE ACT. THE SECURITIES MAY NOT BE OFFERED, SOLD, OR OTHERWISE TRANSFERRED UNLESS SUCH OFFERS, SALES, AND TRANSFERS ARE REGISTERED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS, ARE MADE PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THOSE LAWS, OR ARE MADE IN ACCORDANCE WITH REGULATION S PROMULGATED UNDER THE ACT. FURTHERMORE, HEDGING TRANSACTIONS INVOLVING THE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE ACT.

$5,250,000

Bothell, Washington
January 11, 2008
(as amended October 20, 2008,
December 16, 2009,
November 16, 2010
and August 10, 2011)

BIOLIFE SOLUTIONS, INC.

SECURED MULTI-DRAW TERM LOAN NOTE

BioLife Solutions, Inc., a Delaware corporation (the "Maker"), for value received, hereby promises to pay to Walter Villiger (the "Holder"), the principal amount of Four Million Seven Hundred and Fifty Thousand Dollars ($5,250,000) or such lesser amount as shall equal the aggregate amount of the unpaid Refinanced Amount and the principal amounts of Advances and Additional Advances made to the Company by the Holder (collectively, "Advances") under, and as defined in, the Secured Multi-Draw Term Loan Facility Agreement (as defined below), together with interest on the unpaid amount thereof from the date hereof until paid in accordance with the terms hereof.

1. Secured Multi-Draw Term Loan Note ("Note").

1.1 Interest Rate. The rate of interest hereunder ("Interest Rate") shall equal seven percent (7%) per annum and shall be computed on the basis of a 365 day year for the actual number of days elapsed; provided that in no event shall the interest rate be less than the minimum rate of interest required in order to avoid the imputation of interest for federal income tax purposes.

1.2 Payment. Subject to the provisions of Section 2 hereof regarding the payment of this note upon the occurrence of an Acquisition (as defined therein) the Advances plus all accrued interest thereon shall become due and payable in one lump sum on the earlier of (a) January 11, 2013 (the "Due Date") or (b) an Event of Default (as defined below). The Maker may at any time prepay in whole or in part the principal and interest accrued under this Note. Any payment will be applied first to the payment of any and all accrued and unpaid interest through the payment date and second to the payment of principal remaining due hereunder. Payment shall be made at the offices or residence of the Holder, or at such other place as the Holder shall have designated to the Maker in writing, in lawful money of the United States of America.

1.3 Secured Multi-Draw Term Loan Facility Agreement. This Note is one of the Secured Multi-Draw Term Notes issued pursuant to a Secured Multi-Draw Term Loan Facility Agreement, dated as of the 11th day of January, 2008 and as amended as of the 20th day of October, 2008, the 16th day of December, 2009, the 16th day of November, 2010, and the 10th day of August, 2011, by and between Maker, Holder and Thomas Girschweiler (the "Agreement") and is subject and entitled to the terms, conditions, covenants, protections, benefits and agreements contained therein and the Security Agreement referenced to therein. Reference is hereby made to the Agreement for a statement of all of the terms and conditions under which the Advances evidenced hereby have been made or are to be made and are to be repaid. Any capitalized terms not otherwise defined herein shall have the meaning ascribe ed to such terms in the Agreement.

2 Acquisition. In the event the Maker is to be acquired, whether by means of a merger, sale of all or substantially all of the assets of the Maker, sale of securities representing more than fifty percent (50%) of the equity interests in Maker, or otherwise, prior to the Due Date (an "Acquisition"), then the Issue Price plus all accrued but previously unpaid interest thereon shall become due and payable in one lump sum immediately upon the closing of such Acquisition.

3. Events of Default. The Advances and accrued interest on this Note shall, at the option of the Holder, become due and payable, subject to applicable law, upon the happening of any one of the following specified events:

(a) a decree or order of a court having jurisdiction is entered adjudging the Maker a bankrupt or insolvent, or issuing sequestration or process of execution against, or against any substantial part of, the property of the Maker, or appointing a receiver of the Maker or any substantial part of its property, or ordering the winding-up or liquidation of its affairs, unless the Maker actively and diligently contests in good faith such decree or order and has such decree or order stayed on or before 60 days after the issue of such decree or order by a court;

(b) an order is made or a resolution is passed for the winding-up or liquidation of the Maker, or the Maker institutes proceedings to be adjudicated a bankrupt or insolvent, or consents to the institution of bankruptcy or insolvency proceedings against it, or consents to the filing of any such petition or to the appointment of a receiver of the Maker or any substantial part of its property, or makes a general assignment for the benefit of creditors, or admits in writing its inability to pay its debts generally as they become due, or takes corporate action in furtherance of any of the aforesaid purposes;

(c) the Maker defaults in observing or performing any material covenant or condition of this Note or the Secured Multi-Draw Term Loan Facility Agreement on its part to be observed or performed, and such default continues for a period of fifteen (15) days after notice in writing has been given to the Maker by the Holder specifying such default and requiring the Maker to rectify the same;

(d) an encumbrancer takes possession of all or substantially all of the property of the Maker, or any process of execution is levied or enforced upon or against all or substantially all of the property of the Maker and remains unsatisfied for such period as would permit any such property to be sold thereunder, unless the Maker actively and diligently contests in good faith such process, but in that event the Maker shall, if the Holder so requires, give security which, in the discretion of the holder, is sufficient to pay in full the amount thereby claimed in case the claim is held to be valid.

4. Intentionally Omitted.

5. Miscellaneous.

5.1 Transfer of Note. This Note shall not be transferable or assignable in any manner and no interest shall be pledged or otherwise encumbered by the Holder without the consent of the Maker, which consent shall not be unreasonably withheld.

5.2 Titles and Subtitles. The titles and subtitles used in this Note are for convenience only and are not to be considered in construing or interpreting this Note.

5.3 Attorneys' Fees. If any action at law or in equity is necessary to enforce or interpret the terms of this Note, the prevailing party shall be entitled to reasonable attorneys' fees, costs and disbursements in addition to any other relief to which such party may be entitled.

5.4 Amendments and Waivers. This Note may be amended and the observance of any other term of this Note may be waived (either generally or in a particular instance and either retroactively or prospectively), with the written consent of the Maker and the Holder. The Maker waives presentment, demand for performance, notice of nonperformance, protest, notice of protest, and notice of dishonor. No delay on the part of the Holder in exercising any right hereunder shall operate as a waiver of such right under this Note.

5.5 Severability. If one or more provisions of this Note are held to be unenforceable under applicable law, such provision shall be excluded from this Note and the balance of the Note shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

5.6 Governing Law. This Note shall be governed by and construed and enforced in accordance with the laws of the State of Delaware, without giving effect to its conflicts of laws principles.

5.7 Counterparts. This Note may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Executed as of the date first written above.

MAKER:
BIOLIFE SOLUTIONS, INC.
a Delaware corporation

By: /S/ MICHAEL RICE
Title: CEO, President
Name: Michael Rice
Address: 3303 Monte Villa Parkway
Suite 310
Bothell, WA 98021

HOLDER:

/S/ WALTER VILLIGER
Walter Villiger

EXHIBIT 10.27

****

Warrant

To Purchase Common Stock of

BIOLIFE SOLUTIONS, INC.

****

THE ISSUANCE OF THIS WARRANT AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE NOT BEEN REGISTERED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES COMMISSION OF ANY STATE UNDER ANY STATE SECURITIES LAW. THIS WARRANT WAS ISSUED PURSUANT TO A SAFE HARBOR FROM REGISTRATION UNDER REGULATION S ("REGULATION S") PROMULGATED UNDER THE ACT. THIS WARRANT AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT MAY NOT BE OFFERED, SOLD, OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO U.S. PERSONS (AS SUCH TERM IS DEFINED IN REGULATION S) UNLESS SUCH OFFER, SALE, AND TRANSFER ARE REGISTERED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS OR ARE MADE PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THOSE LAWS. FURTHERMORE, HEDGING TRANSACTIONS INVOLVING THE WARRANT OR THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE ACT.

WARRANT TO PURCHASE COMMON STOCK

OF

BIOLIFE SOLUTIONS, INC.

This is to Certify that, FOR VALUE RECEIVED, Thomas Girschweiler, or assigns (the "Holder"), is entitled to purchase, subject to the provisions of this Warrant, from BIOLIFE SOLUTIONS, INC., a Delaware corporation (the "Company"), One Million (1,000,000) fully paid, validly issued, and nonassessable shares of common stock, par value $.001 per share, of the Company ("Common Stock") at any time or from time to time during the period set forth in Section (a) below, at an exercise price of $0.063 per share. The number of shares of Common Stock to be received upon the exercise of this Warrant and the price to be paid for each share of Common Stock underlying this Warrant may be adjusted from time to time as hereinafter set forth. The shares of Common Stock deliverable upon exercise of this Warrant, as adjusted from time to time, are hereinafter sometimes referred to as "Warrant Shares", and the exercise price, as adjusted from time to time, is hereinafter sometimes referred to as the "Exercise Price".

(a) EXERCISE OF WARRANT.

(1) The Holder may exercise this Warrant, in whole or in part, at any time or from time to time during the period commencing on the date hereof and terminating 5:00 P.M. New York City time on August 10, 2016 (the “Termination Date”) by surrendering to the Company, at its principal executive offices, this Warrant accompanied by the Purchase Form attached hereto duly executed and the payment of the Exercise Price for the number of Warrant Shares specified in such Form. Payment may be made in cash, by wire transfer or certified check payable to the order of the Company, by any other lawful consideration as the Company shall determine, or by any combination of such methods of payment. In addition, the Holder may exercise this Warrant, in whole or in part, on a “cashless” basis as provided in Section (a)(2) below by surrendering to the Company this Warrant accompanied by the net issue election notice attached hereto duly executed.

