FORM 10-K

BIOLIFE SOLUTIONS INC - BLFS

Filed: March 15, 2017 (period: December 31, 2016)

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, 2016

☐ **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 001-36362

BioLife Solutions, Inc.

(Exact name of registrant as specified in its charter)

BIOPRESERVATION TOOLS FOR CELLS, TISSUES, AND ORGANS

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 $10,043,170.

As of March 7, 2017, 13,000,386 shares of the registrant's common stock were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

The information required by Part III of this Report, to the extent not set forth herein, is incorporated herein by reference from the registrant's definitive proxy statement relating to the Annual Meeting of Shareholders to be held in 2017, which definitive proxy statement shall be filed with the Securities and

Exchange Commission within 120 days after the end of the fiscal year to which this Report relates.

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PART I

ITEM 1. BUSINESS

References in this Form 10-K to "BioLife", the "Company," "we," "us" or "our" refer to BioLife Solutions, Inc. The information in this Annual Report on Form 10-K contains certain forward-looking statements, including statements related to our products, customers, regulatory approvals, markets for our products, future financial and operational performance, capital requirements, intellectual property, suppliers, joint venture partners, controlling shareholders and trends in our business that involve risks and uncertainties. Our actual results may differ materially from the results discussed in the forward-looking statements. Factors that might cause such a difference include those discussed in "Business," "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," as well as those discussed elsewhere in this Annual Report on Form 10-K.

Except as required by applicable law, including the securities laws of the United States, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented in this Report

We were incorporated in Delaware in 1987 under the name Trans Time Medical Products, Inc. In 2002, the Company, then known as Cryomedical Sciences, Inc., and engaged in manufacturing and marketing cryosurgical products, completed a merger with our wholly-owned subsidiary, BioLife Solutions, Inc., which was engaged as a developer and marketer of biopreservation media products for cells and tissues. Following the merger, we changed our name to BioLife Solutions, Inc.

For a summary of recent developments, see "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations."

Business Overview

We develop, manufacture and market a portfolio of biopreservation tools for cells, tissues, and organs, including proprietary clinical grade cell and tissue hypothermic storage and cryopreservation freeze media.

Our products are used in basic and applied research on, and commercialization of, new biologic based therapies by maintaining the health and function of biologic source material and finished products during manufacturing, distribution, and patient delivery.

Our product offerings include:

- Patented hypothermic storage and cryopreservation freeze media products for cells, tissues, and organs
- Generic blood stem cell freezing and cell thawing media products
- Custom product formulation and custom packaging services
- Contract aseptic manufacturing formulation, fill, and finish services of liquid media products
- Cold chain logistics services incorporating precision thermal packaging products and cloud-hosted web applications

Our proprietary, clinical grade HypoThermosol ® FRS and CryoStor ® biopreservation media products are marketed to the regenerative medicine, biobanking, drug discovery markets including hospital-based stem cell transplant centers, pharmaceutical companies, cord blood and adult stem cell banks, hair transplant centers, and suppliers of cells to the drug discovery, toxicology testing and diagnostic markets, including private and public cell therapy companies. All of our biopreservation media products are serum-free and protein-free, fully defined, and are manufactured under current Good Manufacturing Practices (cGMP) using United States Pharmacopia (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 improves post-preservation cell and tissue viability and function. Our products have been incorporated in over 250 regenerative medicine applications, including chimeric antigen receptor (CAR) and other T cell receptor (TCR) types.

On December 31, 2016, we restructured our biologistex CCM, LLC joint venture ("biologistex" prior to December 31, 2016 or "SAVSU" December 31, 2016 and thereafter) with Savsu Technologies, LLC ("STLLC"), whereby we contributed certain assets, including our outstanding loan owed by biologistex, and STLLC contributed certain assets, including all cold chain management intellectual property, into SAVSU. Prior to the restructuring, we owned a 52% ownership interest in biologistex. As a result for consideration given by both parties, we own a 45% interest in SAVSU, which is subsequently reduced to 25% on December 31, 2018. Although we intend to continue to provide certain sales and marketing services to SAVSU, we do not consider these activities, or the potential economic impact thereafter to be a material part of our business in 2017 and beyond.

See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" for additional details.

Products and Services Overview

Biopreservation Media

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 tissues, if not maintained appropriately at normothermic body temperature (98.6ºF/37ºC), or stored in a hypothermic state 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 induces damaging molecular stress and structural changes. Although cooling successfully reduces metabolism (i.e., lowers demand for energy), various levels of cellular damage and death occur when using suboptimal methods. Traditional preservation media 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 the use of these 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 hypothermic and cryogenic (low-temperature induced) damage/destruction of cells through apoptosis and necrosis. This research led directly to the development of our HypoThermosol® FRS and CryoStor® technologies. Our patented preservation media products are specifically formulated to:

- Minimize cell and tissue swelling
- Reduce free radical levels 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 preservation media products is their “fully-defined” profile. All of our cGMP products are serum-free, protein-free and are formulated and filled using aseptic processing, utilizing 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 regulatory filings and hence patient delivery processes.

The results of independent testing demonstrate that our biopreservation media products significantly extend shelf-life and improve cell and tissue post-thaw viability and function, which may, in turn, improve clinical and commercial outcomes for existing and new cell and tissue therapy applications. Our products have demonstrated improved biopreservation outcomes for a broad array of cell and tissue types including stem cells isolated from umbilical and peripheral blood, bone marrow, adipose tissue, liver, tendon, and umbilical cord tissue, and also for induced pluripotent stem cells including hepatocytes, endothelial cells, and neuronal cells, hepatocytes isolated from non-transplantable livers, chondrocytes isolated from cartilage, and dermal fibroblasts and muscle cells isolated from tissue biopsies.

Competing biopreservation media products are often formulated with simple isotonic media cocktails, animal serum, potentially a single sugar or human protein. A key differentiator of our proprietary HypoThermosol FRS formulation is the engineered optimization of the key ionic component concentrations for low temperature environments, as opposed to normothermic body temperature around 37°C, as found in culture media or saline-based isotonic formulas. Competing cryopreservation freeze media is often comprised of a single permeating cryoprotectant such as dimethyl sulfoxide (“DMSO”). Our CryoStor formulations incorporate multiple permeating and non-permeating cryoprotectant agents, which allow for multiple mechanisms of protection and reduces the dependence on a single cryoprotectant.

Across a broad spectrum of cell and tissue types, our products have proven more effective in reducing post-preservation and post-thaw 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.

Biopreservation Media Opportunity

According to Global Market Insights, “Biopreservation Market Size” published in September 2016, the total biopreservation market is expected to be $9.7 billion by 2024, with our current addressable media market expected to be $1.3 billion by 2024. Our current addressable portion of the market is the demand for reagents used to store, ship and freeze source material and manufactured doses of cell-based products and therapies.

Regenerative Medicine

The emerging field of regenerative medicine is unique in its aim to augment, repair, replace or regenerate organs and tissue that have been damaged by disease, injury or even the natural aging process. This rapidly evolving, interdisciplinary field is transforming healthcare by translating fundamental science into a variety of regenerative technologies including biologics, chemical compounds, materials and devices. It differs from other fields of medicine in the array of disciplines it brings together and in its ability to create or harness the body’s innate healing capacity.

We continue to educate the regenerative medicine market about the impact of effective biopreservation on the ability to create commercially viable manufactured products with participation in scientific conferences and industry trade events by exhibiting, presenting scientific and business lectures, and sponsoring industry association events. We are a corporate or affiliate member of the Alliance for Regenerative Medicine, the BEST Collaborative, and the International Society for Cellular Therapy.

We have secured a valuable position as a supplier of critical reagents to several commercial companies and estimate that our biopreservation media products are incorporated in over 250 applications for new cell and tissue-based regenerative medicine products and therapies. A significant number of applications involve CAR-T cells and other types of T cells and mesenchymal stem cells targeting blood cancers, solid tumors and other leading causes of death and disability. We estimate that annual revenue from each application in which our products are used could range from $0.5 million to $2.0 million, if approved and our customer commences large scale commercial manufacturing of the biologic based therapy.

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. Our products specifically address this need by enhancing yield, viability and functionality of previously preserved cells.

Biobanking

The biobanking industry includes public and private cord blood banks, adult stem cell banks, tissue banks, hair transplant centers, cryopreservation of platelets and biorepositories. To continue to generate awareness of the need for effective preservation, we are a sponsor and member of the AABB and the Cord Blood Association. We also provide expertise when needed to the top biobanking enterprises.

Principal Products

HypoThermosol® FRS biopreservation media is a novel, engineered, optimized hypothermic storage and shipping media product. 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. Serum-free, protein-free HypoThermosol FRS is designed to provide maximum storage and shipping stability for biologics at 2°-8°C. HypoThermosol FRS is manufactured under cGMP and is tested to USP <71> Sterility and USP <85> Endotoxin standards.

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 subzero temperatures (most often utilized within the range of -80 to -196°C). All CryoStor products are pre-formulated with USP/EP grade DMSO, a permeating cryoprotective agent which helps mitigate damage from the formation of intracellular and extracellular ice. CryoStor is offered in several packages and pre-formulated with DMSO in final concentrations of 2%, 5%, and 10%. CryoStor is manufactured under cGMP and is tested to USP <71> Sterility and USP <85> Endotoxin standards.

BloodStor® freeze media is a series of generic cGMP freeze media products used to cryopreserve stem and other cells isolated from umbilical cord blood, peripheral blood, and bone marrow where the processing methods require addition of high concentration DMSO. BloodStor 55-5 is pre-formulated with 55% (w/v) DMSO USP/EP, 5% (w/v) Dextran-40 USP/EP, and Water for Injection (WFI) quality water. BloodStor 100 contains 100% (w/v) DMSO USP/EP. BloodStor 27 NaCl is pre-formulated with 27% (w/v) DMSO in saline USP-grade components and Water for Injection (WFI) quality water. BloodStor is manufactured under cGMP and tested to USP <71> Sterility and USP <85> Endotoxin standards.

Cell Thawing Media provides Dextran and saline for washing cryopreserved cells and tissues to dilute or remove cryoprotectants. Cell thawing media is pre-formulated with 10% Dextran 40 in 0.9% NaCl and 10% Dextran 40 in 5% Dextrose.

biologistex™ ***cold-chain management service*** includes unlimited use of the evo Smart Shipper and the integrated track and trace cloud-based web application, mybiologistex.com and is sold by BioLife to the regenerative medicine space. The line of evo Smart Shippers are reusable and designed for the shipment of materials which must be maintained at precision temperature ranges including frozen at -80˚C, chilled at 2-8˚C, and at controlled room temperature (CRT) temperatures. The evo Smart Shippers include a NIST traceable thermocouple embedded within the payload cavity to monitor the environmental conditions within the payload and a fiber optic sensor enabling monitoring whether the container is opened at any time during shipment, and upon arrival at the destination. The monitoring data and GPS location is transmitted in real time to our cloud based web application, giving our customers the ability to pack, ship, and independently track their precious starting material and manufactured cell products and other biologic material throughout transit to its destination. BioLife receives a revenue share on biologistex subscriptions sold into the regenerative medicine market. For further information regarding our business relationship with SAVSU, see Item 7 of Part II "Management's Discussion and Analysis of Financial Condition and Results of Operations".

Competition

Biopreservation Media

We believe 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. Commercial competitors, in most cases, are supplying isotonic, non-optimized preservation media and include VWR, Sigma-Aldrich, Lonza, Life Technologies, STEMCELL Technologies, and several smaller companies. Several of our competitors also distribute our premium products. These and other companies may have developed or could in the future develop new technologies that compete with our products or even render our products obsolete.

We believe that 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 believe that a company's competitive position in the markets we compete in is determined by product function, product quality, speed of delivery, technical support, price, and distribution capabilities. Our customers are diverse and may place varying degrees of importance on the competitive attributes listed above. While it is difficult to rank these attributes for all our customers in the aggregate, we believe we are well positioned to compete in each category. We expect competition to intensify with respect to the areas in which we are involved as the market expands and technical advances are made and become more widely known.

BUSINESS OPERATIONS

Sales and Marketing

We market and sell our products directly using our sales force and through our website at www.biolifesolutions.com. Our products are also marketed and distributed by STEMCELL Technologies, Sigma-Aldrich, and several other regional distributors under non-exclusive agreements. We are committed to becoming and remaining a trusted, critical supplier to our customers. This requires us to employ scientific team members in sales and support roles. Our technical application support team consists of individuals with extensive experience in cell processing, biopreservation, and cryobiology.

We also market and sell the evo® Smart Shippers and related cloud based data tracking application through a subscription model where customers purchase access to the Smart Shipper and related cloud based data tracking software for a specified period of time. We have a revenue share agreement in place based on gross revenue generated directly by our sales efforts to the regenerative medicine market.

In 2016 and 2015, we derived approximately 12% and 10%, respectively, of our revenue from our relationship with one distributor of our products.

At December 31, 2016, three customers accounted for 45% of gross accounts receivable.

Manufacturing and Distribution

We maintain and operate two independent cGMP clean room production suites for our biopreservation media products. Since December 2009, our quality management system (QMS) has remained certified to ISO 13485:2003. Our QMS is compliant with applicable sections of 21 CFR Part 820 - Quality System Regulation for Good Manufacturing Practice 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. We rely on outside suppliers for all of our manufacturing supplies, parts and components. To date, we have not experienced significant difficulties in obtaining raw materials for the manufacture of our biopreservation media products.

The evo® Smart Shippers are manufactured and supplied by biologistex CCM, LLC dba SAVSU ("SAVSU"), based in Albuquerque, NM. The evo web application is a subscription-based model which does not require physical manufacturing or distribution of the software component of the service. For further information regarding our business relationship with SAVSU, see "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations".

Support

We provide product support through a combination of channels including phone, chat, web, social media, and email. These support services are delivered by our customer care and scientific teams. These teams are responsible for providing timely, high-quality technical expertise on all our products.

Product Approval Regulation

None of our products are subject to any specific United States Food and Drug Administration ("FDA") or other non-US pre-market approval for drugs, devices, or biologics. 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 manufacture and release our products in compliance with cGMP and other relevant quality standards.

To assist customers with their regulatory applications, we maintain Type II Master Files at the FDA for CryoStor®, HypoThermosol® FRS, and our Cell Thawing Media products, which provide the FDA with information regarding our manufacturing facility and process, our quality system, and stability and safety testing that has been performed. Customers engaged in clinical applications may notify the FDA of their intention to use our products in their product development and manufacturing process by requesting 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.

Principal Offices

Our principal executive offices are located at 3303 Monte Villa Parkway, Suite 310, Bothell, Washington 98021 and the telephone number is (425) 402-1400. Information about us is available on our website http://www.biolifesolutions.com. The information contained on our website or that can be accessed through our website does not constitute part of this annual report and is not incorporated in any manner into this annual report.

Intellectual Property

Currently, we have five issued and unexpired U.S. patents, two issued Australian patents, one issued European patent, one issued Japanese patent, and several pending patent applications. We have also obtained certain trademarks and tradenames for our products to distinguish our genuine products from our competitors' products and we maintain certain details about our processes, products, and strategies as trade secrets. 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.

Product Development

Currently, we employ a team of three researchers, all of whom hold Ph.D. degrees in molecular biology or related fields who are responsible for bringing new biopreservation products to market. We also conduct collaborative research with several leading academic and commercial entities in our strategic markets.

During 2016, we incurred costs of approximately $2.7 million on research and development activities, including $0.7 million in cost related to the development of internal use software which were capitalized by our joint venture, biologistex CCM, LLC. The capitalized costs related to biologistex internal use software are no longer included in our consolidated financial statements after December 31, 2016 due to the deconsolidation of biologistex. See Note 1 to the Company's Consolidated Financial Statements in Item 8 of this form 10-K for additional information about the biologistex joint venture restructuring on December 31, 2016. During 2015, we incurred costs of approximately $3.1 million on research and development activities, including $1.7 million in cost related to the development of internal use software which were capitalized.

Employees

As of February 1, 2017, we had 35 full time employees and one part-time employee. Our employees are not covered by any collective bargaining agreement. We consider relations with our employees to be good.