(2) The Holder may elect to receive, without the payment by the Holder of any additional consideration, Warrant Shares equal to the value of this Warrant or any portion hereof by the surrender of this Warrant to the Company, with the net issue election notice annexed hereto duly executed, at the office of the Company. Thereupon, the Company shall issue to the Holder such number of fully paid and nonassessable Warrant Shares as is computed using the following formula:

$$X = \frac{Y\ (A-B)}{A}$$

where X = the number of Warrant Shares to be issued to the Holder pursuant to this Section (a)(2).

Y = the number of Warrant Shares covered by this Warrant in respect of which the net issue election is made (i.e., the right to exercise is being surrendered) pursuant to this Section (a)(2).

A = the Current Market Value (as determined under Section (c) hereof) as at the time the net issue election is made pursuant to this Section (a)(2).

B = the Exercise Price in effect at the time the net issue election is made pursuant to this Section (a)(2).

(3) The documentation and consideration, if any, delivered in connection with any exercise of this Warrant collectively are referred to as the "Warrant Exercise Documentation." As promptly as practicable, and in any event within five Business Days after receipt of the Warrant Exercise Documentation, the Company shall deliver or cause to be delivered to the Holder (A) certificates representing the number of validly issued, fully paid and nonassessable Warrant Shares specified in the Warrant Exercise Documentation, (B) if applicable, cash in lieu of any fraction of a Warrant Share as provided below, and (C) if this Warrant is exercised only in part, or is exercised on a cashless basis as provided in Section (a)(2) hereof, a new Warrant or Warrants of like tenor, dated the date hereof, evidencing the balance of the Warrant Shares in respect of which this Warrant shall not have been exercised or used in the cashless exercise. Regardless of the date on which the items set forth in clauses (A), (B), and (C) of this Section (a)(3) are delivered, any exercise of this Warrant shall be deemed to have been made at the close of business on the date of delivery of the Warrant Exercise Documentation, and the person entitled to receive Warrant Shares upon such exercise shall be treated for all purposes as having become the record holder of such Warrant Shares at such time.

(b) RESERVATION OF SHARES. The Company shall at all times reserve for issuance and/or delivery upon exercise of this Warrant such number of shares of its Common Stock as shall be required for issuance and delivery upon exercise of this Warrant.

(c) FRACTIONAL SHARES. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant. With respect to any fraction of a share called for upon any exercise hereof, the Company shall pay to the Holder an amount in cash equal to such fraction multiplied by the Current Market Value of a share, determined as follows:

(1) If the Common Stock is listed on a national securities exchange or admitted to unlisted trading privileges on such exchange or listed for trading on the NASDAQ system, the Current Market Value shall be the last reported sale price of the Common Stock on such exchange or system on the last business day prior to the date of exercise of this Warrant, or if no such sale is made on such day, the average closing bid and asked prices for such day on such exchange or system; or

(2) If the Common Stock is not so listed or admitted to unlisted trading privileges, the Current Market Value shall be the mean of the last reported bid and asked prices reported by the National Quotation Bureau, Inc. on the last business day prior to the date of the exercise of this Warrant; or

(3) If the Common Stock is not so listed or admitted to unlisted trading privileges and bid and asked prices are not so reported, the Current Market Value shall be an amount determined in such reasonable manner as may be prescribed by the Board of Directors of the Company.

(d) EXCHANGE, TRANSFER, ASSIGNMENT, OR LOSS OF WARRANT. This Warrant is exchangeable and transferable, without expense, at the option of the Holder, upon presentation and surrender hereof to the Company or, at the Company's option, at the office of its stock transfer agent, if any, for other Warrants of different denominations entitling the holder thereof to purchase in the aggregate the same number of shares of Common Stock purchasable hereunder. Upon surrender of this Warrant to the Company at its principal office or at the office of its stock transfer agent, if any, with the Assignment Form annexed hereto duly executed and funds sufficient to pay any transfer tax, the Company shall execute and deliver, without charge, a new Warrant in the name of the assignee named in such instrument of assignment and this Warrant promptly shall be cancelled. This Warrant may be divided or combined with other Warrants which carry the same rights upon presentation hereof at the principal office of the Company or at the office of its stock transfer agent, if any, together with a written notice, signed by the Holder hereof, specifying the names and denominations in which new Warrants are to be issued. The term "Warrant" as used herein includes any Warrants into which this Warrant may be divided or exchanged. Upon receipt by the Company of evidence satisfactory to it of the loss, theft, destruction, or mutilation of this Warrant, and (in the case of loss, theft, or destruction) of reasonably satisfactory indemnification or (if mutilated) upon surrender and cancellation of this Warrant, the Company will execute and deliver a new Warrant of like tenor and date. Any such new Warrant executed and delivered shall constitute an additional contractual obligation on the part of the Company, whether or not this Warrant so lost, stolen, destroyed, or mutilated shall be at any time enforceable by anyone.

(e) RIGHTS OF THE HOLDER. The Holder shall not be entitled, by virtue hereof, to any rights of a stockholder in the Company, either at law or equity, and the rights of the Holder are limited to those expressed in this Warrant and are not enforceable against the Company except to the extent set forth herein.

(f) ANTI-DILUTION PROVISIONS. The Exercise Price in effect at any time and the number and kind of securities purchasable upon the exercise of this Warrant shall be subject to adjustment from time to time upon the happening of certain events as follows:

(1) If the Company shall (i) declare a dividend or make a distribution on its outstanding shares of Common Stock in shares of Common Stock, (ii) subdivide or reclassify its outstanding shares of Common Stock into a greater number of shares, or (iii) combine or reclassify its outstanding shares of Common Stock into a smaller number of shares, then the Exercise Price in effect at the time of the record date for such dividend or distribution or of the effective date of such subdivision, combination, or reclassification shall be proportionately adjusted so that upon exercise of this Warrant after such date, the Holder shall be entitled to receive the aggregate number and kind of shares which, if this Warrant had been exercised by such Holder immediately prior to such date, the Holder would have owned upon such exercise and been entitled to receive upon such dividend, distribution, subdivision, combination, or reclassification.

(2) If the Company shall fix a record date for the issuance of rights or warrants to all holders of its Common Stock entitling them to subscribe for or purchase shares of Common Stock (or securities convertible into Common Stock) at a price per share (or having a conversion price per share) less than the current market price of the Common Stock (as defined in Subsection (6) below) on the record date mentioned below or less than the Exercise Price in effect immediately prior to the date of such issuance, then the Exercise Price shall be adjusted so that the same shall equal the price determined by multiplying the Exercise Price in effect immediately prior to the date of such issuance by a fraction, the numerator of which shall be the sum of the number of shares of Common Stock outstanding on the record date mentioned below and the number of additional shares of Common Stock which the aggregate offering price of the total number of shares of Common Stock so offered (or the aggregate conversion price of the convertible securities so offered) would purchase at such current market price per share of the Common Stock or the Exercise Price in effect immediately prior to such issuance, whichever is higher, and the denominator of which shall be the sum of the number of shares of Common Stock outstanding on such record date and the number of additional shares of Common Stock offered for subscription or purchase (or into which the convertible securities so offered are convertible). Such adjustment shall be made successively whenever such rights or warrants are issued and shall become effective immediately after the record date for the determination of stockholders entitled to receive such rights or warrants. To the extent that shares of Common Stock are not delivered (or securities convertible into Common Stock are not delivered) after the expiration of such rights or warrants, the Exercise Price shall be readjusted to the Exercise Price which would then be in effect had the adjustments made upon the issuance of such rights or warrants been made upon the basis of delivery of only the number of shares of Common Stock (or securities convertible into Common Stock) actually delivered.

(3) If the Company shall hereafter distribute to the holders of its Common Stock evidences of its indebtedness or assets (excluding cash dividends or distributions and dividends or distributions referred to in Subsection (1) above) or subscription rights or warrants (excluding those referred to in Subsection (2) above), then in each such case the Exercise Price in effect thereafter shall be determined by multiplying the Exercise Price in effect immediately prior thereto by a fraction, the numerator of which shall be the total number of shares of Common Stock outstanding multiplied by the current market price per share of Common Stock (as defined in Subsection (6) below), less the fair market value (as determined by the Company's Board of Directors) of said assets or evidences of indebtedness so distributed or of such rights or warrants, and the denominator of which shall be the total number of shares of Common Stock outstanding multiplied by such current market price per share of Common Stock. Such adjustment shall be made successively whenever such a record date is fixed. Such adjustment shall be made whenever any such distribution is made and shall become effective immediately after the record date for the determination of stockholders entitled to receive such distribution.

(4) To the extent that an adjustment has been made for purposes of determining the Exercise Price upon issuance of any rights, options, or warrants to purchase Common Stock, then the subsequent issuance of Common Stock upon actual exercise of the rights, options, or warrants shall be excluded from the adjustment provisions hereof.

(5) Whenever the Exercise Price is adjusted pursuant to Subsections (1), (2), or (3) above, the number of Warrant Shares purchasable upon exercise of this Warrant simultaneously shall be adjusted by multiplying the number of Warrant Shares initially issuable upon exercise of this Warrant by the Exercise Price in effect on the date hereof and dividing the product so obtained by the Exercise Price, as adjusted.

(6) For the purpose of any computation under Subsections (2) and (3) above, the current market price per share of Common Stock at any date shall be deemed to be the average of the daily closing prices of the Common Stock for 20 consecutive trading days before such date. The closing price for each day shall be the last sale price or, in case no such reported sale takes place on such day, the average of the last reported bid and asked prices, in either case on the principal national securities exchange on which the Common Stock is admitted to trading or listed, or if not listed or admitted to trading on such exchange, the average of the highest reported bid and lowest reported asked prices as reported by NASDAQ or other similar organization if NASDAQ is no longer reporting such information, or if not so available, the fair market price as determined by the Board of Directors.