Available Information

We maintain a website at http://www.biolifesolutions.com. The information contained on or accessible through our website is not part of this Annual Report on Form 10-K. Our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to reports filed or furnished pursuant to Sections 13(a) and 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act"), are available free of charge on our website as soon as reasonably practicable after we electronically file such reports with, or furnish those reports to, the Securities and Exchange Commission (the "SEC"). Any information we filed with the SEC may be accessed and copied at the SEC's Public Reference Room at 100 F Street NE, Washington, DC 20549. Information may be obtained by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at http://www.sec.gov.

ITEM 1A. RISK FACTORS

Investing in our common stock involves a high degree of risk. You should consider carefully the risks and uncertainties described below, together with all of the other information contained in this annual report, before deciding to invest in our common stock. If any of the following risks materialize, our business, financial condition, results of operation and future prospects will likely be materially and adversely affected. In that event, the market price of our common stock could decline and you could lose all or part of your investment.

Risks Related to Our Business

The majority of our net sales come from a relatively small number of customers and a limited number of market sectors; if we lose any of these customers or if there are problems in those market sectors, our net sales and operating results could decline significantly.

In 2016 and 2015, we derived approximately 12% and 10%, respectively, of our revenue from our relationship with one distributor of our products. No other customer accounted for more than 10% of revenue in 2016 or 2015. Our principal customers may vary from period to period, and our principal customers may not continue to purchase products from us at current levels, or at all. Significant reductions in net sales to any of these customers or our failure to make appropriate choices to the customers we serve, could seriously harm our business. In addition, we focus our sales to customers in only a few market sectors. Each of these sectors is subject to macroeconomic conditions as well as trends and conditions that are sector specific. Shifts in the performance of a sector served by us, as well as the economic, business and/or regulatory conditions that affect the sector, or our failure to choose appropriate sectors can particularly impact us. Any weakness in the market sectors in which our customers are concentrated could affect our business and results of operations.

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

We have incurred annual consolidated operating losses since inception, and may continue to incur operating losses. For the fiscal years ended December 31, 2016 and December 31, 2015, we had consolidated net losses attributable to BioLife of $6.9 million and $4.2 million, respectively. As of December 31, 2016, our consolidated accumulated deficit was approximately $71.2 million. We may not be able to successfully achieve or sustain profitability. Successful transition to profitable operations is dependent upon achieving a level of revenues adequate to support our cost structure.

We may need additional capital to reach and maintain a sustainable level of positive cash flow and if we raise such additional capital through the issuance of equity or convertible debt securities, your ownership will be diluted, and equity securities issued may have rights, preferences and privileges superior to the shares of common stock.

If we are unable to achieve profitability sufficient to permit us to fund our operations and other planned actions, we may be required to raise additional capital. There can be no assurance that such capital would be available on favorable terms, or at all. If we raise additional capital through the issuance of equity or convertible debt securities, the percentage ownership held by existing stockholders may be reduced, and the market price of our common stock could fall due to an increased number of shares available for sale in the market. Further, our board has the authority to establish the designation of additional shares of preferred stock that may be convertible into common stock without any action by our stockholders, and to fix the rights, preferences, privileges and restrictions, including voting rights, of such shares. Any such additional shares of preferred stock may have rights, preferences and privileges senior to those of outstanding common stock, and the issuance and conversion of any such preferred stock would further dilute the percentage ownership of our stockholders. Debt financing, if available, may involve restrictive covenants, which may limit our operating flexibility with respect to certain business matters. If we are unable to secure additional capital as circumstances require, we may not be able to fund our planned activities or continue our operations.

There is uncertainty surrounding our ability to successfully commercialize our HypoThermosol® FRS and CryoStor® biopreservation media products.

Our growth depends on our continued ability to successfully develop, commercialize and market our HypoThermosol® FRS, CryoStor®, and BloodStor® biopreservation media products. Even in markets that do not require us to 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. If we are unable to develop and sustain a market for our products, this will have a material adverse effect on our results of operations and our ability to continue and grow our business.

The success of our HypoThermosol® FRS and CryoStor® biopreservation media products is dependent, in part, on successful customer regulatory approvals and commercial success of new regenerative medicine products and therapies.

Our HypoThermosol® FRS and CryoStor® 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® FRS and CryoStor® is expected to be limited for several years. Failure of the end-products that use our biopreservation media products to receive regulatory approvals and be successfully commercialized will have an adverse effect in the demand for our products.

We face significant competition.

The life sciences industry is highly competitive. We anticipate that we will continue to face increased competition as existing companies develop new or improved products and as new companies enter the market with new technologies. 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.

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 could increase costs to us and/or have a material adverse effect on manufacturing schedules, products performance and market acceptance. In addition, an uncorrected defect or supplier's variation in a component or raw material, either unknown to us or incompatible with our manufacturing process, could harm our ability to manufacture products. We might not be able to find a sufficient alternative supplier in a reasonable time period, or on commercially reasonable terms, if at all. If we fail to obtain a supplier for the components of our products, our operations could be disrupted.

Our investment in SAVSU may be adversely impacted by the failure of SAVSU.

We own an equity interest in SAVSU, formerly referred to as the biologistex joint venture, and are a party to a revenue share agreement with SAVSU based on gross sales from customers directly obtained by BioLife from the sale of evo product in the regenerative medicine market. We only have limited control over management decisions, accordingly, our ability to generate revenue from SAVSU or profit from SAVSU will be largely dependent on the current management of SAVSU. SAVSU faces all of the inherent risks associated with the development, marketing and operation of a new product line. In addition, we face the risk that SAVSU will not be able to fulfill product orders based on our sales effort. If SAVSU fails to fulfill its obligations due to strategic business interests, financial condition or otherwise, SAVSU may be required to raise additional capital, which will dilute our ownership, or SAVSU may not be able to continue its operations, in which case we may suffer losses.

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 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 were to be successfully sued related to our products, operations or other activities, we could face substantial liabilities that may exceed our resources.

We may be held liable if any of our products or operations cause injury or death. We are subject to certain litigation described under "Item 3. Legal Proceedings", and may also face other types of litigation, including those related to alleged breaches of contract or applicable laws or of our duties to third parties. We currently maintain commercial general and umbrella liability policies and a product liability insurance policy. When necessary for our products, we intend to obtain additional product liability insurance. Insurance coverage may be prohibitively expensive, may not fully cover potential liabilities or may not be available in the future. Inability to obtain sufficient insurance coverage at an acceptable cost or otherwise to protect against potential product liability claims could prevent or inhibit the commercialization of our products. If we were to be sued for any injury caused by or associated with our products or operations or in connection with other matters, or if our existing litigation proceeds, the litigation could consume substantial time and attention of our management, and the resulting liability could have a material adverse effect on us.

Regulatory or other difficulties in manufacturing could have an adverse effect upon our expenses and our product revenues.

We currently manufacture all of our biopreservation media products. The manufacture of these products is difficult, complex and highly regulated. To support our current and prospective clinical customers, we intend to comply with cGMP in the manufacture of our products. Our ability to adequately and in a timely manner manufacture and supply our biopreservation media products is dependent on the uninterrupted and efficient operation of our facilities and those of third-parties producing supplies upon which we rely in our manufacturing. The manufacture of our products may be impacted by:

- availability or contamination of raw materials and components used in the manufacturing process, particularly those for which we have no other source or supplier;
- the ongoing capacity of our facilities;
- our ability to comply with regulatory requirements, including our ability to comply with cGMP;
- inclement weather and natural disasters;
- changes in forecasts of future demand for product components;
- potential facility contamination by microorganisms or viruses;
- updating of manufacturing specifications; and
- product quality success rates and yields.

If efficient manufacture and supply of our products is interrupted, we may experience delayed shipments or supply constraints. If we are at any time unable to provide an uninterrupted supply of our products to customers, our customers may be unable to supply their end-products incorporating our products to their patients and other customers, which could materially and adversely affect our product sales and results of operations.

We are registered with FDA as a contract manufacturer. Our contract-manufacturing customers may require us to comply with cGMP requirements and may audit our compliance with cGMP standards. If a customer finds us to be out of compliance with cGMP standards, this could have a material adverse effect on our ability to retain and attract contract manufacturing customers.

If we become subject to additional regulatory requirements, the manufacture and sale of our products may be delayed or prevented, or we may become subject to increased expenses.

None of our products are subject to FDA or other regulatory approvals. In particular, we are not required to sponsor formal prospective, controlled clinical-trials in order to establish safety and efficacy. However, 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. Any such requirements could delay or prevent the sale of our products, or may subject us to additional expenses.

We may be adversely affected if we violate privacy and security regulations or suffer a data breach.

Federal and state laws protect the confidentiality of certain patient health information, including patient records, and restrict the unauthorized use and disclosure of such information. In particular, the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its implementing privacy, security, and breach notification regulations (collectively, HIPAA Standards), govern the use and disclosure of protected health information by "covered entities," which are healthcare providers that submit electronic claims, health plans and healthcare clearinghouses, as well as their "business associates" and their subcontractors. Our employee health benefit plans are considered "covered entities" and, therefore, are subject to the HIPAA Standards.

We may be adversely affected if our internal control over financial reporting fails or is circumvented.

We regularly review and update our internal controls, disclosure controls and procedures, and corporate governance policies. We are required under the Sarbanes-Oxley Act of 2002 to report annually on our internal control over financial reporting, but as a smaller reporting company we are exempt from the requirement to have our independent accountants attest to our internal control over financial reporting. If it were to be determined that our internal control over financial reporting is not effective, such shortcoming could have an adverse effect on our business and financial results and the price of our common stock could be negatively affected. This reporting requirement could also make it more difficult or more costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. Any system of internal controls, however well designed and operated, is based in part on certain assumptions and can provide only reasonable, not absolute, assurances that the objectives of the system are met. Any failure or circumvention of the controls and procedures or failure to comply with regulation concerning control and procedures could have a material effect on our business, results of operation and financial condition. Any of these events could result in an adverse reaction in the financial marketplace due to a loss of investor confidence in the reliability of our financial statements, which ultimately could negatively affect the market price of our shares, increase the volatility of our stock price and adversely affect our ability to raise additional funding. The effect of these events could also make it more difficult for us to attract and retain qualified persons to serve on our board and our board committees and as executive officers.

Risks Related to Our Intellectual Property

Expiration of our patents may subject us to increased competition and reduce or eliminate our opportunity to generate product revenue.

The patents for our products have varying expiration dates and, when these patents expire, we may be subject to increased competition and we may not be able to recover our development costs. In some of the larger economic territories, such as the United States and Europe, patent term extension/restoration may be available. We cannot, however, be certain that an extension will be granted or, if granted, what the applicable time period or the scope of patent protection afforded during any extended period will be. If we are unable to obtain patent term extension/restoration or some other exclusivity, we could be subject to increased competition and our opportunity to establish or maintain product revenue could be substantially reduced or eliminated. Furthermore, we may not have sufficient time to recover our development costs prior to the expiration of our U.S. and non-U.S. patents.

US Patent 6,045,990, which provides patent coverage relating to HypoThermosol® FRS, will expire in April 2019, and its foreign patent counterparts will expire in July 2019, reducing the barrier to entry for competition for this product, which may materially affect the pricing of HypoThermosol® FRS and our ability to retain market share. We may file extensions for this patent. We hold various trade secrets and other confidential know-how related to the manufacturing and testing of our products which limit our exposure upon the expiration of US patent 6,045,990.

Our proprietary rights may not adequately protect our technologies and products.

Our commercial success will depend on our ability to obtain patents and/or regulatory exclusivity and maintain adequate protection for our technologies and products in the United States and other countries. We will be able to protect our proprietary rights from unauthorized use by third parties only to the extent that our proprietary technologies and products are covered by valid and enforceable patents or are effectively maintained as trade secrets.

We intend to apply for additional patents covering both our technologies and products, as we deem appropriate. We may, however, fail to apply for patents on important technologies or products in a timely fashion, if at all. Our existing patents and any future patents we obtain may not be sufficiently broad to prevent others from practicing our technologies or from developing competing products and technologies. In addition, the patent positions of life science industry companies are highly uncertain and involve complex legal and factual questions for which important legal principles remain unresolved. As a result, the validity and enforceability of our patents cannot be predicted with certainty. In addition, we cannot guarantee that:

- we were the first to make the inventions covered by each of our issued patents and pending patent applications;
- we were the first to file patent applications for these inventions;
- others will not independently develop similar or alternative technologies or duplicate any of our technologies;
- any of our pending patent applications will result in issued patents;
- any of our patents will be valid or enforceable;
- any patents issued to us will provide us with any competitive advantages, or will not be challenged by third parties; and
- we will develop additional proprietary technologies that are patentable, or the patents of others will not have an adverse effect on our business.

The actual protection afforded by a patent varies on a product-by-product basis, from country to country and depends on many factors, including the type of patent, the scope of its coverage, the availability of regulatory related extensions, the availability of legal remedies in a particular country and the validity and enforceability of the patents. Our ability to maintain and solidify our proprietary position for our products will depend on our success in obtaining effective claims and enforcing those claims once granted. Our issued patents and those that may be issued in the future, or those licensed to us, may be challenged, invalidated, unenforceable or circumvented, and the rights granted under any issued patents may not provide us with proprietary protection or competitive advantages against competitors with similar products. We also rely on trade secrets to protect some of our technology, especially where it is believed that patent protection is inappropriate or unobtainable. However, trade secrets are difficult to maintain. While we use reasonable efforts to protect our trade secrets, our employees, consultants, contractors or scientific and other advisors may unintentionally or willfully disclose our proprietary information to competitors. Enforcement of claims that a third party has illegally obtained and is using trade secrets is expensive, time consuming and uncertain. In addition, non-U.S. courts are sometimes less willing than U.S. courts to protect trade secrets. If our competitors independently develop equivalent knowledge, methods and know-how, we would not be able to assert our trade secrets against them and our business could be harmed.

We may not be able to protect our intellectual property rights throughout the world.

Filing, prosecuting and defending patents on all of our products in every jurisdiction would be prohibitively expensive. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products. These products may compete with our products, and may not be covered by any patent claims or other intellectual property rights.

The laws of some non-U.S. countries do not protect intellectual property rights to the same extent as the laws of the United States, and many companies have encountered significant problems in protecting and defending such rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents and other intellectual property protection, particularly those relating to biotechnology, which could make it difficult for us to stop the infringement of our patents. Proceedings to enforce our patent rights in foreign jurisdictions could result in substantial cost and divert our efforts and attention from other aspects of our business.

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 property 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.

We may incur substantial costs as a result of litigation or other proceedings relating to patent and other intellectual property rights and we may be unable to protect our rights to, or use of, our technology.

If we choose to go to court to stop someone else from using the inventions claimed in our patents or our licensed patents, that individual or company has the right to ask the court to rule that these patents are invalid and/or should not be enforced against that third party. These lawsuits are expensive and would consume time and other resources even if we were successful in stopping the infringement of these patents. In addition, there is a risk that the court will decide that these patents are invalid or unenforceable and that we do not have the right to stop the other party from using the inventions. There is also the risk that, even if the validity or enforceability of these patents is upheld, the court will refuse to stop the other party on the grounds that such other party's activities do not infringe our rights.

If we wish to use the technology claimed in issued and unexpired patents owned by others, we will need to obtain a license from the owner, enter into litigation to challenge the validity or enforceability of the patents or incur the risk of litigation in the event that the owner asserts that we infringed its patents. The failure to obtain a license to technology or the failure to challenge an issued patent that we may require to discover, develop or commercialize our products may have a material adverse effect on us.

If a third party asserts that we infringed its patents or other proprietary rights, we could face a number of risks that could seriously harm our results of operations, financial condition and competitive position, including:

- patent infringement and other intellectual property claims, which would be costly and time consuming to defend, whether or not the claims have merit, and which could delay a product and divert management's attention from our business;
- substantial damages for past infringement, which we may have to pay if a court determines that our product or technologies infringe a competitor's patent or other proprietary rights;
- a court prohibiting us from selling or licensing our technologies unless the third party licenses its patents or other proprietary rights to us on commercially reasonable terms, which it is not required to do; and
- if a license is available from a third party, we may have to pay substantial royalties or lump-sum payments or grant cross licenses to our patents or other proprietary rights to obtain that license.