(7) No adjustment in the Exercise Price shall be required unless such adjustment would require an increase or decrease of at least two cents ($0.02) in such price; provided, however, that any adjustments which by reason of this Subsection (7) are not required to be made shall be carried forward and taken into account in any subsequent adjustment required to be made hereunder. All calculations under this Section (f) shall be made to the nearest cent or to the nearest one-hundredth of a share, as the case may be. Anything in this Section (f) to the contrary notwithstanding, the Company shall be entitled, but shall not be required, to make such changes in the Exercise Price, in addition to those required by this Section (f), as it shall determine, in its sole discretion, to be advisable in order that any dividend or distribution in shares of Common Stock, or any subdivision, reclassification, or combination of Common Stock, hereafter made by the Company shall not result in any federal income tax liability to the holders of Common Stock or securities convertible into Common Stock (including the Warrants).

(8) If, at any time, as a result of an adjustment made pursuant to Subsection (1) above, the Holder of this Warrant, upon exercise, shall become entitled to receive any shares of the Company other than Common Stock, then thereafter the number of such other shares so receivable upon exercise of this Warrant shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Common Stock contained in Subsections (1) to (7) above.

(9) Irrespective of any adjustments in the Exercise Price or the number or kind of shares purchasable upon exercise of this Warrant, Warrant certificates theretofore or thereafter issued upon exchange, transfer, assignment, loss of certificate, or upon exercise in part may continue to express the same price and number and kind of shares as were stated in the Warrant certificates when the same were issued.

(g) OFFICER'S CERTIFICATE. Whenever the Exercise Price shall be adjusted as required by the provisions of the foregoing Section, the Company forthwith shall file in the custody of its Secretary or an Assistant Secretary at its principal office and with the stock transfer agent responsible for this Warrant, if any, an officer's certificate showing the adjusted Exercise Price determined as herein provided, setting forth in reasonable detail the facts requiring such adjustment, including a statement of the number of additional shares of Common Stock, if any, and such other facts as shall be necessary to show the reason for and the manner of computing such adjustment. Each such officer's certificate shall be made available at all reasonable times for inspection by the Holder and, forthwith after each such adjustment, the Company shall mail a copy of such certificate to the Holder by certified mail. In the event of a failure by the Company to deliver an officer's certificate within thirty (30) days of the occurrence of an event requiring an adjustment under the provisions of Section (f) hereof, the Termination Date shall be extended by the length of time equal to the time between the thirtieth day after the adjustment event and the date the officer's certificate is delivered.

(h) NOTICES TO WARRANT HOLDERS. So long as this Warrant shall be outstanding, (i) if the Company shall pay any dividend or make any distribution upon the Common Stock, (ii) if the Company shall offer to all of the holders of Common Stock for subscription or purchase by them any share of any class or any other rights, or (iii) if any capital reorganization of the Company, reclassification of the capital stock of the Company, consolidation or merger of the Company with or into another corporation, sale, lease, or transfer of all or substantially all of the property and assets of the Company to another corporation, or voluntary or involuntary dissolution, liquidation, or winding up of the Company shall be effected, then in any such case, the Company shall cause to be mailed by certified mail to the Holder, at least ten days prior to the date specified in (x) or (y) below, as the case may be, a notice containing a brief description of the proposed action and stating the date on which (x) a record is to be taken for the purpose of such dividend, distribution, or rights, or (y) such reorganization, reclassification, consolidation, merger, sale, lease, transfer, dissolution, liquidation, or winding up is to take place and the date, if any is to be fixed, as of which the holders of Common Stock or other securities shall receive cash or other property deliverable upon such reorganization, reclassification, consolidation, merger, sale, lease, transfer, dissolution, liquidation, or winding up.

(i) RECLASSIFICATION, REORGANIZATION OR MERGER. In case of any reclassification, capital reorganization, or other change of outstanding shares of Common Stock, or in case of any consolidation or merger of the Company with or into another corporation (other than a merger in which the Company is the continuing corporation and which does not result in any reclassification, capital reorganization, or other change of outstanding shares of Common Stock of the class issuable upon exercise of this Warrant) or in case of any sale, lease, or conveyance to another corporation of all or substantially all of the business and assets of the Company, the Company, as a condition precedent to such transaction, shall cause effective provisions to be made so that the Holder shall have the right thereafter by exercising this Warrant at any time prior to the expiration of this Warrant, to purchase the kind and amount of shares of stock and other securities and property receivable upon such reclassification, capital reorganization or other change, consolidation, merger, sale, or conveyance by a holder of the number of shares of Common Stock which might have been purchased upon exercise of this Warrant immediately prior to such reclassification, capital reorganization or other change, consolidation, merger, sale, lease, or conveyance. Any such provision shall include provision for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Warrant. The foregoing provisions of this Section (i) shall similarly apply to successive reclassifications, capital reorganizations or other changes of shares of Common Stock and to successive consolidations, mergers, sales, leases, or conveyances. If, in connection with any such reclassification, capital reorganization or other change, consolidation, merger, sale, lease, or conveyance, additional shares of Common Stock shall be issued in exchange, conversion, substitution or payment, in whole or in part, for a security of the Company other than Common Stock, then any such issue shall be treated as an issue of Common Stock covered by the provisions of Subsection (1) of Section (f) hereof.

(j) REGISTRATION UNDER THE SECURITIES ACT OF 1933.

(1) If the Holder is not entitled to resell the Warrant Shares under Rule 144 of the Act, then, within twelve (12) months of the exercise of this Warrant, the Company shall file at its own expense a registration statement on Form S-3 if available for use by the Company (the "Registration Statement"), covering the resale of the Warrant Shares by the Holder thereof, and shall use its best efforts to cause the Registration Statement to become effective and to keep the Registration Statement effective until such time that the Warrant Shares have been sold or the Holder is entitled to sell the Warrant Shares under Rule 144. The Warrant Shares also shall be registered under such state securities laws as the Holder may reasonably request. The Company promptly shall give the Holders written notification of the effectiveness of the Registration Statement under the Act, and, when determined, each state where registered.

(2) Notwithstanding the above, the Company's obligation to file the Registration Statement, and/or to keep the Registration continuously effective shall be suspended during any period that there exists any material, non-public information relating to the Company. Holder recognizes that the occurrence of certain corporate developments, including significant acquisitions, may result in the failure of the Registration Statement to contain all information required in accordance with applicable law until an amendment or supplement is filed and made available to the Holder. Holder recognizes that in such event, sales under the Registration Statement will be suspended until the Company files the necessary amendments or supplements thereto. The Company agrees to use its best efforts to prepare and file with the Securities and Exchange Commission, such amendments and supplements to the Registration Statement, as well as the prospectus used in connection therewith, as may be necessary to keep the Registration Statement effective until such time as all of the Warrant Shares covered by the Registration Statement are sold or the Holder is entitled to sell such Warrant Shares under Rule 144. In connection therewith, the Company shall supply prospectuses and such other documents as the Holder may reasonably request in order to facilitate the sale or other disposition of such Warrant Shares.

(3) If at any time the Company shall determine to register under the Act any of its capital stock (other than a registration pursuant to Section (j)(1), a registration relating solely to the sale of securities to participants in a Company employee benefits plan, a registration on any form which does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Warrant Shares or a registration in which the offer and sale of the only Common Stock being registered is Common Stock issuable upon conversion of debt securities which are also being registered), it shall send to the Holder written notice of such determination and, if within fifteen (15) days after receipt of such notice, the Holder shall so request in writing, the Company shall use its best efforts to include in such registration statement all or any part of the Warrant Shares that the Holder requests to be registered. If the total amount of shares requested by the Holder to be included in such offering exceeds the amount of securities that the managing underwriter determines in its sole discretion is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including the Warrant Shares, which the managing underwriter determines in its sole discretion will not jeopardize the success of the offering (the securities so included to be allocated first, to the Company, and second, to the Holder). The number of shares requested to be included by the Holder shall not be reduced below 10% of the total number of securities to be provided in the registration.

(4) The Company will make timely filings of all required reports in accordance with requirements of the Securities Exchange Act of 1934, as amended.

(5) In the case of a registration under this Section (j), the Company shall bear all costs and expenses of such registration, including, but not limited to, filing fees, "blue sky" fees and expenses, and all NASD, stock exchange listing and qualification fees; provided, however, that the Company shall have no obligation to pay or otherwise bear (i) any portion of the underwriter's commissions or discounts attributable to the Warrant Shares being offered and sold by the Holder, (ii) any stock transfer taxes, (iii) any fees of counsel for the Holder, or (iv) any of such expenses if the payment of such expenses by the Company is prohibited by the laws of a state in which such offering is qualified and only to the extent so prohibited; provided, however, that the Company shall not be required to pay for any expenses of any registration proceeding begun if the registration request is subsequently withdrawn at the request of the Holder.

(6) The Company shall indemnify and hold harmless the Holder of the Warrant Shares covered by the Registration Statement, each underwriter (within the meaning of the Act) of the Warrant Shares, and each person, if any, who controls (within the meaning of the Act) the Holder and/or any such underwriter, from, against, for and in respect of any and all losses, claims, damages, liabilities, expenses (including reasonable attorneys fees), and costs (collectively, the "Liabilities") to which the Holder, underwriter, or controlling person may become subject, under the Act or otherwise, insofar as such Liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement of any material fact contained in the Registration Statement, any preliminary prospectus or final prospectus constituting a part thereof, or any amendment or supplement thereto, or arise out of or are based upon the omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading. The Company shall reimburse the Holder, underwriter, and controlling person for any and all expenses (including reasonable attorneys' fees) reasonably incurred by each such party in connection with investigating or defending any such Liability or action; provided, however, the Company shall not be liable in any such case to the extent that any such Liability arises out of or is based upon an untrue statement or omission in such Registration Statement, preliminary prospectus, final prospectus, amendment or supplement, made in reliance upon and in conformity with information furnished by any Holder, underwriter, or controlling person.

(7) The Holder shall indemnify and hold harmless the Company, each of its directors and officers who have signed such Registration Statement as well as such amendments and supplements thereto, and each person, if any, who controls the Company (within the meaning of the Act), from, against, for and in respect to any and all Liabilities to which the Company or any such director, officer, or controlling person may become subject, under the Act or otherwise, insofar as such Liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement of any material fact contained in such Registration Statement, preliminary prospectus, final prospectus, amendment or supplement, or arise out of or are based upon the omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading. The Holder shall reimburse the Company or any such director, officer, or controlling person for any legal or other expenses reasonably incurred by them or any of them in connection with investigating or defending any such Liability or action; provided, however, in each case, the Holder shall be liable only to the extent that such untrue statement or omission in such Registration Statement, preliminary prospectus, final prospectus, amendment or supplement, was made in reliance upon and in conformity with information furnished by the Holder.

(k) AMENDMENT; WAIVER OF PROVISIONS. This Warrant may not be amended and compliance with any provision hereof may not be waived, except pursuant to a written instrument signed by the parties hereto.

Dated: As of August 10, 2011

BIOLIFE SOLUTIONS, INC.

By: /S/ MICHAEL RICE
Mike Rice, President

PURCHASE FORM

Dated _____, ____

The undersigned hereby irrevocably elects to exercise the within Warrant to the extent of purchasing _____ shares of Common Stock and hereby makes payment of _____ in payment of the actual exercise price thereof. Please issue and deliver all such shares to the undersigned at the address stated below.

Name:
(Please typewrite or print in block letters)

Address:

Signature:

_____

ASSIGNMENT FORM

FOR VALUE RECEIVED, _____ hereby sells, assigns, and transfers unto

Name_____
(Please typewrite or print in block letters)

Address_____

the right to purchase Common Stock represented by this Warrant to the extent of _____ shares as to which such right is exercisable and does hereby irrevocably constitute and appoint _____ attorney, to transfer the same on the books of the Company with full power of substitution in the premises.

Date _____, _____

Signature_____

NET ISSUE ELECTION NOTICE

To: BioLife Solutions, Inc.
3303 Monte Villa Parkway
Suite 310
Bothell, WA 98021

The undersigned hereby elects under Section (a)(2) to surrender the right to purchase _____ Warrant Shares pursuant to this Warrant. The certificate(s) for the Warrant Shares issuable upon such net issue election shall be issued in the name of the undersigned or as otherwise indicated below.

Name (please print)

Address

Signature

Name for Registration (if different from name above)

Dated:_____

EXHIBIT 10.28

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Warrant

To Purchase Common Stock of

BIOLIFE SOLUTIONS, INC.

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THE ISSUANCE OF THIS WARRANT AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE NOT BEEN REGISTERED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES COMMISSION OF ANY STATE UNDER ANY STATE SECURITIES LAW. THIS WARRANT WAS ISSUED PURSUANT TO A SAFE HARBOR FROM REGISTRATION UNDER REGULATION S ("REGULATION S") PROMULGATED UNDER THE ACT. THIS WARRANT AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT MAY NOT BE OFFERED, SOLD, OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO U.S. PERSONS (AS SUCH TERM IS DEFINED IN REGULATION S) UNLESS SUCH OFFER, SALE, AND TRANSFER ARE REGISTERED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS OR ARE MADE PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THOSE LAWS. FURTHERMORE, HEDGING TRANSACTIONS INVOLVING THE WARRANT OR THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE ACT.

WARRANT TO PURCHASE COMMON STOCK

OF

BIOLIFE SOLUTIONS, INC.

This is to Certify that, FOR VALUE RECEIVED, Walter Villiger, or assigns (the "Holder"), is entitled to purchase, subject to the provisions of this Warrant, from BIOLIFE SOLUTIONS, INC., a Delaware corporation (the "Company"), One Million (1,000,000) fully paid, validly issued, and nonassessable shares of common stock, par value $.001 per share, of the Company ("Common Stock") at any time or from time to time during the period set forth in Section (a) below, at an exercise price of $.063 per share. The number of shares of Common Stock to be received upon the exercise of this Warrant and the price to be paid for each share of Common Stock underlying this Warrant may be adjusted from time to time as hereinafter set forth. The shares of Common Stock deliverable upon exercise of this Warrant, as adjusted from time to time, are hereinafter sometimes referred to as "Warrant Shares", and the exercise price, as adjusted from time to time, is hereinafter sometimes referred to as the "Exercise Price".

(a) EXERCISE OF WARRANT.

(1) The Holder may exercise this Warrant, in whole or in part, at any time or from time to time during the period commencing on the date hereof and terminating 5:00 P.M. New York City time on August 10, 2016 (the “Termination Date”) by surrendering to the Company, at its principal executive offices, this Warrant accompanied by the Purchase Form attached hereto duly executed and the payment of the Exercise Price for the number of Warrant Shares specified in such Form. Payment may be made in cash, by wire transfer or certified check payable to the order of the Company, by any other lawful consideration as the Company shall determine, or by any combination of such methods of payment. In addition, the Holder may exercise this Warrant, in whole or in part, on a “cashless” basis as provided in Section (a)(2) below by surrendering to the Company this Warrant accompanied by the net issue election notice attached hereto duly executed.

(2) The Holder may elect to receive, without the payment by the Holder of any additional consideration, Warrant Shares equal to the value of this Warrant or any portion hereof by the surrender of this Warrant to the Company, with the net issue election notice annexed hereto duly executed, at the office of the Company. Thereupon, the Company shall issue to the Holder such number of fully paid and nonassessable Warrant Shares as is computed using the following formula:

$$X = \frac{Y\ (A-B)}{A}$$

where X = the number of Warrant Shares to be issued to the Holder pursuant to this Section (a)(2).

Y = the number of Warrant Shares covered by this Warrant in respect of which the net issue election is made (i.e., the right to exercise is being surrendered) pursuant to this Section (a)(2).

A = the Current Market Value (as determined under Section (c) hereof) as at the time the net issue election is made pursuant to this Section (a)(2).

B = the Exercise Price in effect at the time the net issue election is made pursuant to this Section (a)(2).

(3) The documentation and consideration, if any, delivered in connection with any exercise of this Warrant collectively are referred to as the "Warrant Exercise Documentation." As promptly as practicable, and in any event within five Business Days after receipt of the Warrant Exercise Documentation, the Company shall deliver or cause to be delivered to the Holder (A) certificates representing the number of validly issued, fully paid and nonassessable Warrant Shares specified in the Warrant Exercise Documentation, (B) if applicable, cash in lieu of any fraction of a Warrant Share as provided below, and (C) if this Warrant is exercised only in part, or is exercised on a cashless basis as provided in Section (a)(2) hereof, a new Warrant or Warrants of like tenor, dated the date hereof, evidencing the balance of the Warrant Shares in respect of which this Warrant shall not have been exercised or used in the cashless exercise. Regardless of the date on which the items set forth in clauses (A), (B), and (C) of this Section (a)(3) are delivered, any exercise of this Warrant shall be deemed to have been made at the close of business on the date of delivery of the Warrant Exercise Documentation, and the person entitled to receive Warrant Shares upon such exercise shall be treated for all purposes as having become the record holder of such Warrant Shares at such time.

(b) RESERVATION OF SHARES. The Company shall at all times reserve for issuance and/or delivery upon exercise of this Warrant such number of shares of its Common Stock as shall be required for issuance and delivery upon exercise of this Warrant.

(c) FRACTIONAL SHARES. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant. With respect to any fraction of a share called for upon any exercise hereof, the Company shall pay to the Holder an amount in cash equal to such fraction multiplied by the Current Market Value of a share, determined as follows:

(1) If the Common Stock is listed on a national securities exchange or admitted to unlisted trading privileges on such exchange or listed for trading on the NASDAQ system, the Current Market Value shall be the last reported sale price of the Common Stock on such exchange or system on the last business day prior to the date of exercise of this Warrant, or if no such sale is made on such day, the average closing bid and asked prices for such day on such exchange or system; or

(2) If the Common Stock is not so listed or admitted to unlisted trading privileges, the Current Market Value shall be the mean of the last reported bid and asked prices reported by the National Quotation Bureau, Inc. on the last business day prior to the date of the exercise of this Warrant; or

(3) If the Common Stock is not so listed or admitted to unlisted trading privileges and bid and asked prices are not so reported, the Current Market Value shall be an amount determined in such reasonable manner as may be prescribed by the Board of Directors of the Company.

(d) EXCHANGE, TRANSFER, ASSIGNMENT, OR LOSS OF WARRANT. This Warrant is exchangeable and transferable, without expense, at the option of the Holder, upon presentation and surrender hereof to the Company or, at the Company's option, at the office of its stock transfer agent, if any, for other Warrants of different denominations entitling the holder thereof to purchase in the aggregate the same number of shares of Common Stock purchasable hereunder. Upon surrender of this Warrant to the Company at its principal office or at the office of its stock transfer agent, if any, with the Assignment Form annexed hereto duly executed and funds sufficient to pay any transfer tax, the Company shall execute and deliver, without charge, a new Warrant in the name of the assignee named in such instrument of assignment and this Warrant promptly shall be cancelled. This Warrant may be divided or combined with other Warrants which carry the same rights upon presentation hereof at the principal office of the Company or at the office of its stock transfer agent, if any, together with a written notice, signed by the Holder hereof, specifying the names and denominations in which new Warrants are to be issued. The term "Warrant" as used herein includes any Warrants into which this Warrant may be divided or exchanged. Upon receipt by the Company of evidence satisfactory to it of the loss, theft, destruction, or mutilation of this Warrant, and (in the case of loss, theft, or destruction) of reasonably satisfactory indemnification or (if mutilated) upon surrender and cancellation of this Warrant, the Company will execute and deliver a new Warrant of like tenor and date. Any such new Warrant executed and delivered shall constitute an additional contractual obligation on the part of the Company, whether or not this Warrant so lost, stolen, destroyed, or mutilated shall be at any time enforceable by anyone.