The biotechnology industry has produced a proliferation of patents, and it is not always clear to industry participants, including us, which patents cover various types of products or methods of use. The coverage of patents is subject to interpretation by the courts, and the interpretation is not always uniform. If we are sued for patent infringement, we would need to demonstrate that our products or methods of use either do not infringe the patent claims of the relevant patent, and/or that the patent claims are invalid, and/or that the patent is unenforceable and we may not be able to do this. Proving invalidity, in particular, is difficult since it requires a showing of clear and convincing evidence to overcome the presumption of validity enjoyed by issued patents.

U.S. patent laws as well as the laws of some foreign jurisdictions provide for provisional rights in published patent applications beginning on the date of publication, including the right to obtain reasonable royalties, if a patent subsequently issues and certain other conditions are met.

Because some patent applications in the United States may be maintained in secrecy until the patents are issued, because patent applications in the United States and many foreign jurisdictions are typically not published until 18 months after filing, and because publications in the scientific literature often lag behind actual discoveries, we cannot be certain that others have not filed patent applications for technology covered by our issued patents or our pending applications, or that we were the first to invent the technology.

Patent applications filed by third parties that cover technology similar to ours may have priority over our patent applications and could further require us to obtain rights to issued patents covering such technologies. If another party files a U.S. patent application on an invention similar to ours, we may elect to participate in or be drawn into an interference proceeding declared by the U.S. Patent and Trademark Office to determine priority of invention in the United States. The costs of these proceedings could be substantial, and it is possible that such efforts would be unsuccessful, resulting in a loss of our U.S. patent position with respect to such inventions. Some of our competitors may be able to sustain the costs of complex patent litigation more effectively than we can because they have substantially greater resources. In addition, any uncertainties resulting from the initiation and continuation of any litigation could have a material adverse effect on our ability to raise the funds necessary to continue our operations. We cannot predict whether third parties will assert these claims against us, or whether those claims will harm our business. If we are forced to defend against these claims, whether they are with or without any merit and whether they are resolved in favor of or against us, we may face costly litigation and diversion of management's attention and resources. As a result of these disputes, we may have to develop costly non-infringing technology, or enter into licensing agreements. These agreements, if necessary, may be unavailable on terms acceptable to us, if at all, which could seriously harm our business or financial condition.

Risks Related to our Common Stock and Other Securities

The market for our common stock is limited and our stock price is volatile.

Our common stock, traded on the NASDAQ Capital Market, 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 numerous factors, including, but not limited to:

- Future sales of our common stock or other fundraising events;
- Sales of our common stock by existing shareholders;
- Changes in our capital structure, including stock splits or reverse stock splits;
- 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; and
- Other factors outside of our control.

A significant percentage of our outstanding common stock is held by two stockholders, and these stockholders therefore have significant influence on us and our corporate actions.

As of December 31, 2016, two of our existing stockholders, Taurus4757 GmbH ("Taurus") and WAVI Holdings AG ("WAVI"), beneficially owned, collectively, approximately 61.9% of our outstanding shares. Taurus and WAVI were previously secured lenders to our Company, and the chairman of Taurus, Mr. Girschweiler, is a member of our board. Accordingly, these stockholders have had, and will continue to have, significant influence in determining the outcome of any corporate transaction or other matter submitted to the stockholders for approval, including mergers, consolidations and the sale of all or substantially all of our assets, election of directors and other significant corporate actions. In addition, without the consent of these stockholders, we could be prevented from entering into transactions that could be beneficial to us. We also have an outstanding note payable to WAVI for $3.0 million as of December 31, 2016. Subsequent to year end, on March 1, 2017, we drew down the remaining $1.0 million Advance related to the credit facility.

We may be at risk of securities class action litigation.

In the past, securities class action litigation has often been brought against a company following an extraordinary corporate action or a decline in the market price of its securities. This risk is especially relevant for us because our stock price and those of other biotechnology and life sciences companies have experienced significant stock price volatility in recent years. If we face such litigation, it could result in substantial costs and a diversion of management's attention and resources, which could harm our business. We do maintain insurance, but the coverage may not be sufficient and may not be available in all instances.

Anti-takeover provisions in our charter documents and under Delaware law could make a third-party acquisition of us difficult.

Our amended and restated certificate of incorporation and amended and restated bylaws contain provisions that may discourage unsolicited takeover proposals that stockholders may consider to be in their best interests. These provisions include the ability of our board to designate the terms of and issue new series of preferred stock without stockholder approval and to amend our bylaws without stockholder approval. Further, as a Delaware corporation, we are subject to Section 203 of the Delaware General Corporation Law, which generally prohibits a Delaware corporation from engaging in any business combination with any interested stockholder for a period of three years following the date that the stockholder became an interested stockholder, unless certain specific requirements are met as set forth in Section 203. Collectively, these provisions could make a third-party acquisition of us difficult or could discourage transactions that otherwise could involve payment of a premium over prevailing market prices for our common stock.

Future sales or the potential for future sales of our securities in the public markets may cause the trading price of our common stock to decline and could impair our ability to raise capital through future equity offerings.

Sales of a substantial number of shares of our common stock or other securities in the public markets, or the perception that these sales may occur, could cause the market price of our common stock or other securities to decline and could materially impair our ability to raise capital through the sale of additional securities. We have a substantial number of warrants exercisable to purchase shares of common stock outstanding. Many of the shares of common stock issuable upon exercise of those warrants will be freely tradable. We have agreed to use our best efforts to keep a registration statement registering the issuance and resale of many such shares effective during the term of the warrants. In addition, we have a significant number of shares of our common stock reserved for issuance pursuant to other outstanding options and rights. If such shares are issued upon exercise of options, warrants or other rights, or if we issue additional securities in a public offering or a private placement, such sales or any resales of such securities could further adversely affect the market price of our common stock. The sale of a large number of shares of our common stock or other securities also might make it more difficult for us to sell equity or equity-related securities in the future at a time and at the prices that we deem appropriate.

We do not anticipate declaring any cash dividends on our common stock.

We have never declared or paid cash dividends on our common stock and do not plan to pay any cash dividends in the near future. Our current policy is to retain all funds and earnings for use in the operation and expansion of our business.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 2. PROPERTIES

We lease approximately 30,000 square feet of property being used in current operations in our Bothell, Washington principal location which contains office, manufacturing, storage and laboratory facilities.

We consider the facilities to be in a condition suitable for their current uses. Because of anticipated growth in the business and due to the increasing requirements of customers or regulatory agencies, we may need to acquire additional space or upgrade and enhance existing space prior to the expiry of the lease in 2021. We believe that adequate facilities will be available upon the conclusion of our leases.

All of our products and services are manufactured or provided from our Bothell, Washington facility.

Additional information regarding our properties is contained in Note 10 to the Financial Statements included in this Annual Report on Form 10-K.

ITEM 3. LEGAL PROCEEDINGS

In 2007, a number of lawsuits were brought against the Company by former employees as follows:

- 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 us alleging a breach of an employment agreement and seeking damages of up to $300,000 plus attorneys' fees.

- On April 6, 2007, we were served with a complaint filed by John G. Baust, our 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 us 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 us from commencing an action against him in Delaware courts seeking damages for breaches of his fiduciary obligations to us. 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.

- On June 15, 2007, BioLife 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 controlled by John M. Baust, a former employee of the Company. John M. Baust is the son of John G. Baust; both John G. Baust's and John M. Baust's employment with BioLife was terminated on January 8, 2007. On approximately August 21, 2007, CPSI filed six counterclaims and Coraegis filed one counterclaim against BioLife. Four of the six counterclaims brought by CPSI were based on breach of contract, one was based on BioLife's alleged negligence, and one was based on BioLife's alleged malicious institution and maintenance of the lawsuit against CPSI and Coraegis. Coraegis joined in the last counterclaim against BioLife, which sought both compensatory and punitive damages.

- 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, our Chief Executive Officer and former chairman of the board, alleging, among other things, a breach of an employment agreement and defamation of character and seeking damages against us in excess of $300,000 plus attorney's fees.

These legal proceedings, which were filed almost 10 years ago, are currently in discovery. We will vigorously defend our position related to these legal proceedings.

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

Our common stock is traded on the NASDAQ Capital Market exchange under the ticker symbol "BLFS."

As of February 14, 2017, there were approximately 405 holders of record of our common stock. We have never paid cash dividends on our common stock and do not anticipate that any cash dividends will be paid in the foreseeable future.

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

	High	Low
Year ended December 31, 2016		
4th Quarter	$ 1.83	$ 1.45
3rd Quarter	2.37	1.57
2nd Quarter	1.96	1.47
1st Quarter	2.10	1.57
Year ended December 31, 2015		
4th Quarter	$ 2.48	$ 2.04
3rd Quarter	2.75	1.96
2nd Quarter	2.79	1.50
1st Quarter	2.34	1.61

Equity Compensation Plan Information

The following table sets forth information as of December 31, 2016 relating to all of our equity compensation plans:

Plan category	Number of securities to be issued upon exercise of outstanding options (in thousands)	Weighted Average exercise price of outstanding options	Number of securities remaining available for future issuance (in thousands)
Equity compensation plans approved by security holders	1,842	$ 1.96	1,634
Equity compensation plans not approved by security holders (1)	672	$ 1.28	—
Total	2,514	$ 1.78	1,634

(1) Represents shares of common stock issuable pursuant to non-plan stock option agreements entered into prior to the adoption of our 2013 Performance Incentive Plan. Prior to the adoption of our 2013 Performance Incentive Plan, we granted certain individuals stock options pursuant to stock option agreements that were not issued under a stockholder-approved plan. Each agreement entitles the holder to purchase from us a fixed number of shares of common stock at a fixed purchase price per share for a fixed period of time, which may not exceed ten (10) years. The specific terms and conditions of each option, including when the right to exercise the option vests, the number of shares subject to the option, the exercise price per share, the method of exercise, exercisability following termination, disability and death, and adjustments upon stock splits, combinations, mergers, consolidation and like events are specified in each agreement. In the event of a liquidation of the Company, or a merger, reorganization, or consolidation of the Company with any other corporation in which we are not the surviving corporation or we become a wholly-owned subsidiary of another corporation, any unexercised options shall be deemed canceled unless the surviving corporation elects to assume the options or to issue substitute options in place thereof. In the event of the forgoing, the holder will have the right to exercise the option during a ten-day period immediately prior to such liquidation, merger, or consolidation.

Recent Sales of Unregistered Securities

On August 8, 2016, the Company issued 142,856 shares of common stock of the Company pursuant to the exercise of outstanding warrants at an exercise price of $0.84 per share.

On October 17, 2016, the Company issued Life Sci Advisors 84,375 shares of our common stock as compensation for services.

The foregoing transactions were exempt from registration pursuant to Section 4(a)(2) of the Securities Act.

Issuer Repurchases of Equity Securities

Not applicable.

ITEM 6. SELECTED FINANCIAL DATA

Not applicable.

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

Forward-Looking Statements

This Annual Report on Form 10-K contains “forward-looking statements”. These forward-looking statements involve a number of risks and uncertainties. We caution readers that any forward-looking statement is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statement. These statements are based on current expectations of future events. Such statements include, but are not limited to, statements about future financial and operating results, plans, objectives, expectations and intentions, revenues, costs and expenses, interest rates, outcome of contingencies, business strategies, regulatory filings and requirements, performance and market acceptance of our products, the estimated potential size of markets, capital requirements, the terms of any capital financing agreements and other statements that are not historical facts. You can find many of these statements by looking for words like “believes,” “expects,” “anticipates,” “estimates,” “may,” “should,” “will,” “could,” “plan,” “intend,” or similar expressions in this Annual Report on Form 10-K. We intend that such forward-looking statements be subject to the safe harbors created thereby.

These forward-looking statements are based on the current beliefs and expectations of our management and are subject to significant risks and uncertainties. If underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results may differ materially from current expectations and projections. Factors that might cause such a difference include those discussed under "Risk Factors," as well as those discussed elsewhere in the Annual Report on Form 10-K.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Annual Report on Form 10-K or, in the case of documents referred to or incorporated by reference, the date of those documents.

All subsequent written or oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We do not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of this Annual Report on Form 10-K or to reflect the occurrence of unanticipated events, except as may be required under applicable U.S. securities law. If we do update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

Recent Developments

Restructuring of biologistex Joint Venture

Contribution Agreement:

On December 31, 2016, we entered into a Contribution Agreement (the "Contribution Agreement") with Savsu Technologies, LLC, a Delaware limited liability company ("STLLC") and biologistex CCM, LLC, a Delaware limited liability company ("biologistex" or "SAVSU"). The closing of the transactions contemplated by the Contribution Agreement occurred on December 31, 2016 (the "Closing Date"), simultaneously with the entrance into the Contribution Agreement.

Biologistex is a joint venture entered into by the Company and STLLC on or about September 29, 2014 for the purpose of acquiring, developing, maintaining, owning, operating, leasing and selling an integrated platform of a cloud-based information service and precision thermal shipping products based on STLLC's next generation EVO smart container shipment platform. Prior to the Closing Date, biologistex was owned 52% by the Company and 48% by STLLC.

Pursuant to the Contribution Agreement, STLLC contributed certain of its patent and trademark rights, personal property and related contracts to biologistex in exchange for the issuance from biologistex to STLLC of an additional 7% membership interest in biologistex, so that upon the closing thereunder, STLLC owned 55% of biologistex and the Company owned 45% of biologistex. Other than liabilities for obligations to be performed pursuant to the contracts which were contributed to biologistex by STLLC, biologistex did not assume any liabilities of STLLC in connection with the Contribution Agreement.

In connection with the Contribution Agreement, we (i) contributed to biologistex as a capital contribution outstanding loans owed by biologistex to the Company in the aggregate amount of $6,557,776 and (ii) terminated any requirement which the Company may have had to purchase any additional inventory from STLLC or contribute any inventory to biologistex.

In addition, pursuant to the Contribution Agreement, the Company agreed that it will transfer to STLLC (i) on the first anniversary of the Closing Date, 11.11% of its membership interest in biologistex owned as of the Closing Date, such that on the first anniversary of the Closing Date the Company will own 40% of biologistex (assuming that there are no other issuances or transfers of biologistex equity interests after the Closing Date), and (ii) on the second anniversary of the Closing Date, 33.33% of its membership interest in biologistex owned as of the Closing Date, such that on the second anniversary of the Closing Date the Company will own 25% of biologistex (assuming that there are no other issuances or transfers of biologistex equity interests after the Closing Date). However, if certain liquidity events, such as change in control or initial public offering, occur with respect to biologistex between the second anniversary and third anniversary of the Closing Date, STLLC will pay to the Company an amount of the net proceeds therefrom as if the Company had only transferred to STLLC on the second anniversary of the Closing Date an amount of membership interests in biologistex equal to 11.11% of the Company's membership interest in biologistex owned as of the Closing Date, such that the Company would be treated for such purposes as if it owned 35% of biologistex (assuming that there are no other issuances or transfers of biologistex equity interests after the Closing Date).

Restructuring Amended and Restated Biologistex Operating Agreement:

In connection with the Contribution Agreement, on the Closing Date, the Company, STLLC and biologistex entered into an Amended and Restated Operating Agreement of biologistex (the "Amended JV Operating Agreement"), amending and restating the limited liability company operating agreement of biologistex initially entered into by such parties on September 29, 2014. The Amended JV Operating Agreement provides that as of the Closing Date, biologistex's membership interests are owned 45% by the Company and 55% by STLLC.

Pursuant to the Amended JV Operating Agreement, biologistex will be managed by a three member management committee, initially consisting of Dana Barnard and Bruce McCormick, both designated by STLLC, and Michael Rice, designated by the Company (the "Management Committee"). Certain fundamental actions by the Management Committee require approval of members holding at least 60% of the membership interests of biologistex (including both STLLC and the Company). Biologistex's membership interests are also subject to transfer restrictions in the Amended JV Operating Agreement, including drag-along and tag-along rights.