(e) RIGHTS OF THE HOLDER. The Holder shall not be entitled, by virtue hereof, to any rights of a stockholder in the Company, either at law or equity, and the rights of the Holder are limited to those expressed in this Warrant and are not enforceable against the Company except to the extent set forth herein.

(f) ANTI-DILUTION PROVISIONS. The Exercise Price in effect at any time and the number and kind of securities purchasable upon the exercise of this Warrant shall be subject to adjustment from time to time upon the happening of certain events as follows:

(1) If the Company shall (i) declare a dividend or make a distribution on its outstanding shares of Common Stock in shares of Common Stock, (ii) subdivide or reclassify its outstanding shares of Common Stock into a greater number of shares, or (iii) combine or reclassify its outstanding shares of Common Stock into a smaller number of shares, then the Exercise Price in effect at the time of the record date for such dividend or distribution or of the effective date of such subdivision, combination, or reclassification shall be proportionately adjusted so that upon exercise of this Warrant after such date, the Holder shall be entitled to receive the aggregate number and kind of shares which, if this Warrant had been exercised by such Holder immediately prior to such date, the Holder would have owned upon such exercise and been entitled to receive upon such dividend, distribution, subdivision, combination, or reclassification.

(2) If the Company shall fix a record date for the issuance of rights or warrants to all holders of its Common Stock entitling them to subscribe for or purchase shares of Common Stock (or securities convertible into Common Stock) at a price per share (or having a conversion price per share) less than the current market price of the Common Stock (as defined in Subsection (6) below) on the record date mentioned below or less than the Exercise Price in effect immediately prior to the date of such issuance, then the Exercise Price shall be adjusted so that the same shall equal the price determined by multiplying the Exercise Price in effect immediately prior to the date of such issuance by a fraction, the numerator of which shall be the sum of the number of shares of Common Stock outstanding on the record date mentioned below and the number of additional shares of Common Stock which the aggregate offering price of the total number of shares of Common Stock so offered (or the aggregate conversion price of the convertible securities so offered) would purchase at such current market price per share of the Common Stock or the Exercise Price in effect immediately prior to such issuance, whichever is higher, and the denominator of which shall be the sum of the number of shares of Common Stock outstanding on such record date and the number of additional shares of Common Stock offered for subscription or purchase (or into which the convertible securities so offered are convertible). Such adjustment shall be made successively whenever such rights or warrants are issued and shall become effective immediately after the record date for the determination of stockholders entitled to receive such rights or warrants. To the extent that shares of Common Stock are not delivered (or securities convertible into Common Stock are not delivered) after the expiration of such rights or warrants, the Exercise Price shall be readjusted to the Exercise Price which would then be in effect had the adjustments made upon the issuance of such rights or warrants been made upon the basis of delivery of only the number of shares of Common Stock (or securities convertible into Common Stock) actually delivered.

(3) If the Company shall hereafter distribute to the holders of its Common Stock evidences of its indebtedness or assets (excluding cash dividends or distributions and dividends or distributions referred to in Subsection (1) above) or subscription rights or warrants (excluding those referred to in Subsection (2) above), then in each such case the Exercise Price in effect thereafter shall be determined by multiplying the Exercise Price in effect immediately prior thereto by a fraction, the numerator of which shall be the total number of shares of Common Stock outstanding multiplied by the current market price per share of Common Stock (as defined in Subsection (6) below), less the fair market value (as determined by the Company's Board of Directors) of said assets or evidences of indebtedness so distributed or of such rights or warrants, and the denominator of which shall be the total number of shares of Common Stock outstanding multiplied by such current market price per share of Common Stock. Such adjustment shall be made successively whenever such a record date is fixed. Such adjustment shall be made whenever any such distribution is made and shall become effective immediately after the record date for the determination of stockholders entitled to receive such distribution.

(4) To the extent that an adjustment has been made for purposes of determining the Exercise Price upon issuance of any rights, options, or warrants to purchase Common Stock, then the subsequent issuance of Common Stock upon actual exercise of the rights, options, or warrants shall be excluded from the adjustment provisions hereof.

(5) Whenever the Exercise Price is adjusted pursuant to Subsections (1), (2), or (3) above, the number of Warrant Shares purchasable upon exercise of this Warrant simultaneously shall be adjusted by multiplying the number of Warrant Shares initially issuable upon exercise of this Warrant by the Exercise Price in effect on the date hereof and dividing the product so obtained by the Exercise Price, as adjusted.

(6) For the purpose of any computation under Subsections (2) and (3) above, the current market price per share of Common Stock at any date shall be deemed to be the average of the daily closing prices of the Common Stock for 20 consecutive trading days before such date. The closing price for each day shall be the last sale price or, in case no such reported sale takes place on such day, the average of the last reported bid and asked prices, in either case on the principal national securities exchange on which the Common Stock is admitted to trading or listed, or if not listed or admitted to trading on such exchange, the average of the highest reported bid and lowest reported asked prices as reported by NASDAQ or other similar organization if NASDAQ is no longer reporting such information, or if not so available, the fair market price as determined by the Board of Directors.

(7) No adjustment in the Exercise Price shall be required unless such adjustment would require an increase or decrease of at least two cents ($0.02) in such price; provided, however, that any adjustments which by reason of this Subsection (7) are not required to be made shall be carried forward and taken into account in any subsequent adjustment required to be made hereunder. All calculations under this Section (f) shall be made to the nearest cent or to the nearest one-hundredth of a share, as the case may be. Anything in this Section (f) to the contrary notwithstanding, the Company shall be entitled, but shall not be required, to make such changes in the Exercise Price, in addition to those required by this Section (f), as it shall determine, in its sole discretion, to be advisable in order that any dividend or distribution in shares of Common Stock, or any subdivision, reclassification, or combination of Common Stock, hereafter made by the Company shall not result in any federal income tax liability to the holders of Common Stock or securities convertible into Common Stock (including the Warrants).

(8) If, at any time, as a result of an adjustment made pursuant to Subsection (1) above, the Holder of this Warrant, upon exercise, shall become entitled to receive any shares of the Company other than Common Stock, then thereafter the number of such other shares so receivable upon exercise of this Warrant shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Common Stock contained in Subsections (1) to (7) above.

(9) Irrespective of any adjustments in the Exercise Price or the number or kind of shares purchasable upon exercise of this Warrant, Warrant certificates theretofore or thereafter issued upon exchange, transfer, assignment, loss of certificate, or upon exercise in part may continue to express the same price and number and kind of shares as were stated in the Warrant certificates when the same were issued.

(g) OFFICER'S CERTIFICATE. Whenever the Exercise Price shall be adjusted as required by the provisions of the foregoing Section, the Company forthwith shall file in the custody of its Secretary or an Assistant Secretary at its principal office and with the stock transfer agent responsible for this Warrant, if any, an officer's certificate showing the adjusted Exercise Price determined as herein provided, setting forth in reasonable detail the facts requiring such adjustment, including a statement of the number of additional shares of Common Stock, if any, and such other facts as shall be necessary to show the reason for and the manner of computing such adjustment. Each such officer's certificate shall be made available at all reasonable times for inspection by the Holder and, forthwith after each such adjustment, the Company shall mail a copy of such certificate to the Holder by certified mail. In the event of a failure by the Company to deliver an officer's certificate within thirty (30) days of the occurrence of an event requiring an adjustment under the provisions of Section (f) hereof, the Termination Date shall be extended by the length of time equal to the time between the thirtieth day after the adjustment event and the date the officer's certificate is delivered.

(h) NOTICES TO WARRANT HOLDERS. So long as this Warrant shall be outstanding, (i) if the Company shall pay any dividend or make any distribution upon the Common Stock, (ii) if the Company shall offer to all of the holders of Common Stock for subscription or purchase by them any share of any class or any other rights, or (iii) if any capital reorganization of the Company, reclassification of the capital stock of the Company, consolidation or merger of the Company with or into another corporation, sale, lease, or transfer of all or substantially all of the property and assets of the Company to another corporation, or voluntary or involuntary dissolution, liquidation, or winding up of the Company shall be effected, then in any such case, the Company shall cause to be mailed by certified mail to the Holder, at least ten days prior to the date specified in (x) or (y) below, as the case may be, a notice containing a brief description of the proposed action and stating the date on which (x) a record is to be taken for the purpose of such dividend, distribution, or rights, or (y) such reorganization, reclassification, consolidation, merger, sale, lease, transfer, dissolution, liquidation, or winding up is to take place and the date, if any is to be fixed, as of which the holders of Common Stock or other securities shall receive cash or other property deliverable upon such reorganization, reclassification, consolidation, merger, sale, lease, transfer, dissolution, liquidation, or winding up.