Services Agreement:

In connection with the Contribution Agreement, on the Closing Date, the Company and biologistex entered into a Services Agreement (the "Services Agreement") whereby the Company will provide certain sales and marketing services to biologistex in exchange for payment by biologistex to the Company of (i) a cash fee for the first year of the contract only in the amount of $100,000, (ii) a commission (the "Commissions"), paid quarterly, equal to 20% of the gross revenues of biologistex from any customer account resulting from sales activity or a marketing lead generated by the Company ("BioLife Customer Revenue"), and (iii) reimbursement of pre-approved reasonable direct costs and expenses incurred by the Company by or on behalf of biologistex in connection with the services. After the third anniversary of the Closing Date, the Commissions will decrease to 10% of the BioLife Customer Revenue.

The Services Agreement continues until terminated by either party. The Services Agreement can be terminated (a) by mutual agreement, (b) beginning 90 days prior to the third anniversary of the Closing Date, by either party with 90 days' notice, (c) by biologistex with 90 days' notice if (i) there are certain changes to the management of the Company or its subsidiaries, (ii) the Company transfers all of its equity interests in biologistex or (iii) there is a change of control of the Company, (d) by the Company with 90 days' notice if (i) STLLC transfers all of its equity interest in biologistex or (ii) there is a change of control of STLLC or (e) by either party (i) for a material breach of the Services Agreement by the other party that is not cured within 30 days or (ii) if the other party is subject to certain bankruptcy/insolvency events. If the Services Agreement is terminated by biologistex under items (b) or (c) of the preceding sentence, or by the Company under items (d) or (e) of the preceding sentence, the Company will be entitled to receive Commissions equal to 10% of the BioLife Customer Revenue during the 12 month period following such termination.

Credit Facility

On May 12, 2016, we entered into a $4 million unsecured credit facility (the "Original Note") with our largest shareholder, WAVI. Under the related commitment letter, WAVI has agreed to make a series of four $1 million advances on June 1, 2016, September 1, 2016, December 1, 2016 and March 1, 2017. The Original Note is unsecured, carries an annual interest rate of 10%, and matures on June 1, 2017. In addition, we have agreed not to permit any liens on our assets, subject to certain exceptions. As partial compensation for WAVI entering into the commitment letter, we issued WAVI a detachable common stock purchase warrant exercisable to purchase up to 550,000 shares of common stock at an exercise price of $1.75 per share. The warrant expires on May 12, 2021.

Amendment of Credit Facility

On January 9, 2017, the Company issued an amended and restated promissory note (the "Note") to WAVI. The Note, which amends and restates the Original Note, extends the maturity date of the Note from June 1, 2017 to June 1, 2022 and includes a long-term repayment schedule as follows: beginning September 1, 2017 to June 1, 2018, the Company will make four quarterly cash interest only payments of $106,250 and from September 1, 2018 through June 1, 2022, the Company will make quarterly cash principal payments of $265,625, in addition to ongoing interest payments. All other terms of the Original Note, including the $4 million principal amount of the Note and the 10% per annum interest rate on the Original Note, remain the same.

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.

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 manufacturing, distribution and clinical administration.

Results of Operations

Overview for 2016

In 2016, we reported financial results that were consistent with the continued execution of our long-term plans. We believe we are the market leader for pre-formulated, clinical grade biopreservation media products. 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. Our products continue to be widely adopted by this segment. We believe that our products have been incorporated in over 250 applications for new cell and tissue-based regenerative medicine products and therapies.

We continue to implement strategies that will increase awareness of the need for improved biopreservation and, through SAVSU, cold chain logistics monitoring and tracking.

Our strategies to achieve this objective include:

Utilize Existing Biopreservation Media Sales, Distribution and Manufacturing Infrastructure. We have developed a direct sales and distribution network for our products which we utilize to expand sales to existing customers and to gain additional customers. We believe that our products have been incorporated into over 250 applications for new cell and tissue-based regenerative medicine products and therapies. A significant number involve CAR-T cells and other types of T cells and mesenchymal stem cells targeting blood cancers, solid tumors and other leading causes of death and disability. In 2016, key product adoption announcements included:

- TissueGene, Inc., specializing in regenerative therapies for the treatment of various orthopedic diseases, signed a 10-year supply agreement with for CryoStor® use in Invossa™ Osteoarthritis Cell-Mediated Gene Therapy. TissueGene will be entering a Phase 3 clinical trial for Invossa, an allogeneic cell therapy for osteoarthritis of the knee.

- Promethera Biosciences, a clinical stage biopharmaceutical company and the global leader in cell therapy and regenerative medicine for the treatment of inborn and acquired liver diseases with no effective therapeutic cure, has embedded the Company's clinical grade CryoStor® cryopreservation freeze media into its manufacturing process for HepaStem, a cell-based treatment targeting several metabolic liver disorders such as hemophilia and large clinical indications including acute or chronic liver failure (ACLF), fibrosis and nonalcoholic steatohepatitis (NASH).

- Kolon Life Science, a developer or innovative cell and gene therapies including Invossa, incorporated CryoStor® cryopreservation freeze media into its manufacturing process for Invossa, a cell-mediated gene therapy for knee osteoarthritis to be marketed by Kolon Life Science.

- Bellicum Pharmaceuticals, a clinical stage biopharmaceutical company focused on discovering and developing first- and best-in-class cellular immunotherapies for hematological cancers and solid tumors, as well as orphan inherited blood diseases, signed a 10-year supply agreement for CryoStor® for several cellular immunotherapies targeting blood cancers and solid tumors.

- Cook MyoSite, a subsidiary of the Cook Group, developer and subsequent commercialization of technology related to the collection, selection, and expansion of human skeletal muscle cells for the treatment of a variety of disorders, embedded BioLife media products into a Phase III trial for an autologous cell therapy for treatment of female stress urinary incontinence.

- Kite Pharma, a leading developer of chimeric antigen receptor (CAR) and T cell receptor (TCR) products for various cancers, signed a 10-year supply agreement for CryoStor® for use in CAR T cell therapies.

Continuously show the scientific results of using our media products in cell and tissue storage. We are continuously testing our products internally and showing the benefits of using our media products to the scientific community. Additionally, we communicate the results of independent third party testing of our media products.

External studies: selected articles published in 2016 showing results from using our media products include:

- The article, "Successful expansion of functional and stable regulatory T Cells for immunotherapy in liver transplantation", was published in the journal Oncotarget and completed at MRC Centre for Transplantation, Division of Transplantation Immunology and Mucosal Biology, King's College London, Guy's Hospital, Great Maze Pond, London, and the Institute of Liver Studies, King's College Hospital, Denmark Hill, London. In this study, Treg cells were frozen in CryoStor, then thawed and assessed for viability and suppressive function. The authors concluded:

    - We report the enrichment of a pure, stable population of Tregs (>95% CD4+CD25+FOXP3+), reaching adequate numbers for their clinical application.
    - Our protocol proved successful in influencing the expansion of superior functional Tregs, as compared to freshly isolated cells, whilst also preventing their conversion to Th17 cells under pro-inflammatory conditions.
    - We conclude with the manufacture of the final Treg product in the clinical research facility (CRF), a prerequisite for the clinical application of these cells.

- The article, "Widespread Myocardial Delivery of Heart-Derived Stem Cells by Nonocclusive Triple-Vessel Intracoronary Infusion in Porcine Ischemic Cardiomyopathy: Superior Attenuation of Adverse Remodeling Documented by Magnetic Resonance Imaging and Histology, a study using CryoStor" was completed at Cedars-Sinai Heart Institute in Los Angeles, and Keio University School of Medicine in Tokyo, Japan. The authors concluded:

    - We have addressed a number of issues that are central to the delivery of cell therapy (safety and efficacy of stop-flow versus continuous-flow, and of single- versus triple-vessel infusion).
    - Our findings give reason to believe that global cell infusion may be a promising translational tool, particularly to treat generalized cardiac disorders.
    - These data provide preclinical validation for nonocclusive multi-vessel cell delivery, as is being utilized in the phase 2a DYNAMIC (Dilated cardiom Yopathy iNtervention with Allogeneic Myocard Iallyregenerative C ells) trial of allogeneic CDCs in patients with ischemic and non-ischemic heart failure.

Financial Performance Summary for 2016

- We grew our revenue 28% over 2015. This increase was driven by a 56% increase in revenue from the regenerative medicine market. We also drove more sales through our distributors, with an increase of 30% in revenue from distributors in 2016 compared to 2015.

- Gross margin in 2016 was 58%, compared to 59% in 2015, the margin was slightly lower due to higher overhead costs and larger write off of expired finished goods, offset by underutilization adjustments in 2015.

- Our 2016 consolidated operating expenses were $9.6 million compared to $8.8 million in 2015. The increase in expense is primarily the result of increased stock based compensation and biologistex development and marketing expenses.

- Our 2016 consolidated net loss was $8.0 million and net loss attributable to BioLife was $6.9 million. This is compared to a consolidated net loss of $5.0 million in 2015, of which $4.2 million was attributable to BioLife. The increase in the loss is primarily the result of a loss on deconsolidation related to the restructuring of the biologistex joint venture as well as increased headcount throughout most of 2016 and spending related to development and marketing activities related to the biologistex joint venture.

- Our cash and cash equivalents balance was $1.4 million at December 31, 2016 with an outstanding note payable of $3.0 million compared to $3.8 million in cash, cash equivalents and short term investments at December 31, 2015. Our cash burn decreased in 2016 compared to 2015 primarily as the result of increased cash receipts from higher sales, decreased spending on software development and decreased participation fees to STLLC; partially offset by increases in employee expenses, including severance.

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

Our revenue and gross margin for the years ended December 31, 2016 and 2015 were as follows (in thousands):

	Year Ended December 31,		
	2016	2015	% Change
Product revenue			
Core product sales	$ 8,227	$ 6,361	29%
Contract manufacturing services	—	88	(100%)
Total revenue	8,227	6,449	28%
Cost of sales	3,448	2,635	31%
Gross profit	$ 4,779	$ 3,814	25%
Gross margin %	58.1%	59.1%	

Core Product Sales. Our core products are sold through both direct and indirect channels to the customers in the biobanking, drug discovery, and regenerative medicine markets. Sales to our core customers in 2016 increased compared to 2015 due to increases in volume and a higher average selling price per liter. The increase was primarily in sales to our regenerative medicine customers and distributors, which increased 56% and 30%, respectively, in 2016 compared to 2015. Revenue from the regenerative medicine market and our distributors should increase in the next two to five years as some customers receive regulatory and marketing approvals for their clinical cell and tissue-based products.

Contract Manufacturing Services. In 2016, we recorded $0 in contract manufacturing revenue. In 2015, we recorded revenue from one contract manufacturing customer of $0.1 million. The contract with this customer was terminated in May 2015.

Cost of Sales. Cost of sales consists of raw materials, labor and overhead expenses. Cost of sales in 2016 increased compared to 2015 due to increased sales volume, higher raw material costs and write off of finished goods; partially offset by a net overutilization adjustment in 2016, whereas in 2015, we had an underutilization adjustment.

Gross Margin. Gross margin as a percentage of revenue decreased slightly to 58.1% in 2016 compared to 59.1% in 2015. Gross margin as a percentage of revenue decreased slightly in 2016, due to higher overhead costs and expired inventory adjustments.

Revenue Concentration. In 2016 and 2015, we derived approximately 12% and 10%, respectively, of our revenue from our relationship with one distributor of our products. Revenue from customers located in foreign countries represented 17% and 21% of total revenue during the years ended December 31, 2016 and 2015, respectively. All sales to foreign customers are denominated in United States dollars.

Operating Expenses

Our operating expenses for the years ended December 31, 2016 and 2015 were as follows (in thousands):

	Year Ended December 31, 2016	2015	% Change
Operating Expenses:			
Research and development	$ 2,028	$ 1,379	47%
Sales and marketing	3,010	2,584	16%
General and administrative	4,592	4,868	(6%)
Operating Expenses	9,630	8,831	9%
% of revenue	117%	137%	

Research and Development. Research and development expenses consist primarily of salaries and other personnel-related expenses, consulting and other outside services, laboratory supplies, and other costs. We expense all research and development costs as incurred with the exception of the costs associated with the development of customized internal-use software systems, which are capitalized. Research and development expenses for 2016 increased compared to 2015 due primarily to biologistex development costs, media development costs and share-based compensation expense. In 2016, we capitalized $0.7 million in costs associated with the development of our biologistex web application.

Sales and Marketing. Sales and marketing expenses consist primarily of salaries, trade association sponsorships, and other personnel-related expenses, consulting, trade shows and advertising. The increase in sales and marketing expenses in 2016 compared to 2015 was primarily due to biologistex personnel costs, share-based compensation expense and marketing costs related to biologistex, partially offset by lower recruitment costs.

General and Administrative Expenses. General and administrative expenses consist primarily of personnel-related expenses, non-cash stock-based compensation for administrative personnel and members of the board of directors, professional fees, such as accounting and legal, corporate insurance, and participation fees to STLLC related to the biologistex joint venture. The decrease in general and administrative expenses in 2016 compared to 2015 was primarily due to joint venture participation fees of $0 in 2016 compared to approximately $0.7 million in 2015, in addition, there was a reversal of the 2015 accrued bonuses in 2016 due to a later determination to pay reduced bonuses and no bonuses accrued in 2016. Offsetting these items was an increase in general and administrative costs in 2016 compared to 2015 due to share-based compensation expense and severance payouts.

Based on the restructuring of the biologistex joint venture on December 31, 2016, we expect an annual cost reduction in operating expenses between $1.6 million and $2.0 million.

Other Income (Expenses)

Interest Income. We earn interest on our money market account and short-term investments.

Interest Expense. In 2016, interest expense was related to our credit facility financing arrangement entered into in May 2016.

Amortization of Deferred Financing Costs. Amortization of deferred financing costs represented the amortization of the allocated value of the detachable warrants associated with the credit facility financing arrangement entered into in May 2016.

Write off of deferred financing costs. The write off of deferred financing costs was the write off of deferred costs related to Registration Statement on Form S-3 filed with the SEC on January 8, 2016.

Loss on disposal of property and equipment. The loss on asset disposal was the disposal of property and equipment at net book value.

Loss on deconsolidation of biologistex. As a result of our Contribution Agreement with STLLC, BioLife no longer has a controlling financial interest over the biologistex JV, as defined under ASC 810, *Consolidation*, and has deconsolidated biologistex as of December 31, 2016. This resulted in a loss on deconsolidation of $2.8 million, which includes approximately $0.1 million in related restructuring charges. The loss on deconsolidation includes derecognizing the carrying amounts of biologistex's assets and liabilities that were previously consolidated on BioLife's consolidated balance sheet and the impact recorded to the retained interest in biologistex. Subsequent to deconsolidation, BioLife accounts for ownership in SAVSU using the equity method, which has been initially reflected at the fair value of our ownership interest on BioLife's balance sheet as of December 31, 2016. See Note 1 to the Company's Consolidated Financial Statements in Item 8 of this form 10-K for additional information.

Liquidity and Capital Resources

On December 31, 2016, we had $1.4 million in cash and cash equivalents, compared to cash, cash equivalents and short term investments of $3.8 million at December 31, 2015. Based on our current expectations with respect to our revenue and expenses and the final $1.0 million Advance on the WAVI credit facility received subsequent to year end, we expect that our current level of cash and cash equivalents will be sufficient to meet our liquidity needs for the next twelve months. If our revenues do not grow as expected and if we are not able to manage expenses sufficiently, including required payment pursuant to the terms of the Note issued to WAVI, we may be required to obtain additional equity or debt financing. In addition, we currently have an S-3 registration statement filed with the SEC to potentially raise more capital.

We continue to monitor and evaluate opportunities to strengthen our balance sheet and competitive position over the long term. These actions may include acquisitions or other strategic transactions that we believe would generate significant advantages and substantially strengthen our business. The consideration we pay in such transactions may include, among other things, shares of our common stock, other equity or debt securities of our Company or cash. We may elect to seek debt or equity financing in anticipation of, or in connection with, such transactions or to fund or invest in any operations acquired thereby. We may also seek equity or debt financing opportunistically for these purposes if we believe that market conditions are conducive to obtaining such financing.

Net Cash Used In Operating Activities

During the year ended December 31, 2016, we used $4.3 million in cash from operations, compared to $5.0 million for the year ended December 31, 2015. Operating cash was primarily used to fund net losses.