(i) RECLASSIFICATION, REORGANIZATION OR MERGER. In case of any reclassification, capital reorganization, or other change of outstanding shares of Common Stock, or in case of any consolidation or merger of the Company with or into another corporation (other than a merger in which the Company is the continuing corporation and which does not result in any reclassification, capital reorganization, or other change of outstanding shares of Common Stock of the class issuable upon exercise of this Warrant) or in case of any sale, lease, or conveyance to another corporation of all or substantially all of the business and assets of the Company, the Company, as a condition precedent to such transaction, shall cause effective provisions to be made so that the Holder shall have the right thereafter by exercising this Warrant at any time prior to the expiration of this Warrant, to purchase the kind and amount of shares of stock and other securities and property receivable upon such reclassification, capital reorganization or other change, consolidation, merger, sale, or conveyance by a holder of the number of shares of Common Stock which might have been purchased upon exercise of this Warrant immediately prior to such reclassification, capital reorganization or other change, consolidation, merger, sale, lease, or conveyance. Any such provision shall include provision for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Warrant. The foregoing provisions of this Section (i) shall similarly apply to successive reclassifications, capital reorganizations or other changes of shares of Common Stock and to successive consolidations, mergers, sales, leases, or conveyances. If, in connection with any such reclassification, capital reorganization or other change, consolidation, merger, sale, lease, or conveyance, additional shares of Common Stock shall be issued in exchange, conversion, substitution or payment, in whole or in part, for a security of the Company other than Common Stock, then any such issue shall be treated as an issue of Common Stock covered by the provisions of Subsection (1) of Section (f) hereof.

(j) REGISTRATION UNDER THE SECURITIES ACT OF 1933.

(1) If the Holder is not entitled to resell the Warrant Shares under Rule 144 of the Act, then, within twelve (12) months of the exercise of this Warrant, the Company shall file at its own expense a registration statement on Form S-3 if available for use by the Company (the "Registration Statement"), covering the resale of the Warrant Shares by the Holder thereof, and shall use its best efforts to cause the Registration Statement to become effective and to keep the Registration Statement effective until such time that the Warrant Shares have been sold or the Holder is entitled to sell the Warrant Shares under Rule 144. The Warrant Shares also shall be registered under such state securities laws as the Holder may reasonably request. The Company promptly shall give the Holders written notification of the effectiveness of the Registration Statement under the Act, and, when determined, each state where registered.

(2) Notwithstanding the above, the Company's obligation to file the Registration Statement, and/or to keep the Registration continuously effective shall be suspended during any period that there exists any material, non-public information relating to the Company. Holder recognizes that the occurrence of certain corporate developments, including significant acquisitions, may result in the failure of the Registration Statement to contain all information required in accordance with applicable law until an amendment or supplement is filed and made available to the Holder. Holder recognizes that in such event, sales under the Registration Statement will be suspended until the Company files the necessary amendments or supplements thereto. The Company agrees to use its best efforts to prepare and file with the Securities and Exchange Commission, such amendments and supplements to the Registration Statement, as well as the prospectus used in connection therewith, as may be necessary to keep the Registration Statement effective until such time as all of the Warrant Shares covered by the Registration Statement are sold or the Holder is entitled to sell such Warrant Shares under Rule 144. In connection therewith, the Company shall supply prospectuses and such other documents as the Holder may reasonably request in order to facilitate the sale or other disposition of such Warrant Shares.

(3) If at any time the Company shall determine to register under the Act any of its capital stock (other than a registration pursuant to Section (j)(1), a registration relating solely to the sale of securities to participants in a Company employee benefits plan, a registration on any form which does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Warrant Shares or a registration in which the offer and sale of the only Common Stock being registered is Common Stock issuable upon conversion of debt securities which are also being registered), it shall send to the Holder written notice of such determination and, if within fifteen (15) days after receipt of such notice, the Holder shall so request in writing, the Company shall use its best efforts to include in such registration statement all or any part of the Warrant Shares that the Holder requests to be registered. If the total amount of shares requested by the Holder to be included in such offering exceeds the amount of securities that the managing underwriter determines in its sole discretion is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including the Warrant Shares, which the managing underwriter determines in its sole discretion will not jeopardize the success of the offering (the securities so included to be allocated first, to the Company, and second, to the Holder). The number of shares requested to be included by the Holder shall not be reduced below 10% of the total number of securities to be provided in the registration.

(4) The Company will make timely filings of all required reports in accordance with requirements of the Securities Exchange Act of 1934, as amended.

(5) In the case of a registration under this Section (j), the Company shall bear all costs and expenses of such registration, including, but not limited to, filing fees, "blue sky" fees and expenses, and all NASD, stock exchange listing and qualification fees; provided, however, that the Company shall have no obligation to pay or otherwise bear (i) any portion of the underwriter's commissions or discounts attributable to the Warrant Shares being offered and sold by the Holder, (ii) any stock transfer taxes, (iii) any fees of counsel for the Holder, or (iv) any of such expenses if the payment of such expenses by the Company is prohibited by the laws of a state in which such offering is qualified and only to the extent so prohibited; provided, however, that the Company shall not be required to pay for any expenses of any registration proceeding begun if the registration request is subsequently withdrawn at the request of the Holder.

(6) The Company shall indemnify and hold harmless the Holder of the Warrant Shares covered by the Registration Statement, each underwriter (within the meaning of the Act) of the Warrant Shares, and each person, if any, who controls (within the meaning of the Act) the Holder and/or any such underwriter, from, against, for and in respect of any and all losses, claims, damages, liabilities, expenses (including reasonable attorneys fees), and costs (collectively, the "Liabilities") to which the Holder, underwriter, or controlling person may become subject, under the Act or otherwise, insofar as such Liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement of any material fact contained in the Registration Statement, any preliminary prospectus or final prospectus constituting a part thereof, or any amendment or supplement thereto, or arise out of or are based upon the omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading. The Company shall reimburse the Holder, underwriter, and controlling person for any and all expenses (including reasonable attorneys' fees) reasonably incurred by each such party in connection with investigating or defending any such Liability or action; provided, however, the Company shall not be liable in any such case to the extent that any such Liability arises out of or is based upon an untrue statement or omission in such Registration Statement, preliminary prospectus, final prospectus, amendment or supplement, made in reliance upon and in conformity with information furnished by any Holder, underwriter, or controlling person.

(7) The Holder shall indemnify and hold harmless the Company, each of its directors and officers who have signed such Registration Statement as well as such amendments and supplements thereto, and each person, if any, who controls the Company (within the meaning of the Act), from, against, for and in respect to any and all Liabilities to which the Company or any such director, officer, or controlling person may become subject, under the Act or otherwise, insofar as such Liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement of any material fact contained in such Registration Statement, preliminary prospectus, final prospectus, amendment or supplement, or arise out of or are based upon the omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading. The Holder shall reimburse the Company or any such director, officer, or controlling person for any legal or other expenses reasonably incurred by them or any of them in connection with investigating or defending any such Liability or action; provided, however, in each case, the Holder shall be liable only to the extent that such untrue statement or omission in such Registration Statement, preliminary prospectus, final prospectus, amendment or supplement, was made in reliance upon and in conformity with information furnished by the Holder.

(k) AMENDMENT; WAIVER OF PROVISIONS. This Warrant may not be amended and compliance with any provision hereof may not be waived, except pursuant to a written instrument signed by the parties hereto.

Dated: As of August 10, 2011

BIOLIFE SOLUTIONS, INC.

Date

By: /S/ MICHAEL RICE
Mike Rice, President

PURCHASE FORM

Dated _____, ____

The undersigned hereby irrevocably elects to exercise the within Warrant to the extent of purchasing _____ shares of Common Stock and hereby makes payment of _____ in payment of the actual exercise price thereof. Please issue and deliver all such shares to the undersigned at the address stated below.

Name:
(Please typewrite or print in block letters)

Address:

Signature:

_____

ASSIGNMENT FORM

FOR VALUE RECEIVED, _____ hereby sells, assigns, and transfers unto

Name_____
(Please typewrite or print in block letters)

Address_____

the right to purchase Common Stock represented by this Warrant to the extent of _____ shares as to which such right is exercisable and does hereby irrevocably constitute and appoint _____ attorney, to transfer the same on the books of the Company with full power of substitution in the premises.

Date _____, _____

Signature_____

NET ISSUE ELECTION NOTICE

To: BioLife Solutions, Inc.
3303 Monte Villa Parkway
Suite 310
Bothell, WA 98021

The undersigned hereby elects under Section (a)(2) to surrender the right to purchase _____ Warrant Shares pursuant to this Warrant. The certificate(s) for the Warrant Shares issuable upon such net issue election shall be issued in the name of the undersigned or as otherwise indicated below.

Name (please print)

Address

Signature

Name for Registration (if different from name above)

Dated:_____

EMPLOYMENT AGREEMENT

This **EMPLOYMENT AGREEMENT** (the "Agreement") effective as of the last date written below, (the "Effective Date") is hereby executed by and between BioLife Solutions, Inc., a Delaware corporation (the "Company") and Daphne Taylor ("Executive").

In consideration of the premises and the mutual covenants herein contained and for other good and valuable consideration, the parties agree as follows:

1. Term of Employment; Executive Representation.

a. Executive's employment shall commence on the Effective Date. Executive's term of employment shall be for a period of one year from and including the Effective Date (the "Initial Term"); provided, however, that this Agreement shall automatically renew for successive one (1) year periods in the event either party does not send the other a "termination notice" at least ninety (90) days prior to the expiry of the Initial Term, and in subsequent years, prior to the expiry of any such successive annual period. Executive and the Company agree and acknowledge that Executive's employment with the Company may be terminated at any time, with or without cause, by the Company or Executive, upon written notice in accordance with Section 7 of this Agreement.

b. Executive hereby represents to the Company that the execution and delivery of this Agreement by Executive and the performance by Executive of the Executive's duties hereunder shall not constitute a breach of, or otherwise contravene, the terms of any statute, law, regulation, employment agreement or other agreement or policy to which Executive is a party or otherwise bound.

2. Position.

a. While employed hereunder as an executive and corporate officer, Executive's title shall be Vice President, Finance & Administration and Chief Financial Officer.