Net Cash Provided by Investing Activities

Net cash provided by investing activities was $0.4 million and $4.2 million in 2016 and 2015, respectively. The primary source of cash was proceeds from the maturity of available-for-sale securities, net of purchases. In addition, during 2016, we used $1.1 million in cash related to the development of the biologistex software system and $0.1 million related to purchases of equipment. In 2015, we used $1.3 million related to the development of the biologistex software system and $0.1 million related to purchases of equipment.

Net Cash Provided by Financing Activities

Net cash provided by financing activities was $3.2 million and $0.4 million in 2016 and 2015, respectively. In 2016, cash provided by financing activities was the result of borrowings of $3.0 million from our Credit Facility Agreement and $0.3 million from exercises of warrants and stock options. In 2016, we used $0.1 million in cash related to costs associated with potential stock offering, including, filing an S-3 registration statement. In 2015, cash provided by financing activities was the result of proceeds from exercises of warrants and employee stock options.

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 believe 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, 2013 to 2016.

Internal Use Software

We capitalize costs associated with the development of the biologistex web and mobile applications, which we consider internal-use software. Capitalization of costs began in the first quarter of 2015, when we reached the application development stage. Such capitalized costs include external direct costs utilized in developing or obtaining the applications and payroll and payroll-related expenses for employees, who are directly associated with the development of the applications. We capitalized internal use software costs of $2.4 million and $1.7 million at the end of 2016 and 2015, respectively. Based on the deconsolidation of biologistex, effective December 31, 2016, there is no internal use software on our balance sheet as of December 31, 2016.

Off-Balance Sheet Arrangements

As of December 31, 2016, we did not have any off-balance sheet arrangements.

Contractual Obligations

For information regarding our current contingencies and commitments, see note 10 to the consolidated financial statements included in Item 8.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Not applicable.

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 consolidated balance sheets of BioLife Solutions, Inc. and Subsidiary ("the Company") as of December 31, 2016 and 2015, and the related consolidated statements of operations, comprehensive loss, shareholders' equity, and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of BioLife Solutions, Inc. and Subsidiary as of December 31, 2016 and 2015, and the results of their operations and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States.

As discussed in Note 1 to the consolidated financial statements, due to the restructuring of biologistex CCM, LLC (“biologistex”) on December 31, 2016, the Company deconsolidated biologistex from its consolidated financial statements and began to account for its investment in biologistex using the equity method. Accordingly, the assets and liabilities of biologistex are not included in the consolidated balance sheet of the Company as of December 31, 2016.

/S/ PETERSON SULLIVAN LLP

Seattle, Washington
March 15, 2017

BioLife Solutions, Inc.
Consolidated Balance Sheets

	December 31, 2016	December 31, 2015
Assets		
Current assets		
Cash and cash equivalents	$ 1,405,826	$ 2,173,258
Short term investments	—	1,651,341
Accounts receivable, trade, net of allowance for doubtful accounts of $0 at December 31, 2016 and 2015	1,193,646	929,289
Inventories	1,757,784	1,834,635
Prepaid expenses and other current assets	270,814	384,414
Total current assets	4,628,070	6,972,937
Property and equipment		
Leasehold improvements	1,284,491	1,284,491
Furniture and computer equipment	650,912	557,666
Manufacturing and other equipment	922,220	1,025,521
Subtotal	2,857,623	2,867,678
Less: Accumulated depreciation	(1,670,245)	(1,421,279)
Net property and equipment	1,187,378	1,446,399
Internal use software	—	1,698,735
Intangible asset	—	2,215,385
Investment in SAVSU	2,075,000	—
Long term deposits	36,166	36,166
Total assets	$ 7,926,614	$ 12,369,622
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	$ 710,719	$ 1,029,373
Accrued expenses and other current liabilities	116,399	146,438
Accrued compensation	175,829	419,766
Deferred rent, current portion	130,216	130,216
Total current liabilities	1,133,163	1,725,793
Promissory note payable to related party, net of discount of $155,996 at December 31, 2016	2,844,004	—
Accrued interest, related party	97,857	—
Deferred rent, long term	685,450	784,458
Total liabilities	4,760,474	2,510,251
Commitments and Contingencies (Note 10)		
Shareholders' equity		
Common stock, $0.001 par value; 150,000,000 shares authorized, 12,863,824 and 12,448,391 shares issued and outstanding at December 31, 2016 and 2015	12,864	12,447
Additional paid-in capital	74,355,645	72,823,398
Accumulated other comprehensive loss	—	(451)
Accumulated deficit	(71,202,369)	(64,326,923)
Total BioLife Solutions, Inc. shareholders' equity	3,166,140	8,508,471
Total non-controlling interest equity	—	1,350,900
Total shareholders' equity	3,166,140	9,859,371
Total liabilities and shareholders' equity	$ 7,926,614	$ 12,369,622

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

BioLife Solutions, Inc.
Consolidated Statements of Operations

	Years Ended December 31,	
	2016	**2015**
Product sales	$ 8,226,992	$ 6,448,910
Cost of product sales	3,448,294	2,634,700
Gross profit	4,778,698	3,814,210
Operating expenses		
Research and development	2,028,465	1,378,807
Sales and marketing	3,009,537	2,583,731
General and administrative	4,592,235	4,868,801
Total operating expenses	9,630,237	8,831,339
Operating loss	(4,851,539)	(5,017,129)
Other income (expenses)		
Interest income	2,420	21,753
Interest expense, related party	(100,000)	—
Loss on deconsolidation of biologistex	(2,785,910)	—
Write off of deferred financing costs	(86,736)	—
Amortization of debt discount	(218,394)	—
Loss on disposal of property and equipment	(1,213)	—
Total other income (expenses)	(3,189,833)	21,753
Net Loss	(8,041,372)	(4,995,376)
Net Loss attributable to non-controlling interest	1,165,926	781,440
Net Loss attributable to BioLife Solutions, Inc.	$ (6,875,446)	$ (4,213,936)
Basic and diluted net loss per common share attributable to BioLife Solutions, Inc.	$ (0.54)	$ (0.35)
Basic and diluted weighted average common shares used to calculate net loss per common share	12,642,996	12,177,396

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

BioLife Solutions, Inc.
Consolidated Statements of Comprehensive Loss

	Years Ended December 31,	
	2016	**2016**
Net Loss	$ (8,041,372)	$ (4,995,376)
Other comprehensive income		
Unrealized gain on available-for-sale investments	451	5,997
Total other comprehensive income	451	5,997
Comprehensive Loss	$ (8,040,921)	$ (4,989,379)
Comprehensive loss attributable to non-controlling interest	1,165,926	781,440
Comprehensive Loss attributable to BioLife Solutions, Inc.	$ (6,874,995)	$ (4,207,939)

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

BioLife Solutions, Inc.
Consolidated Statements of Shareholders' Equity

	BioLife Solutions, Inc. Shareholders' Equity							
	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total BioLife Solutions, Inc. Shareholders' Equity	Non-Controlling Interest Equity	Total Shareholders' Equity
Balance, December 31, 2014	12,084,859	$ 12,084	$ 71,911,328	$ (6,448)	$ (60,112,987)	$ 11,803,977	$ 2,132,340	$ 13,936,317
Stock-based compensation			511,457			511,457		511,457
Stock options/warrant exercises	363,532	363	400,613			400,976		400,976
Other comprehensive income				5,997		5,997		5,997
Net loss					(4,213,936)	(4,213,936)	(781,440)	(4,995,376)
Balance, December 31, 2015	12,448,391	12,447	72,823,398	(451)	(64,326,923)	8,508,471	1,350,900	9,859,371
Stock-based compensation			776,994			776,994		776,994
Stock options/warrant exercises	246,164	247	246,033			246,280		246,280
Stock Issued – on vested RSUs	84,894	86	(86)			—		—
Warrants Issued with Debt - WAVI			374,390			374,390		374,390
Stock Issued for Services	84,375	84	134,916			135,000		135,000
Other comprehensive income				451		451		451
Elimination of remaining non-controlling interest equity on deconsolidation							(184,974)	(184,974)
Net loss					(6,875,446)	(6,875,446)	(1,165,926)	(8,041,372)
Balance, December 31, 2016	12,863,824	$ 12,864	$ 74,355,645	$ —	$ (71,202,369)	$ 3,166,140	$ —	$ 3,166,140

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

BioLife Solutions, Inc.
Consolidated Statements of Cash Flows

	Years Ended December 31, 2016	2015
Cash flows from operating activities		
Net loss	$ (8,041,372)	$ (4,995,376)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation	368,102	343,218
Loss on disposal of property and equipment	1,213	—
Stock-based compensation expense	776,994	511,457
Stock issued for services	135,000	—
Write off of deferred financing costs	86,736	—
Amortization of debt discount	218,394	—
Loss on deconsolidation of biologistex	2,785,910	—
Amortization of deferred rent related to lease incentives	(126,997)	(126,999)
Accretion and amortization on available for sale investments	1,792	90,125
Change in operating assets and liabilities		
(Increase) Decrease in		
Accounts receivable, trade	(264,357)	(27,666)
Inventories	(290,838)	(869,411)
Prepaid expenses and other current assets	73,255	15,192
Increase (Decrease) in		
Accounts payable	233,482	194,386
Accrued compensation and other current liabilities	(410,151)	(145,419)
Accrued interest, related party	97,857	—
Deferred rent	27,989	36,632
Net cash used in operating activities	(4,326,991)	(4,973,861)
Cash flows from investing activities		
Purchase of available-for-sale investments	—	(1,409,695)
Sales/maturities of available-for-sale investments	1,650,000	7,067,000
Costs associated with internal use software development	(1,113,675)	(1,283,685)
Purchase of property and equipment	(143,533)	(134,012)
Net cash provided by investing activities	392,792	4,239,608
Cash flows from financing activities		
Proceeds from note payable to related party	3,000,000	—
Proceeds from exercise of common stock options and warrants	278,503	368,753
Deferred costs related to potential stock issuance	(111,736)	—
Net cash provided by financing activities	3,166,767	368,753
Net decrease in cash and cash equivalents	(767,432)	(365,500)
Cash and cash equivalents - beginning of year	2,173,258	2,538,758
Cash and cash equivalents - end of year	$ 1,405,826	$ 2,173,258
Non-cash investing and financing activities		
Costs incurred for capitalized internal use software not paid as of year-end (amounts are included in liabilities)	$ —	$ 415,050
Proceeds from issuance of common stock on exercise of common stock options not received as of year-end	$ —	$ 32,223
Debt discount related to warrants	$ 374,390	$ —
Deferred costs related to stock issuance not yet paid	$ 26,975	$ —

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Organization and Significant Accounting Policies

Business

BioLife Solutions, Inc. ("BioLife," "us," "we," "our," or the "Company") is a developer, manufacturer and marketer of proprietary clinical grade cell and tissue hypothermic storage and cryopreservation freeze media. Our proprietary HypoThermosol® and CryoStor® platform of solutions are highly valued in the biobanking, drug discovery, and regenerative medicine markets. Our biopreservation media products are serum-free and protein-free, fully defined, and are formulated to reduce preservation-induced cell damage and death. Our enabling technology provides commercial companies and clinical researchers significant improvement in shelf life and post-preservation viability and function of cells, tissues, and organs. Additionally, for our direct, distributor, and contract customers, we perform custom formulation, fill, and finish services.

Recent Developments

Restructuring of biologistex Joint Venture

On December 31, 2016, we entered into a Contribution Agreement (the "Contribution Agreement") with Savsu Technologies, LLC, a Delaware limited liability company ("STLLC") and biologistex CCM, LLC, a Delaware limited liability company ("biologistex" or "SAVSU"). The closing of the transactions contemplated by the Contribution Agreement occurred on December 31, 2016 (the "Closing Date"), simultaneously with the entrance into the Contribution Agreement.

Biologistex is a joint venture entered into by the Company and STLLC on or about September 29, 2014 for the purpose of acquiring, developing, maintaining, owning, operating, leasing and selling an integrated platform of a cloud-based information service and precision thermal shipping products based on STLLC's next generation EVO smart container shipment platform. Prior to the Closing Date, biologistex was owned 52% by the Company and 48% by STLLC.

Pursuant to the Contribution Agreement, STLLC contributed certain of its patent and trademark rights, personal property and related contracts to biologistex in exchange for the issuance from biologistex to STLLC of an additional 7% membership interest in biologistex, so that upon the closing thereunder, STLLC owned 55% of biologistex and the Company owned 45% of biologistex. Other than liabilities for obligations to be performed pursuant to the contracts which were contributed to biologistex by STLLC, biologistex did not assume any liabilities of STLLC in connection with the Contribution Agreement.

In connection with the Contribution Agreement, we (i) contributed to biologistex as a capital contribution outstanding loans owed by biologistex to the Company in the aggregate amount of $6,557,776 and (ii) terminated any requirement which the Company may have had to purchase any additional inventory from STLLC or contribute any inventory to biologistex.

In addition, pursuant to the Contribution Agreement, the Company agreed that it will transfer to STLLC (i) on the first anniversary of the Closing Date, 11.11% of its membership interest in biologistex owned as of the Closing Date, such that on the first anniversary of the Closing Date the Company will own 40% of biologistex (assuming that there are no other issuances or transfers of biologistex equity interests after the Closing Date), and (ii) on the second anniversary of the Closing Date, 33.33% of its membership interest in biologistex owned as of the Closing Date, such that on the second anniversary of the Closing Date the Company will own 25% of biologistex (assuming that there are no other issuances or transfers of biologistex equity interests after the Closing Date). However, if certain liquidity events, such as change in control or initial public offering, occur with respect to biologistex between the second anniversary and third anniversary of the Closing Date, STLLC will pay to the Company an amount of the net proceeds therefrom as if the Company had only transferred to STLLC on the second anniversary of the Closing Date an amount of membership interests in biologistex equal to 11.11% of the Company's membership interest in biologistex owned as of the Closing Date, such that the Company would be treated for such purposes as if it owned 35% of biologistex (assuming that there are no other issuances or transfers of biologistex equity interests after the Closing Date).

Accounting Treatment for the Deconsolidation of biologistex:

As a result of the Contribution Agreement, we deconsolidated the biologistex joint venture from our balance sheet on December 31, 2016 and account for our investment in SAVSU using the equity method. We recognized a $2.8 million loss on deconsolidation (including approximately $0.1 million in related restructuring charges), which consisted of a $2.2 million gain on derecognizing the assets, liabilities and equity of biologistex from our consolidated financial statements and a $5.0 million loss related to the remeasurement of the retained fair value of our investment in SAVSU. We derived the fair value of our retained investment in SAVSU using level 3 measurements in the fair value hierarchy using a midpoint between a discounted cash flow analysis and a discounted price to revenues multiples. As part of the fair value analysis, we applied a range of discount rates of 30% - 50% to multiple cash flow and terminal value scenarios. An increase in discount rate would result in a decrease in fair value. In addition, we used a range of revenue multiples of 2 times revenue – 6 times revenue, which were applied to a risk adjusted revenue projection. A decrease in revenue multiple would result in a decrease in fair value.

Restructuring Amended and Restated Biologistex Operating Agreement:

In connection with the Contribution Agreement, on the Closing Date, the Company, STLLC and biologistex entered into an Amended and Restated Operating Agreement of biologistex (the "Amended JV Operating Agreement"), amending and restating the limited liability company operating agreement of biologistex initially entered into by such parties on September 29, 2014. The Amended JV Operating Agreement provides that as of the Closing Date, biologistex's membership interests are owned 45% by the Company and 55% by STLLC.

Pursuant to the Amended JV Operating Agreement, biologistex will be managed by a three member management committee, initially consisting of Dana Barnard and Bruce McCormick, both designated by STLLC, and Michael Rice, designated by the Company (the "Management Committee"). Certain fundamental actions by the Management Committee require approval of members holding at least 60% of the membership interests of biologistex (including both STLLC and the Company). Biologistex's membership interests are also subject to transfer restrictions in the Amended JV Operating Agreement, including drag-along and tag-along rights.

Services Agreement:

In connection with the Contribution Agreement, on the Closing Date, the Company and biologistex entered into a Services Agreement (the "Services Agreement") whereby the Company will provide certain sales and marketing services to biologistex in exchange for payment by biologistex to the Company of (i) a cash fee for the first year of the contract only in the amount of $100,000, (ii) a commission (the "Commissions"), paid quarterly, equal to 20% of the gross revenues of biologistex from any customer account resulting from sales activity or a marketing lead generated by the Company ("BioLife Customer Revenue"), and (iii) reimbursement of pre-approved reasonable direct costs and expenses incurred by the Company by or on behalf of biologistex in connection with the services. After the third anniversary of the Closing Date, the Commissions will decrease to 10% of the BioLife Customer Revenue.

The Services Agreement continues until terminated by either party. The Services Agreement can be terminated (a) by mutual agreement, (b) beginning 90 days prior to the third anniversary of the Closing Date, by either party with 90 days' notice, (c) by biologistex with 90 days' notice if (i) there are certain changes to the management of the Company or its subsidiaries, (ii) the Company transfers all of its equity interests in biologistex or (iii) there is a change of control of the Company, (d) by the Company with 90 days' notice if (i) STLLC transfers all of its equity interest in biologistex or (ii) there is a change of control of STLLC or (e) by either party (i) for a material breach of the Services Agreement by the other party that is not cured within 30 days or (ii) if the other party is subject to certain bankruptcy/insolvency events. If the Services Agreement is terminated by biologistex under items (b) or (c) of the preceding sentence, or by the Company under items (d) or (e) of the preceding sentence, the Company will be entitled to receive Commissions equal to 10% of the BioLife Customer Revenue during the 12 month period following such termination.

Credit Facility

On May 12, 2016, we entered into a $4 million unsecured credit facility (the "Original Note") with our largest shareholder, WAVI Holdings, AG ("WAVI"). Under the related commitment letter, WAVI has agreed to make a series of four $1 million advances on June 1, 2016, September 1, 2016, December 1, 2016 and March 1, 2017. The Original Note is unsecured, carries an annual interest rate of 10%, and matures on June 1, 2017. In addition, we have agreed not to permit any liens on our assets, subject to certain exceptions. As partial compensation for WAVI entering into the commitment letter, we issued WAVI a detachable common stock purchase warrant exercisable to purchase up to 550,000 shares of common stock at an exercise price of $1.75 per share. The warrant expires on May 12, 2021.

Amendment of Credit Facility

On January 9, 2017, the Company issued an amended and restated promissory note (the "Note") to WAVI. The Note, which amends and restates the Original Note, extends the maturity date of the Note from June 1, 2017 to June 1, 2022 and includes a long-term repayment schedule as follows: beginning September 1, 2017 to June 1, 2018, the Company will make four quarterly cash interest only payments of $106,250 and from September 1, 2018 through June 1, 2022, the Company will make quarterly cash principal payments of $265,625, in addition to ongoing interest payments. All other terms of the Original Note, including the $4 million principal amount of the Note and the 10% per annum interest rate on the Original Note, remain the same.

Principles of Consolidation

The consolidated financial statements as of and for the year ended December 31, 2015 and the results of operations for 2016 up to December 31, 2016 include the accounts of the Company and its previously majority-owned subsidiary, biologistex. All intercompany balances and transactions have been eliminated in consolidation. On December 31, 2016 we deconsolidated biologistex and began to report our ownership interest of biologistex using the equity method of accounting based on the fair value of our ownership interest in biologistex at the time of the transaction.

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, excluding, unvested restricted stock 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, 2016 and 2015 since the effect is anti-dilutive due to the Company's net losses. Common stock equivalents include unvested restricted stock, 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, 2016 and 2015:

	2016	2015
Basic and diluted weighted average common stock shares outstanding	12,642,996	12,177,396
Potentially dilutive securities excluded from loss per share computations:		
Common stock options	2,513,861	2,555,263
Common stock purchase warrants	7,603,141	7,195,997
Unvested Restricted Stock	98,439	—

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.

No cash was paid for either interest expense or income taxes for the years ended December 31, 2016 and 2015.

Investment Securities

At December 31, 2015, the Company's investments consisted primarily of commercial paper, corporate debt, and other debt securities. Investments are classified as available-for-sale and are reported at fair value based on quoted market prices with unrealized gains and losses, net of applicable taxes, recorded in accumulated other comprehensive income (loss), a component of shareholders' equity. The realized gains and losses for available-for-sale securities are included in other income and expense in the Consolidated Statements of Operations. Realized gains and losses are calculated based on the specific identification method.

The Company monitored its investment portfolio for impairment on a periodic basis. When the amortized cost basis of an investment exceeds its fair value and the decline in value is determined to be an other-than-temporary decline, and when the Company does not intend to sell the debt security and it is not more likely than not that the Company will be required to sell the debt securities prior to recovery of its amortized cost basis, the Company records an impairment charge in the amount of the credit loss and the balance, if any, to other comprehensive income (loss).

The Company had no short term investments as of December 31, 2016.

Equity Method Investments

At December 31, 2016, we account for our investment in SAVSU using the equity method of accounting as we have ability to exercise significant influence, but not control, over operating and financial policies of SAVSU. Judgment regarding the level of influence over the equity method investments includes considering key factors such as the Company's ownership interest, representation on the Management Committee, participation in policy-making decisions and material intercompany transactions. Our retained investment in SAVSU was initially recorded at fair value as of December 31, 2016 and our proportionate share of the net income or loss as reported by SAVSU is included in consolidated net loss, which had no activity as of December 31, 2016. As of December 31, 2016, SAVSU had current assets and total assets of $0.5 million and $3.2 million, respectively. As of December 31, 2016, SAVSU had no material liabilities. The carrying value of our investment in SAVSU is in excess of the underlying equity in net assets of SAVSU as of December 31, 2016, due to the company’s investment recorded at fair value while the underlying net assets of SAVSU are recorded at historical cost. Net assets of SAVSU include significant unrecorded internally developed intangibles contributed by STLLC at December 31, 2016.

Inventories

Inventories represent biopreservation solutions, raw materials used to make biopreservation solutions 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

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

Intangible asset

At December 31, 2015, our intangible asset represented exclusive distribution rights to STLLC’s Smart Containers associated with our biologistex CCM, LLC joint venture discussed previously. The intangible asset was recorded at its fair value of $2,215,385 at the date contributed to the joint venture by STLLC. We reviewed the intangible asset for impairment whenever an impairment indicator exists. We assessed recoverability by determining whether the carrying value of such asset will be recovered through the undiscounted expected future cash flows. If the future undiscounted cash flows are less than the carrying amount of these assets, we would recognize an impairment loss based on any excess of the carrying amount over the fair value of the assets. The intangible asset was not amortized due to no sales generated from the biologistex joint venture.

The Company had no intangible assets as of December 31, 2016 due to the deconsolidation of biologistex.

Internal Use Software

We capitalized costs associated with the development of the biologistex web and mobile applications, which we considered internal-use software. Capitalization of costs began in the first quarter of 2015, when we reached the application development stage. Such capitalized costs included external direct costs utilized in developing or obtaining the applications and payroll and payroll-related expenses for employees, who are directly associated with the development of the applications. Capitalization ceases once we have completed all substantial testing, at which time the applications are complete and ready for their intended use. The Company did not amortize any software development costs due to no sales generated from the biologistex joint venture.

In 2016 and 2015, we capitalized $0.7 million and $1.7 million, respectively, in costs related to the development of the biologistex web and mobile applications. Maintenance and enhancement costs were expensed as incurred, unless such costs relate to substantial upgrades and enhancements to the software that result in added functionality, in which case the costs are capitalized.

The Company had no internal use software as of December 31, 2016 due to the deconsolidation of biologistex.

Deferred rent

For our operating leases, we recognize rent expense on a straight-line basis over the terms of the leases and, accordingly, we record the difference between cash rent payments and the recognition of rent expense as a deferred rent liability. Landlord-funded leasehold improvements, to the extent the improvements are not landlord property upon lease termination, are also recorded as deferred rent liabilities and are amortized as a reduction of rent expense over the non-cancelable term of the related operating lease.

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. We may also receive fees from our contract manufacturing customers for validation of the manufacturing process. This typically occurs prior to production for those customers and revenue is recognized upon successful completion of all obligations related to the validation process.

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, 2013 to 2016.

Advertising

Advertising costs are expensed as incurred and totaled $74,916 and $69,091 for the years ended December 31, 2016 and 2015, respectively.

Fair value of financial instruments

The principal balance of the note payable and related accrued interest approximate their fair value (determined based on level 3 inputs in the fair value hierarchy) because the interest rate of the note payable approximates 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, 2016 and 2015 this is the Company's only operating unit and segment.

Concentrations of credit risk and business risk

In 2016 and 2015, we derived approximately 12% and 10%, respectively, of our revenue from our relationship with one distributor of our products. Revenue from customers located in foreign countries represented 17% and 21% of total revenue during the years ended December 31, 2016 and 2015, respectively. All revenue from foreign customers are denominated in United States dollars. At December 31, 2016, three customers accounted for 45% of gross accounts receivable. At December 31, 2015, three customers accounted for 53% of gross accounts receivable.

Research and development

Research and development costs are expensed as incurred.

Stock Based Compensation

We use the Black-Scholes option pricing model as our method of valuation for stock option awards. Restricted stock unit grants are valued at the fair value of our common stock on the date of grant. 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 stock option 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 stock option 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 at the date of grant is determined under the Black-Scholes option pricing model. During the years ended December 31, 2016 and 2015, the following weighted-average assumptions were used:

Assumptions	2016	2015
Risk-free rate	1.51%	1.77%
Annual rate of dividends	—	—
Historical volatility	75%	105.20%
Expected life	7.0 years	7.0 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 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 year ended December 31, 2016 was 8.1% and in 2015 was 7.0%. 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

In August 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2016-15, Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments (ASU 2016-15). The updated guidance clarifies how companies present and classify certain cash receipts and cash payments in the statement of cash flows. Adoption of ASU 2016-15 is required for fiscal reporting periods beginning after December 15, 2017, including interim reporting periods within those fiscal years with early adoption being permitted. We do not expect the adoption of ASU 2016-15 to have a material impact on our consolidated financial statements.

In March 2016, the FASB issued Accounting Standards Update No. 2016-09, Compensation-Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting (ASU-2016-09). The updated guidance simplifies and changes how companies account for certain aspects of share-based payment awards to employees, including accounting for income taxes, forfeitures, and statutory tax withholding requirements, as well as classification of certain items in the statement of cash flows. Adoption of ASU 2016-09 is required for fiscal reporting periods beginning after December 15, 2016, including interim reporting periods within those fiscal years with early adoption being permitted. The Company is currently evaluating the potential impact of the pending adoption of ASU 2016-09 on its consolidated financial statements.

In February 2016, the FASB issued Accounting Standards Update No. 2016-02, Leases: Topic 842 (ASU 2016-02) that replaces existing lease guidance. The new standard is intended to provide enhanced transparency and comparability by requiring lessees to record right-of-use assets and corresponding lease liabilities on the balance sheet. Under the new guidance, leases will continue to be classified as either finance or operating, with classification affecting the pattern of expense recognition in the Consolidated Statements of Operations. Lessor accounting is largely unchanged under ASU 2016-02. Adoption of ASU 2016-02 is required for fiscal reporting periods beginning after December 15, 2018, including interim reporting periods within those fiscal years with early adoption being permitted. The new standard is required to be applied with a modified retrospective approach to each prior reporting period presented with various optional practical expedients. The Company is currently evaluating the potential impact of the pending adoption of ASU 2016-02 on its consolidated financial statements.

In January 2016, the FASB issued Accounting Standards Update No. 2016-01, Recognition and Measurement of Financial Assets and Financial Liabilities: Topic 825 (ASU 2016-01). The updated guidance enhances the reporting model for financial instruments, which includes amendments to address aspects of recognition, measurement, presentation and disclosure. Adoption of ASU 2016-01 is required for fiscal reporting periods beginning after December 15, 2017, including interim reporting periods within those fiscal years. The Company does not expect adoption of ASU 2016-01 to have a material impact on its consolidated financial statements.

In November 2015, the FASB issued Accounting Standards Update No. 2015-17, Balance Sheet Classification of Deferred Taxes: Topic 740 (ASU 2015-17). Current GAAP requires the deferred taxes for each jurisdiction to be presented as a net current asset or liability and net noncurrent asset or liability. This requires a jurisdiction-by-jurisdiction analysis based on the classification of the assets and liabilities to which the underlying temporary differences relate, or, in the case of loss or credit carryforwards, based on the period in which the attribute is expected to be realized. Any valuation allowance is then required to be allocated on a pro rata basis, by jurisdiction, between current and noncurrent deferred tax assets. The new guidance requires that all deferred tax assets and liabilities, along with any related valuation allowance, be classified as noncurrent on the balance sheet. As a result, each jurisdiction will now only have one net noncurrent deferred tax asset or liability. The guidance does not change the existing requirement that only permits offsetting within a jurisdiction. Adoption of ASU 2015-17 is required for fiscal reporting periods beginning after December 15, 2016, including interim reporting periods within those fiscal years, and either prospective or retrospective application is permitted. Early adoption of ASU 2015-17 is permitted. At the time of adoption, all of the Company's deferred tax assets and liabilities, along with any related valuation allowance, will be classified as noncurrent on its Consolidated Balance Sheet. The Company does not expect adoption of ASU 2015-17 to have a material impact on its consolidated financial statements.

In July 2015, the FASB issued ASU No. 2015-11, Simplifying the Measurement of Inventory: Topic 330 (ASU 2015-11). Topic 330 currently requires an entity to measure inventory at the lower of cost or market. Market could be replacement cost, net realizable value, or net realizable value less an approximately normal profit margin. ASU 2015-11 requires that inventory measured using either the first-in, first-out (FIFO) or average cost method be measured at the lower of cost and net realizable value. Net realizable value is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. Adoption of ASU 2015-11 is required for fiscal reporting periods beginning after December 15, 2016, including interim reporting periods within those fiscal years. The Company does not expect adoption of ASU 2015-11 to have a material impact on its consolidated financial statements.

On May 28, 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers, Topic 606, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either the retrospective or cumulative effect transition method. Early adoption is not permitted. The updated standard becomes effective for us in the first quarter of fiscal 2018. The Company does not expect adoption of ASU 2014-09 to have a material impact on its consolidated financial statements.

With the exception of the new standards discussed above, there have been no new accounting pronouncements not yet effective that have significance, or potential significance, to our Consolidated Financial Statements.

2. Accumulated Other Comprehensive Loss

The following table shows the changes in Accumulated Other Comprehensive Loss by component for the years ended December 31, 2016 and 2015:

	2016	2015
Beginning balance	$ (451)	$ (6,448)
Unrealized Gain on investments, current period	451	5,997
Ending balance	$ —	$ (451)

3. Fair Value Measurement

In accordance with FASB ASC Topic 820, "Fair Value Measurements and Disclosures," ("ASC Topic 820"), the Company measures its cash and cash equivalents and short term investments at fair value on a recurring basis. ASC Topic 820 clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, ASC Topic 820 establishes a three-tier value fair hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 – Observable inputs that reflect quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than quoted prices included in Level 1 for similar assets or liabilities, quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the related assets or liabilities.

Level 3 – Unobservable data points for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability.

As of December 31, 2016 and 2015, the Company does not have liabilities that are measured at fair value.

The following tables set forth the Company's financial assets measured at fair value on a recurring basis as of December 31, 2016 and December 31, 2015, based on the three-tier fair value hierarchy:

As of December 31, 2016	Level 1	Level 2	Total
Bank deposits	$ 1,352,541	$ —	$ 1,352,541
Money market funds	53,285	—	53,285
Cash and cash equivalents	1,405,826	—	1,405,826
Total	$ 1,405,826	$ —	$ 1,405,826

As of December 31, 2015	Level 1	Level 2	Total
Bank deposits	$ 440,809	$ —	$ 440,809
Money market funds	1,732,449	—	1,732,449
Cash and cash equivalents	2,173,258	—	2,173,258
Corporate debt securities	1,401,453	—	1,401,453
Commercial paper	249,888	—	249,888
Short term investments	1,651,341	—	1,651,341
Total	$ 3,824,599	$ —	$ 3,824,599

The fair values of bank deposits, money market funds, corporate debt securities and commercial paper classified as Level 1 were derived from quoted market prices as active markets for these instruments exist. The Company has no Level 2 or Level 3 financial assets. The Company did not have any transfers between Level 1 and Level 2 of the fair value hierarchy during the years ended December 31, 2016 and 2015.