While employed hereunder, Executive will devote Executive's full business time and best efforts to the performance of Executive's duties hereunder and will not engage in any other business, profession or occupation for compensation or otherwise which would conflict with the rendition of such services either directly or indirectly, without the prior written consent of the CEO; provided that nothing herein shall preclude Executive from: (1) continuing to serve on the board of directors or trustees of any business corporation or any charitable organization on which he currently serves and which is identified on Exhibit A hereto, or (2) subject to the prior approval of the CEO, from appointment to any additional directorships or trusteeships, or (3) serve in an advisory role for other business entities, provided in each case, and in the aggregate, that such activities do not interfere with the performance of Executive's duties hereunder or conflict with Section 8 of this Agreement.

3. Base Salary, Achievement Bonus. While employed hereunder, the Company shall pay Executive a base salary (the "Base Salary") at the annual rate of $150,000, payable in regular installments in accordance with the Company's usual payment practices. Executive may be entitled to increases in Executive's Base Salary, if any, as may be determined from time to time in the sole discretion of the CEO and Board of Directors. During the Initial Term and any successive terms, in addition to Executive's base salary, Executive shall be entitled to an annual bonus of up to ten percent (10%) of Executive's base salary, payable annually, based upon the achievement of specific milestones to be accomplished by the Executive for the ensuing year as determined by the CEO.

4. Stock Option Grant. In recognition of Executive's promotion, Executive is hereby granted a non-incentive stock option to purchase 500,000 shares of Company common stock, par value $.001 per share, which options shall (a) extend for a period of 10 years, (b) be exercisable at a price per share equal to the closing price of the Company's common stock on the Effective Date of this Agreement, and (c) shall vest to the extent of (i) 25% thereof on the first anniversary date of the Effective Date of this Agreement, and (ii) one-thirty sixth of the remaining balance thereof on the anniversary date of the Effective Date of this Agreement in each of the ensuing 36 months following the first anniversary date of the Effective Date of this Agreement.

5. Executive Benefits. The Company shall provide Executive the following benefits during the term of his employment hereunder:

a. Coverage under all Executive pension and welfare benefit programs, plans and practices in accordance with the terms thereof, which the Company generally makes available to its Executives.

b. Accrued paid vacation of four (4) weeks each calendar year, which shall be the maximum number of days Executive may accrue at any time, and which shall be taken at such times as are consistent with Executive's responsibilities hereunder.

6. Business Expenses. Executive shall be reimbursed for the reasonable expenses in carrying out his duties and responsibilities under this Agreement, including, without limitation, expenses for travel and similar items related to such duties and responsibilities.

7. Termination. The Executive's employment hereunder may be terminated by either party at any time and for any reason; provided that Executive will be required to give the Company at least 90 days advance written notice of any resignation of Executive's employment (unless the Company waives its right to receive such 90-day notice). Notwithstanding any other provision of this Agreement, the provisions of this Section 7 shall exclusively govern Executive's rights upon termination of employment with the Company and its affiliates.

a. By the Company for Cause; By the Executive Without Good Reason.

(i) The Executive's employment hereunder may be terminated by the Company for Cause (as defined below) at any time or by Executive without Good Reason after 90 days prior written notice (unless the Company waives such notice requirement or a portion thereof).

(ii) For purposes of this Agreement, "Cause" shall mean:

(A) Executive's continued failure substantially to perform Executive's duties hereunder (other than as a result of total or partial incapacity due to physical or mental illness) for a period of 10 consecutive days following notice by the Company to the Executive of such failure,

(B) dishonesty in the performance of Executive's duties hereunder,

(C) an act or acts on Executive's part constituting (a) a felony under the laws of the United States or any state thereof, or (b) a misdemeanor involving moral turpitude,

(D) Executive's malfeasance or misconduct in connection with Executive's duties hereunder or any act or omission of Executive which is materially injurious to the financial condition or business reputation of the Company or any of its subsidiaries or affiliates, or

(E) Executive's breach of the provisions of Section 8 or 9 of this Agreement.

(iii) If Executive's employment is terminated by the Company for Cause or by Executive without Good Reason, Executive shall be entitled to receive:

(A) the Base Salary through the date of termination;

(B) reimbursement for any unreimbursed business expenses properly incurred by Executive in accordance with Company policy prior to the date of Executive's termination; and

(C) such Executive Benefits, if any, as to which Executive may be entitled under the Executive benefit plans of the Company (the amounts described in clauses (A) through (C) hereof being referred to as the "Accrued Rights").

Following such termination of Executive's employment by the Company for Cause or by Executive without Good Reason, except as set forth in this Section 7(a), Executive shall have no further rights to any compensation or any other benefits under this Agreement.

b. Disability or Death.

(i) The Executive's employment hereunder shall terminate upon Executive's death and if Executive becomes physically or mentally incapacitated and is therefore unable for a period of sixty (60) consecutive days or for an aggregate of ninety (90) days in any twelve (12) consecutive month period to perform Executive's duties (such incapacity is hereinafter referred to as "Disability"). Any question as to the existence of the Disability of Executive as to which Executive and the Company cannot agree shall be determined in writing by a qualified independent physician mutually acceptable to Executive and the Company. If Executive and the Company cannot agree as to a qualified independent physician, each shall appoint such a physician and those two physicians shall select a third who shall make such determination in writing. The determination of Disability made in writing to the Company and Executive shall be final and conclusive for all purposes of the Agreement.

(ii) Upon termination of Executive's employment hereunder for either Disability or death, Executive or Executive's estate (as the case may be) shall be entitled to receive the Accrued Rights.

Following the termination of Executive's employment hereunder due to death or Disability, except as set forth in this Section 7(b), Executive shall have no further rights to any compensation or any other benefits under this Agreement.

c. By the Company Without Cause or Resignation by Executive for Good Reason.

(i) The Executive's employment hereunder may be terminated by the Company without Cause or by Executive's resignation for Good Reason.

(ii) For purposes of this Agreement, "Good Reason" shall mean:

(A) the occurrence of a "change in control" of the Company (as defined below);

(B) without Executive's express written consent, the Company materially changes Executive's position, duties, responsibilities, or status as in effect at the time of the execution of this Agreement, other than a change to the position, duties, responsibilities, or status associated with the position of Vice President of Finance and Administration and Chief Financial Officer;

(C) a request by the Company that Executive relocate to another work location and Executive's refusal to do so;

(D) a failure by the Company to comply with any material provision of this Agreement, which has not been cured within thirty (30) days after notice of such non-compliance has been given by Executive to the Company, including but not limited to (1) a reduction by the Company in Executive's base salary as in effect on the date hereof or as the same may be increased from time to time during the term of this Agreement (other than as a result of a general salary reduction affecting substantially all Company Executives); (2) any failure by the Company to obtain the assumption of this Agreement by any successor or assign of the Company;

(iii) If Executive's employment is terminated by the Company without Cause (other than by reason of death or Disability) or if Executive resigns for Good Reason, Executive shall be entitled to receive:

(A) the Accrued Rights;

(B) Subject to Executive's continued compliance with the provisions of Section 8 and 9 of this Agreement, continued payment of the Base Salary (1) six months after the date of such termination, with such payments to begin on the 15th day of the month following separation and to continue on the 15th day of each succeeding month for a total of 6 months or (2) in the event of a change of control, continued payment of the Base Salary for a period of six months after the effective date of the change of control event, with the payment of base salary to begin on the 15th day of the month following the change of control and to continue on the 15th day of each succeeding month for a total of 6 months.

(C) In the event of a change of control, accelerated vesting of any remaining unvested stock options pursuant to the terms the Option Agreement attached hereto as Exhibit B,

(iv) A "change in control" of the Company shall be deemed to have occurred if:

(A) There shall be consummated (1) any consolidation or merger of the Company in which the Company is not the continuing or surviving corporation or pursuant to which shares of the Company's Common Stock would be converted into cash, securities or other property, other than a merger of the Company in which the holders of the Company's Common Stock immediately prior to the merger have the same proportionate ownership of at least 50% of common stock of the surviving corporation immediately after the merger, or (2) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all, or substantially all, of the assets of the Company;

(B) The stockholders of the Company approve any plan or proposal for the liquidation or dissolution of the Company;

(C) Any person (as such term is used in Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) shall become the beneficial owner (within the meaning of Rule 13d-3 under the Exchange Act) of 50% or more of the Company's outstanding Common Stock.

d. Notice of Termination. Any purported termination of employment by the Company or by Executive (other than due to Executive's death) shall be communicated by written Notice of Termination to the other party hereto in accordance with Section 12 (h) hereof. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of employment under the provision so indicated.