4. Short Term Investments

The company had no short term investments as of December 31, 2016.

The amortized cost and fair value of short term investments as of December 31, 2015 were as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Corporate debt securities	$ 1,401,904	$ —	$ (451)	$ 1,401,453
Commercial paper	249,888	—	—	249,888
Total marketable securities	$ 1,651,792	$ —	$ (451)	$ 1,651,341

As of December 31, 2015, there were no short term investments, classified and accounted for as available-for-sale securities that have been in a continuous unrealized loss position in excess of twelve months.

As of December 31, 2015, the amortized cost and fair value of short term investments by contractual maturity were as follows:

	Amortized Cost	Fair Value
Due in 1 year or less	$ 1,651,792	$ 1,651,341
Total marketable securities	$ 1,651,792	$ 1,651,341

5. Inventories

Inventories consist of the following at December 31, 2016 and 2015:

	2016	2015
Raw materials	$ 531,053	$ 299,952
Work in progress	370,740	666,124
Finished goods	855,991	868,559
Total	$ 1,757,784	$ 1,834,635

6. Deferred Rent

Deferred rent consists of the following at December 31, 2016 and 2015:

	2016	2015
Landlord-funded leasehold improvements	$ 1,124,790	$ 1,124,790
Less accumulated amortization	(502,527)	(375,530)
Total (current portion $130,216 at December 31, 2016 and 2015)	622,263	749,260
Straight line rent adjustment	193,403	165,414
Total deferred rent	$ 815,666	$ 914,674

During the years ended December 31, 2016 and 2015, the Company recorded $126,997 and $126,999, respectively, in deferred rent amortization of landlord funded leasehold improvements.

In addition, during the years ended December 31, 2016 and 2015, the Company recorded deferred rent of $27,989 and $36,632, which represented the difference between cash rent payments and the recognition of rent expense on a straight-line basis over the terms of the lease.

7. Income Taxes

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

	2016	2015
Federal tax (benefit) on consolidated net loss at statutory rate	$ (2,734,067)	$ (1,698,428)
Change in valuation allowance	38,090	1,430,291
Add back tax benefit on loss attributable to non-controlling interest in subsidiary	396,415	265,690
Book loss related to joint venture deconsolidation	900,910	—
Basis limited on joint venture loss	429,450	—
Basis difference related to investment in joint venture	705,500	—
Discrete due to joint venture deconsolidation	245,854	—
Other	17,848	2,447
Benefit for income taxes, net	$ —	$ —

At December 31, 2016 and 2015, the components of the Company's deferred taxes are as follows:

	2016	2015
Deferred tax assets (liabilities)		
Net operating loss carryforwards	$ 11,956,967	$ 11,080,303
Accrued compensation	35,249	120,344
Depreciation	46,975	21,835
Section 263a inventory adjustment	43,787	79,110
Stock-based compensation	765,928	565,349
Suspended loss in joint venture	—	246,241
Outside basis difference in joint venture	(705,500)	—
Other	33,189	25,323
Total	12,176,595	12,138,505
Less: Valuation allowance	(12,176,595)	(12,138,505)
Net deferred tax asset	$ —	$ —

The Company has the following net operating loss tax carryforwards available at December 31, 2016:

Year of Expiration	Net Operating Losses
2018	$ 1,425,000
2019	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
2032	437,000
2033	37,000
2034	6,409,000
2035	3,093,000
2036	2,616,000
Total	$ 35,168,000

Based on historical losses and potential future changes in the ownership of the Company, the utilization of such loss and tax credit carryforwards could be substantially limited.

8. Warrants

The following table summarizes warrant activity for the years ended December 31, 2016 and 2015:

	Year Ended December 31, 2016		Year Ended December 31, 2015	
	Shares	Wtd. Avg. Exercise Price	Shares	Wtd. Avg. Exercise Price
Outstanding at beginning of year	7,195,997	$ 4.60	7,428,141	$ 4.49
Granted	550,000	1.75	—	—
Exercised	(142,856)	0.84	(232,144)	1.03
Forfeited/Expired	—	—	—	—
Outstanding and exercisable at end of year	7,603,141	$ 4.46	7,195,997	$ 4.60

On May 12, 2016, we issued 550,000 warrants with an exercise price of $1.75 and an expiration date of May 12, 2021 in connection with the credit facility agreement. See Note 1 "Organization and Significant Accounting Policies – Recent Developments – Credit Facility" for more information.

The outstanding warrants have expiration dates between May 2017 and May 2021.

9. Stock-Based Compensation

Stock Compensation Plans

Our stock-based compensation programs are long-term retention programs that are intended to attract, retain and provide incentives for talented employees, officers and directors, and to align stockholder and employee interests. We have the following stock-based compensation plans and programs:

During 1998, we adopted the 1998 Stock Option Plan (the "1998 Plan"). An aggregate of 285,714 shares of common stock were reserved for issuance upon the exercise of options granted under the 1998 Plan. In September 2005, the shareholders approved an increase in the number of shares available for issuance to 714,285 shares. The 1998 Plan expired on August 31, 2008. The options are exercisable for up to ten years from the grant date. As of December 31, 2016, there were outstanding options to purchase 209,997 share of Company common stock under the 1998 Plan.

Subsequent to the expiration of the 1998 Plan, the Company issued, outside of the 1998 Plan, non-incentive stock options for an aggregate of 1,243,584 shares of Company common stock. Of this amount, 672,247 remain outstanding at December 31, 2016.

During 2013, we adopted the 2013 Performance Incentive Plan (the "2013 Plan"), which allows us to grant options or restricted stock units to all employees, including executive officers, outside consultants and non-employee directors. An aggregate of 3.1 million shares of common stock are reserved for issuance upon the exercise of options granted under the 2013 Plan. Option vesting periods are generally four years for the 2013 Plan. Options granted under this plan generally expire ten years from the effective date of grant. As of December 31, 2016, there were outstanding options to purchase 1,631,617 shares of Company common stock and 98,439 unvested restricted stock awards outstanding under the 2013 Plan.

Issuance of Shares

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

Stock Option Activity

The following is a summary of stock option activity under our stock option plans for 2016 and 2015, and the status of stock options outstanding at December 31, 2016 and 2015:

	Year Ended December 31, 2016		Year Ended December 31, 2015	
	Shares	Wtd. Avg. Exercise Price	Shares	Wtd. Avg. Exercise Price
Outstanding at beginning of year	2,555,263	$ 1.80	1,390,770	$ 1.50
Granted	739,000	1.80	1,300,881	2.06
Exercised	(103,308)	1.22	(131,388)	1.23
Forfeited	(469,856)	2.15	(3,438)	3.77
Expired - vested	(207,238)	1.50	(1,562)	3.77
Outstanding at end of year	2,513,861	$ 1.78	2,555,263	$ 1.80
Stock options exercisable at year end	1,329,392	$ 1.66	1,185,582	$ 1.42

We recognized stock compensation expense of $612,440 and $511,457 related to options during the year ended December 31, 2016 and 2015, respectively. Weighted average fair value of options granted was $1.26 and $1.75 per share for the years ended December 31, 2016 and 2015, respectively.

During the year ended December 31, 2016, stock options covering 103,308 shares of common stock with a total intrinsic value of $51,302 were exercised. During the year ended December 31, 2015, stock options covering 131,388 shares of common stock with a total intrinsic value of $127,312 were exercised.

As of December 31, 2016, there was $361,408 of aggregate intrinsic value of outstanding stock options, including $358,777 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 2016 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, 2016. 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, 2016:

Range of Exercise Prices	Number Outstanding at December 31, 2016	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price
$ 0.49-$1.00	17,855	2.17	$ 0.60
$ 1.01-$1.30	631,366	2.80	$ 1.14
$ 1.31-$2.00	942,739	7.85	$ 1.71
$ 2.01-$10.75	921,901	8.19	$ 2.31
	2,513,861	6.66	$ 1.78

The weighted average remaining contractual life of exercisable options at December 31, 2016, is 4.6 years. Total unrecognized compensation cost at December 31, 2016 of $1,533,242 is expected to be recognized over a weighted average period of 2.7 years.

Restricted Stock

The following is a summary of unvested restricted stock activity for 2016 (none in 2015), and the status of unvested restricted stock outstanding at December 31, 2016 and 2015:

	Year Ended December 31, 2016	
	Shares	Wtd. Avg. Grant Date Fair Value
Outstanding at beginning of year	—	$ —
Granted	200,000	1.90
Vested	(84,894)	1.90
Forfeited	(16,667)	1.90
Non-vested at end of year	98,439	$ 1.90

The aggregate fair value of the awards granted during the year ended December 31, 2016 was $380,000, which represents the market value of BioLife common stock on the date that the restricted stock awards were granted. The aggregate fair value of the restricted stock awards that vested during the year ended December 31, 2016 was $156,564.

We recognized stock compensation expense of $164,554 related to restricted stock awards during the year ended December 31, 2016. As of December 31, 2016, there was $183,779 in unrecognized compensation costs related to restricted stock awards. We expect to recognize those costs over 2.2 years.

We recorded stock compensation expense for the years ended December 31, 2016 and 2015, as follows:

	Year Ended December 31,	
	2016	2015
Research and development costs	$ 151,849	$ 80,925
Sales and marketing costs	176,878	78,387
General and administrative costs	426,035	249,331
Cost of product sales	2,794	102,814
Joint venture restructuring charges	19,438	—
Total	$ 776,994	$ 511,457

10. Commitments and Contingencies

Leases

We lease approximately 30,000 square feet in our Bothell, Washington headquarters. The term of our lease continues until July 31, 2021 with two options to extend the term of the lease, each of which is for an additional period of five years, with the first extension term commencing, if at all, on August 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, our monthly base rent is approximately $57,000 at December 31, 2016, with scheduled annual increases each August and again in October for the most recent amendment. We are also required to pay an amount equal to the Company's proportionate share of certain taxes and operating expenses.

The following is a schedule of future minimum lease payments required under the facility leases as of December 31, 2016:

Year Ending December 31	
2017	$ 690,000
2018	704,000
2019	718,000
2020	733,000
2021	433,000
Total	$ 3,278,000

Rental expense for this facility lease for the years ended December 31, 2016 and 2015 totaled $832,110 and $809,464, 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 our Chief Executive Officer, Chief Financial Officer, Chief Technology Officer, Vice President of Operations, Vice President of Marketing, and Vice President of Sales. None of these employment agreements is for a definitive period, but rather each will continue indefinitely until terminated in accordance with its terms. The agreements provide for a base annual salary, payable in monthly (or shorter) installments. In addition, the agreement with the Chief Executive Officer provides for incentive bonuses at the discretion of the Board of Directors. Under certain conditions and for certain of these officers, we may be required to pay additional amounts upon terminating the officer or upon the officer resigning for good reason.

Litigation

From time to time, the Company is subject to various legal proceedings that arise in the ordinary course of business, none of which are currently material to the Company's business.

11. Credit Facility

On May 12, 2016, we entered into a $4 million unsecured credit facility with our largest shareholder, WAVI. Under the related commitment letter, WAVI has agreed to make a series of four $1 million advances on June 1, 2016, September 1, 2016, December 1, 2016 and March 1, 2017. As of December 31, 2016, we received $3 million of advances and the final advance of $1 million was received subsequent to year end on March 1, 2017. The Original Note is unsecured, carries an annual interest rate of 10%, and matures on June 1, 2017. In addition, we have agreed not to permit any liens on our assets, subject to certain exceptions. As partial compensation for WAVI entering into the commitment letter, we issued WAVI a detachable common stock purchase warrant exercisable to purchase up to 550,000 shares of common stock at an exercise price of $1.75 per share. The warrant expires on May 12, 2021.

The Company recorded a debt discount related to the value of the warrants in the amount of $374,390. The debt discount amount recorded related to the warrants was determined based on the relative fair value of the note payable and the warrants. The debt discount will amortize monthly at a rate of $31,199 per month until June 1, 2017. The fair value of the warrants was determined using the Black-Scholes model.

Amendment of Credit Facility

On January 9, 2017, the Company issued the Note to WAVI. The Note, which amends and restates the Original Note, extends the maturity date of the Note from June 1, 2017 to June 1, 2022, transfers all accrued interest through May 31, 2017 into principal of the note and includes a long-term repayment schedule as follows: beginning September 1, 2017 to June 1, 2018, the Company will make four quarterly cash interest only payments of $106,250 and from September 1, 2018 through June 1, 2022, the Company will make quarterly cash principal payments of $265,625, in addition to ongoing interest payments. All other terms of the Original Note, including the $4 million principal amount of the Note and the 10% per annum interest rate on the Note, remain the same. As a result, we have classified the note payable as a long term liability.

Scheduled principal payments are as follows:

2017	$ —
2018	531,250
2019	1,062,500
2020	1,062,500
2021	1,062,500
Thereafter	531,250
Total	$ 4,250,000

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 Exchange 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 year ended December 31, 2016 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 Exchange Act, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rule 13a-15(e) under the Exchange Act. Based on this evaluation, our chief executive officer and chief financial officer concluded that, as of December 31, 2016, 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 Exchange Act. 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 U.S. 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 (2013)" issued by the Committee of Sponsoring Organizations of the Treadway Commission, as of December 31, 2016. Based on our assessment, we conclude that as of December 31, 2016 our internal control over financial reporting was effective.

This annual report does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our independent registered public accounting firm pursuant to rules of the SEC 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 three months ended December 31, 2016.

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

Certain information required by Part III is omitted from this Form 10-K in that we will file a definitive proxy statement pursuant to Regulation 14A with respect to our 2017 Annual Meeting (the "Proxy Statement") no later than 120 days after the end of the fiscal year covered by this Form 10-K, and certain information included therein is incorporated herein by reference. Only those sections of the Proxy Statement which specifically address the items set forth herein are incorporated by reference. In addition, we have adopted a code of ethics which can be reviewed and printed from our website www.biolifesolutions.com.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE

The information required by this Item is incorporated herein by reference to the Proxy Statement.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item is incorporated herein by reference to the Proxy Statement.

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

The information required by this Item is incorporated herein by reference to the Proxy Statement.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

The information required by this Item is incorporated herein by reference to the Proxy Statement.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this Item is incorporated herein by reference to the Proxy Statement.

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 28 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 67, 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 15, 2017

BIOLIFE SOLUTIONS, INC.