8. Non-Disclosure Confidential Information and Trade Secrets; Non-Solicitation; Works Made For Hire.

a. At any time during or after Executive's employment with the Company, Executive shall not, without the prior written consent of the Company, use, divulge, disclose or make accessible to any other person, firm, partnership, corporation or other entity any Confidential Information (as hereinafter defined) pertaining to the business of the Company or any of its subsidiaries, except (i) while employed by the Company, in the business of and for the benefit of the Company, or (ii) when required to do so by a court of competent jurisdiction, by any governmental agency having supervisory authority over the business of the Company, or by any administrative body or legislative body (including a committee thereof) with jurisdiction to order Executive to divulge, disclose or make accessible such information. For purposes of this Section 8(a), "Confidential Information" shall mean non-public information concerning the financial data, strategic business plans, intellectual property and other non-public, proprietary and confidential information of the Company as in existence as of the date of Executive's termination of employment that, in any case, is not otherwise available to the public (other than by Executive's breach of the terms hereof). Executive agrees that all confidential information described in this Paragraph of this Agreement is and constitutes trade secret information and is the exclusive property of the Company.

b. Executive agrees that all confidential information described in Section 8a of this Agreement is and constitutes trade secret information, and is the exclusive property of the Company. Executive agrees that the unauthorized use or disclosure of any of the Company's confidential information or trade secrets obtained during or following his employment with Company constitutes misappropriation. Executive agrees not to engage in any misappropriation at any time, whether during or following the completion of his employment with the Company. In addition, during the period of his employment hereunder and for twenty-four (24) months thereafter, Executive agrees that, without the prior written consent of the Company, he shall not, on his own behalf or on behalf of any person, firm or company, directly or indirectly, solicit, interfere with, induce or attempt to induce, or offer employment to any person who has been employed by the Company at any time during the twelve (12) months immediately preceding such solicitation, or directly or indirectly solicit, interfere with, induce or attempt to induce any customer of the Company to reduce, withdraw, or withhold business from the Company.

c. The results and proceeds of Executive's services hereunder, including, without limitation, any works of authorship resulting from Executive's services during Executive's employment with the Company and/or any of the Company's affiliates and any works in progress, will be works-made-for hire and the Company will be deemed the sole owner throughout the universe of any and all rights of whatsoever nature therein, whether or not now or hereafter known, existing, contemplated, recognized or developed, with the right to use the same in perpetuity in any manner the Company determines in its sole discretion without any further payment to Executive whatsoever. If, for any reason, any of such results and proceeds will not legally be a work-for-hire and/or there are any rights which do not accrue to the Company under the preceding sentence, then Executive hereby irrevocably assigns and agrees to assign any and all of Executive's right, title and interest thereto, including, without limitation, any and all copyrights, patents, trade secrets, trademarks and/or other rights of whatsoever nature therein, whether or not now or hereafter known, existing, contemplated, recognized or developed, to the Company, and the Company will have the right to use the same in perpetuity throughout the universe in any manner the Company determines without any further payment to Executive whatsoever. Executive will, from time to time as may be requested by the Company, (i) during the term of Executive's employment without further consideration, and (ii) thereafter at Executive's then current rate of compensation, do any and all things which the Company may deem useful or desirable to establish or document the Company's exclusive ownership of any and all rights in any such results and proceeds, including, without limitation, the execution of appropriate copyright and/or patent applications or assignments. To the extent Executive has any rights in the results and proceeds of Executive's services that cannot be assigned in the manner described above, Executive unconditionally and irrevocably waives the enforcement of such rights. This subsection is subject to and will not be deemed to limit, restrict, or constitute any waiver by the Company of any rights of ownership to which the Company may be entitled by operation of law by virtue of the Company being Executive's employer. This Section does not apply to an invention for which no equipment, supplies, facilities or Confidential Information was used, which does not (i) relate to the business of the Company; (ii) relate to the Company's actual or demonstrable anticipated research or development.

d. Executive and the Company agree that the covenants outlined in this Section 8 are reasonable covenants under the circumstances, and further agree that if in the opinion of any court of competent jurisdiction any such restraint is not reasonable in any respect, such court shall have the right, power and authority to excise or modify such provision or provisions of this Section as to the court shall appear not reasonable and to enforce the remainder of the covenants as so amended. Executive agrees that any breach of the covenants contained in this Section 8 would irreparably injure the Company.

9. Non-Competition.

In view of the unique and valuable services that Executive has rendered and is expected to render to the Company, and Executive's knowledge of the business of the Company and proprietary information relating to the business of the Company and similar knowledge regarding the Company that Executive has obtained and is expected to obtain during the course of his employment with the Company and in consideration of the compensation to be received by Executive hereunder, Executive agrees that during the Employment Period and for a period of twelve months immediately following the termination or expiration thereof he will not compete with, or, directly or indirectly, own, manage, operate, control, loan money to, or participate in the ownership, operation or control of, or be connected with as a director, partner, consultant, agent, independent contractor or otherwise, or acquiesce in the use of his name in any other business or organization which is in competition with the Company in any geographical area in which the Company is then conducting business or any geographical area in which, to the knowledge of Executive at the time of cessation of employment, the Company plans to conduct business within twenty four months from the date thereof.

10. Specific Performance. Executive acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of any of the provisions of Section 8 or 9 would be inadequate and, in recognition of this fact, Executive agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law, the Company, without posting any bond, shall be entitled to cease making any payments or providing any benefit otherwise required by this Agreement and obtain equitable relief in the form of specific performance, temporary restraining order, temporary or permanent injunction or any other equitable remedy which may then be available.

11. Arbitration.

a. Executive agrees that any dispute or controversy arising out of, relating to, or in connection with this Agreement, or the interpretation, validity, construction, performance, breach, or termination thereof, shall be settled by binding arbitration to be held in Snohomish County, WA, in accordance with the National Rules for the Resolution of Employment Disputes then in effect of the American Arbitration Association (the "Rules"). The arbitrator may grant injunctions or other relief in such dispute or controversy. The decision of the arbitrator will be final, conclusive and binding on the parties to the arbitration. Judgment may be entered on the arbitrator's decision in any court having jurisdiction.

b. The arbitrator(s) will apply Washington state law to the merits of any dispute or claim, without reference to rules of conflicts of law. Executive hereby consents to the personal jurisdiction of the state and federal courts located in Washington (or such other state as to which the parties may agree) for any action or proceeding arising from or relating to this Agreement or relating to any arbitration in which the parties are participants.

c. EXECUTIVE HAS READ AND UNDERSTANDS THIS SECTION, WHICH DISCUSSES ARBITRATION. EXECUTIVE UNDERSTANDS THAT BY SIGNING THIS AGREEMENT, EXECUTIVE AGREES TO SUBMIT ANY CLAIMS ARISING OUT OF, RELATING TO, OR IN CONNECTION WITH THIS AGREEMENT, OR THE INTERPRETATION, VALIDITY, CONSTRUCTION, PERFORMANCE, BREACH OR TERMINATION THEREOF TO BINDING ARBITRATION, AND THAT THIS ARBITRATION CLAUSE CONSTITUTES A WAIVER OF EXECUTIVE'S RIGHT TO A JURY TRIAL AND RELATES TO THE RESOLUTION OF ALL DISPUTES RELATING TO ALL ASPECTS OF THE EMPLOYER/EXECUTIVE RELATIONSHIP.

12. Miscellaneous.

a. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington, without regard to conflicts of laws principles thereof.

Entire Agreement/Amendments. This Agreement contains the entire understanding of the parties with respect to the employment of Executive by the Company. There are no restrictions, agreements, promises, warranties, covenants or undertakings between the parties with respect to the subject matter herein other than those expressly set forth herein. This Agreement may not be altered, modified, or amended except by written instrument signed by the parties hereto.

b. No Waiver. The failure of a party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver of such party's rights or deprive such party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.

c. Severability. In the event that any one or more of the provisions of this Agreement shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected thereby.

d. Assignment. This Agreement shall not be assignable by Executive. This Agreement may be assigned by the Company to a company which is a successor in interest to substantially all of the business operations of the Company. Such assignment shall become effective when the Company notifies the Executive of such assignment or at such later date as may be specified in such notice. Upon such assignment, the rights and obligations of the Company hereunder shall become the rights and obligations of such successor company, provided that any assignee expressly assumes the obligations, rights and privileges of this Agreement.

e. Mitigation. Executive shall not be required to mitigate damages or the amount of any salary continuation payments provided for under this Agreement by seeking other employment or otherwise, nor shall the amount of any payments provided for under this Agreement be reduced by any compensation earned by Executive as the result of employment by another employer or self-employment after the date of termination.

f. Successors; Binding Agreement. This Agreement shall inure to the benefit of and be binding upon personal or legal representatives, executors, administrators, successors, heirs, distributes, devises and legatees.

g. Notice. For the purpose of this Agreement, notices and all other communications provided for in the Agreement shall be in writing and shall be deemed to have been duly given when delivered, sent via telecopier/telefax, or mailed by United States registered mail, return receipt requested, postage prepaid, addressed to the respective addresses set forth below Agreement, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt.

If to the Company:

Biolife Solutions, Inc.
3303 Monte Villa Parkway, Suite 310
Bothell, WA 98021
Attention: Chief Executive Officer

If to Executive:

Daphne Taylor
904 - 232nd Street SE
Bothell, WA 98021

Withholding Taxes. The Company may withhold from any amounts payable under this Agreement such Federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation.

h. Counterparts. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the last date written below.

"Company"

BioLife Solutions, Inc.

By: /s/ Michael Rice
Name: Michael P. Rice
Its: Chief Executive Officer

Date: 8/17/2011

"Executive"

By: /s/ Daphne Taylor
Daphne Taylor

Date: 8/17/2011

Exhibit A
(Permitted Activities) – NONE DECLARED

EXHIBIT 31.1

CERTIFICATION

I, Michael Rice, certify that:

1. I have reviewed this annual report on Form 10-K of BioLife Solutions, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal controls over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: March 29, 2012

/S/ Michael Rice
Michael Rice
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Daphne Taylor, certify that:

1. I have reviewed this annual report on Form 10-K of BioLife Solutions, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal controls over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: March 29, 2012

/S/ Daphne Taylor

Daphne Taylor
Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION OF PERIODIC REPORT

I, Michael Rice, Chief Executive Officer of BioLife Solutions, Inc. (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

1. the Annual Report on Form 10-K of the Company for the year ended December 31, 2011 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 29, 2012

/S/ Michael Rice
Michael Rice
Chief Executive Officer

EXHIBIT 32.2

CERTIFICATION OF PERIODIC REPORT

I, Daphne Taylor, Chief Financial Officer of BioLife Solutions, Inc. (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

1. the Annual Report on Form 10-K of the Company for the year ended December 31, 2011 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 29, 2012

/S/ Daphne Taylor
Daphne Taylor
Chief Financial Officer