/s/ Michael Rice
Michael Rice
Chief Executive Officer and President
(principal executive officer) and Director

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 15, 2017

/s/ Michael Rice
Michael Rice
Chief Executive Officer and President
(principal executive officer) and Director

Date: March 15, 2017

/s/ Roderick de greef
Roderick de Greef
Chief Financial Officer (principal financial
officer and principal accounting officer)

Date: March 15, 2017

/s/ Raymond Cohen
Raymond Cohen
Chairman of the Board of Directors

Date: March 15, 2017

/s/ Thomas Girschweiler
Thomas Girschweiler
Director

Date: March 15, 2017

/s/ Andrew Hinson
Andrew Hinson
Director

Date: March 15, 2017

/s/ Joseph Schick
Joseph Schick
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	Amended and Restated Certificate of Incorporation of BioLife Solutions, Inc. (included as Exhibit 4.1 to the Registration Statement on Form S-8 filed on June 24, 2013)
3.2	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of BioLife Solutions, Inc. (included as Exhibit 3.1 to the Current Report on Form 8-K filed on January 30, 2014)
3.3	Amended and Restated Bylaws of BioLife Solutions, Inc., effective April 25, 2013 (included as Exhibit A to the Registrant's Definitive Information Statement on Schedule 14C filed March 27, 2013)
10.1**	1998 Stock Option Plan, as amended through September 28, 2005 (included as Exhibit 4.3 to the Registration Statement on Form S-8 filed on June 24, 2013)
10.2**	Amended and Restated 2013 Performance Incentive Plan (included as Appendix A to the Registrant's Definitive Proxy Statement filed on March 24, 2015)
10.3**	BioLife Solutions, Inc. Form of Non-Plan Stock Option Agreement (included as Exhibit 4.4 to the Registration Statement on Form S-8 filed on June 24, 2013)
10.4	Lease Agreement dated August 1, 2007 for facility space 3303 Monte Villa Parkway, Bothell, WA 98021 (included as Exhibit 10.27 and Exhibit 10.29 to the Annual Report on Form 10-KSB for the fiscal year ended December 31, 2007 filed April 1, 2008)
10.5	First Amendment to the Lease, dated November 4, 2008, between the Company and Monte Villa Farms, LLC (included as Exhibit 10.16 to the Annual Report on Form 10-K for the fiscal year ended December 31, 2008 filed March 31, 2009)
10.6	Second Amendment to the Lease, dated March 2, 2012, between the Company and Monte Villa Farms, LLC (included as Exhibit 10.30 to the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2012 filed May 14, 2012)
10.7	Third Amendment to the Lease, dated June 15, 2012, between the Company and Monte Villa Farms, LLC (included as Exhibit 10.37 to the Annual Report on Form 10-K for the fiscal year ended December 31, 2012 filed March 29, 2013)
10.8	Fourth Amendment to the Lease, dated November 26, 2012, between the Company and Monte Villa Farms, LLC (included as Exhibit 10.41 to the Annual Report on Form 10-K for the fiscal year ended December 31, 2012 filed March 29, 2013)
10.9	Fifth Amendment to Lease, dated August 19, 2014, by and between the Company and Monte Villa Farms LLC (included as Exhibit 10.1 Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2014 filed on November 6, 2014)

10.10	Warrant to purchase Common Stock issued to Thomas Girschweiler (included as Exhibit 10.35 to the Annual Report on Form 10-K for the fiscal year ended December 31, 2012 filed March 29, 2013)
10.11	Warrant to purchase Common Stock issued to Walter Villiger (included as Exhibit 10.36 to the Annual Report on Form 10-K for the fiscal year ended December 31, 2012 filed March 29, 2013)
10.12	Form of Warrant issued to Taurus4757 GmbH and WAVI Holding AG pursuant to conversion of outstanding notes (incorporated by reference to Exhibit 10.1 to the Company's report on Form 8-K filed March 25, 2014)
10.13	Form of Warrant issued to purchasers in the March 25, 2014 public offering (incorporated by reference to Exhibit 4.1 to the Company's report on Form 8-K filed March 20, 2014)
10.14	biologistex CCM, LLC Limited Liability Company Agreement dated September 29, 2014 (included as Exhibit 10.2 to the Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2014 filed on November 6, 2014)
10.15*	Supply and Distribution Agreement between SAVSU Technologies, LLC and biologistex CCM dated September 29, 2014 (included as Exhibit 10.3 to the Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2014 filed on November 6, 2014)
10.16*	Services Agreement between BioLife Solutions, Inc. and biologistex CCM dated September 29, 2014 (included as Exhibit 10.4 to the Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2014 filed on November 6, 2014)
10.17**	Employment Agreement dated February 19, 2015 between the Company and Michael Rice (included as Exhibit 10.29 to the Annual Report on Form 10-K for the year ended December 31, 2014 filed on March 12, 2015)
10.18**	Employment Agreement dated February 19, 2015 between the Company and Aby Mathew (included as Exhibit 10.30 to the Annual Report on Form 10-K for the year ended December 31, 2014 filed on March 12, 2015)

10.19**	Employment Agreement dated February 19, 2015 between the Company and Todd Berard (included as Exhibit 10.34 to the Annual Report on Form 10-K for the year ended December 31, 2014 filed on March 12, 2015)
10.20	Board of Directors Services Agreement entered into May 4, 2015 by and between the Company and Raymond Cohen (included as Exhibit 10.1 to the Current Report on Form 8-K filed on May 5, 2015)
10.21	Board of Directors Services Agreement entered into May 4, 2015 by and between the Company and Thomas Girschweiler (included as Exhibit 10.2 to the Current Report on Form 8-K filed on May 5, 2015)
10.22	Board of Directors Services Agreement entered into May 4, 2015 by and between the Company and Other Non-Employee Directors (included as Exhibit 10.3 to the Current Report on Form 8-K filed on May 5, 2015)
10.23	Employment Agreement effective April 13, 2016 between the Company and Karen Foster (included as Exhibit 10.2 to the Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 filed on May 16, 2016)
10.24	Employment Agreement dated May 3, 2016 between the Company and Roderick de Greef (included as Exhibit 10.3 to the Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 filed on May 16, 2016)
10.25	Form of Restricted Stock Purchase Agreement pursuant to the Amended & Restated 2013 Performance Incentive Plan (included as Exhibit 10.4 to the Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 filed on May 16, 2016)
10.26	Form of Stock Option Agreement pursuant to the Amended & Restated 2013 Performance Incentive Plan (included as Exhibit 10.5 to the Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 filed on May 16, 2016)
10.27	Commitment Letter dated May 12, 2016 between the Company and WAVI Holding AG (included as Exhibit 10.6 to the Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 filed on May 16, 2016)
10.28	Common Stock Purchase Warrant issued to WAVI Holding AG (included as Exhibit 10.7 to the Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 filed on May 16, 2016)
10.29	Amended and Restated Promissory Note made by the Company in favor of WAVI Holding AG (included as Exhibit 10.1 to the Current Report on Form 8-K filed on January 12, 2017)
10.30	Employment Agreement dated June 3, 2016 between the Company and James Mathers (included as Exhibit 10.1 to the Quarterly Report on Form 10-Q for the quarter ended June 30, 2016 filed on August 11, 2016)
10.31	Contribution Agreement dated December 31, 2016 by and between the Company, Savsu Technologies, LLC and biologistex CCM, LLC (filed herewith)
10.32	Amended and Restated biologistex CCM, LLC Limited Liability Company Agreement dated December 31, 2016 (filed herewith)
10.33	Services Agreement dated December 31, 2016 by and between the Company and biologistex CCM, LLC (filed herewith)
23.1	Consent of Peterson Sullivan LLP (filed herewith)
31.1	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
31.2	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
32.1	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (filed herewith)
32.2	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (filed herewith)
101.INS	XBRL Instance Document (filed herewith)
101.SCH	XBRL Taxonomy Extension Schema (filed herewith)
101.CAL	XBRL Taxonomy Extension Calculation Linkbase (filed herewith)
101.DEF	XBRL Taxonomy Extension Definition Linkbase (filed herewith)
101.LAB	XBRL Taxonomy Extension Label Linkbase (filed herewith)
101.PRE	XBRL Taxonomy Extension Presentation Linkbase (filed herewith)

* Confidential treatment has been granted with respect to certain portions of this exhibit pursuant to an order granted by the SEC.

** Management contract or compensatory plan or arrangement.

Exhibit 10.31

CONTRIBUTION AGREEMENT

THIS CONTRIBUTION AGREEMENT (this "***Agreement***") is made effective as of December 31, 2016 (the "***Closing Date***") by and among **Savsu Technologies, LLC**, a Delaware limited liability ("***Savsu***"), **BioLife Solutions, Inc.**, a Delaware corporation ("***BLS***"), and **bioLogistex CCM, LLC,** a Delaware limited liability company (the *"**JV**"*).

WHEREAS, Savsu and BLS formed the JV on or about September 29, 2014 for the purposes of creating a joint venture between Savsu and BLS;

WHEREAS, the JV is in engaged in the business of transporting and storing temperature sensitive vaccines and new "live cell" medical treatments (the "***Business***");

WHEREAS, prior to the Closing Date, BLS owned 52% of the equity interest of the JV, and Savsu owned 48% of the equity interest of the JV;

WHEREAS, Savsu desires to contribute and transfer to the JV, and the JV desires to acquire from Savsu, certain of Savsu's assets in exchange for an additional 7% of the membership interests of the JV, and the agreement by BLS to transfer an additional 20% of the membership interests in the future, in accordance with the terms and conditions of this Agreement;

WHEREAS, prior to the Closing Date, BLS has made loans to the JV in the aggregate amount of $6,694,247 (the "***BLS Loan***"); and

WHEREAS, certain capitalized terms used herein are defined in Annex I.

NOW THEREFORE, in consideration of the foregoing and of the respective representations, warranties, covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiently of which are hereby acknowledged, the parties hereby agree as follows:

Article I
Contribution; Equity Issuance

1.1. Contribution and Assignment of the Contributed Assets by Savsu. Subject to the terms and conditions of this Agreement, and in reliance upon the representations and warranties contained herein, effective as of the Closing, Savsu hereby contributes, transfers, assigns, conveys and delivers to the JV, and the JV hereby acquires from Savsu, free and clear of any and all Liens, any and all Savsu's rights, title and interests in and to the following assets, properties and rights (collectively, the "***Contributed Assets***"):

(a) the machinery and equipment, furniture and fixtures, office equipment, automobile and inventory described on Schedule I hereto (the "***Contributed Personal Property***");

(b) all rights to the Patents and Trademarks described on Schedule II hereto and all registrations and applications therefor (the "***Contributed IP***");

(c) all rights in, to and under routine maintenance Contracts relating to the Contributed Personal Property or Contributed IP (each, a "***Contributed Contract***");

(d) all books, records, files, manuals, documents and other materials which pertain to the Contributed Assets or the Assumed Liabilities;

(e) all rights to indemnification, warranties, guarantees, claims, causes of action, choses in action, rights of recovery, rights of setoff, rights of recoupment and other rights of any kind against suppliers, manufacturers, contractors or other third parties relating to the Contributed Assets or the Assumed Liabilities; and

(f) all goodwill associated with the Contributed Assets.

1.2. Retained Assets. Notwithstanding anything to the contrary contained in Section 1.1, Savsu shall hereby retain all of its right, title and interest in and to, and shall not sell, transfer, assign, convey or otherwise transfer to the JV at the Closing, any assets of Savsu other than the Contribution Assets (collectively, the "***Retained Assets***").

1.3. Assumption of Liabilities. Except for Liabilities for obligations to be performed by Savsu under the Contributed Contracts, which the JV agrees to assume (the "***Assumed Liabilities***"), the JV shall not assume or be responsible for, any Liabilities of Savsu or its Affiliates, all of which Liabilities shall be and remain the sole responsibility of Savsu and/or its Affiliates.

1.4. Consents Not Obtained. In the event that Savsu fails to obtain prior to the Closing (or otherwise fails to have in full force and effect at the Closing) any consent, Permit, waiver, authorization, order or other approval required to consummate the transactions contemplated by this Agreement without breaching a Contributed Contract or otherwise adversely affecting the ability of the JV to operate the Business after the Closing or the rights of the JV with respect to the Contributed Assets, the Assumed Liabilities or the BLS Inventory or otherwise under this Agreement (any of the foregoing, a "***Necessary Consent***"), this Agreement shall not constitute an agreement to sell, convey, assign, transfer or deliver any interest in any such Contributed Asset or BLS Inventory for which a Necessary Consent is not obtained and in effect at the Closing, and Savsu shall, from and after the Closing, continue to use its commercially reasonable efforts to obtain any such Necessary Consent for the benefit of the JV under the terms and conditions substantially the same as those existing under the applicable Contributed Asset or BLS Inventory at the Closing. Once a Necessary Consent is obtained, the applicable Contributed Asset or BLS Inventory will be deemed to have been automatically assigned and transferred to the JV on the terms set forth in this Agreement, effective as of the date of assignment. If any Necessary Consent is not obtained and in full force and effect at the Closing and as a result thereof, the assignment or transfer of a Contributed Asset or BLS Inventory is ineffective or the rights or obligations of the JV with respect to a Contributed Asset, Assumed Liability or BLS Inventory or the JV's ability to operate the Business after the Closing are otherwise adversely affected, at the JV's request, Savsu will enter into a mutually agreeable and reasonable arrangement with the JV under which (i) the JV will obtain the benefits thereunder in accordance with this Agreement, including subcontracting, sublicensing or subleasing to the JV, or (ii) Savsu will enforce for the benefit, and at the direction, of the JV any and all rights of Savsu thereunder.

1.5. Issuance of Membership Interests. In exchange for the contributions made by Savsu under this Agreement, and in consideration of the other transactions contemplated by this Agreement, at the Closing, the JV will issue its equity interests to Savsu (such interests, the "***Savsu Consideration***") so that as of the Closing, Savsu owns fifty-five percent (55%) of the issued and outstanding equity interests of the JV and BLS owns forty-five percent (45%) of the issued and outstanding equity interests of the JV.

1.6. Contribution of BLS Loan. The parties hereby agree that, subject to the terms and conditions of this Agreement, effective as of the Closing, the obligations owed to BLS under the BLS Loan are hereby contributed, transferred, assigned, conveyed, transferred and delivered by BLS to the JV as a capital contribution.

1.7. Return and Contribution of BLS Inventory; Cancellation of BLS Inventory Requirements.

(a) The parties hereby agree that, subject to the Closing: (i) effective as of immediately prior to the Closing, BLS hereby returns, assigns, transfers and conveys to Savsu, and Savsu hereby acquires from BLS, the inventory set forth on Schedule III hereto (the "***BLS Inventory***"), in exchange for the cancellation, termination, extinguishment and release of all outstanding payables owed by BLS to Savsu; and (ii) effective as of the Closing, Savsu hereby contributes, assigns, transfers and conveys to Savsu, and the JV hereby acquires from Savsu, the BLS Inventory.

(b) The parties hereby agree that, effective as of the Closing, except as contemplated by Section 1.7(a), any requirement which BLS may have been subject to prior to the Closing to purchase any inventory from Savsu, or to contribute any such inventory to the JV, are hereby cancelled, terminated, extinguished and released, and BLS shall have no continuing obligations with respect thereto.

1.8. BLS Post-Closing Transfer of Equity to Savsu. BLS hereby agrees that on (i) the first (1st) anniversary of the Closing Date, it will transfer to Savsu an amount of membership interests in the JV equal to 11.11% of the membership interests in the JV held by BLS as of the Closing (after giving effect to the issuance of the Savsu Consideration) and (ii) the second (2nd) anniversary of the Closing Date, it will transfer to Savsu an additional amount of membership interests in the JV equal to 33.33% of the membership interests in the JV held by BLS as of the Closing (after giving effect to the issuance of the Savsu Consideration). Notwithstanding the foregoing, in the event that the JV consummates a Liquidity Event (as such term is defined in the Amended JV Operating Agreement) on or after the second (2nd) of the Closing Date, but on or prior to the third (3rd) anniversary of the Closing Date, Savsu will pay to BLS an amount of the net proceeds therefrom as if BLS had only transferred on the second (2nd) anniversary of the Closing Date an amount of membership interests in the JV equal to 11.11% of the membership interests in the JV held by BLS as of the Closing (after giving effect to the issuance of the Savsu Consideration).

Article II
Closing Deliveries

2.1. Closing. The closing of the transactions contemplated by this Agreement (the "***Closing***") will take place simultaneously with the execution and delivery of this Agreement at the offices of Ellenoff, Grossman & Schole LLP, 1345 Avenue of the Americas, 11th floor, New York, NY 10105, commencing at 10:00 am (New York City time). By mutual agreement of the parties the Closing may take place by conference call and facsimile (or other electronic transmission of signature pages) with exchange of original signatures by mail if requested. The parties agree that to the extent permitted by applicable Law, the Closing will be deemed effective as of 11:59 p.m. (New York City time) on the Closing Date.

2.2. Closing Deliveries by Savsu. At or prior to the Closing, Savsu will deliver or cause to be delivered to BLS and the JV the following, each in form and substance reasonably acceptable to BLS and the JV:

(a) the Assignment and Assumption Agreement between Savsu and the JV in the form attached as Exhibit A-1 hereto (the "***Contributed Assets Assignment***"), duly executed by Savsu, and any other instruments of transfer reasonably requested by the JV to evidence the transfer of the Contributed Assets and the BLS Inventory to the JV (including assignments with respect to any Contributed IP registered, recorded or filed with any Governmental Authority, in form suitable for registration, recordation or filing with such Governmental Authority), in each case duly executed by Savsu;

(b) the Assignment and Assumption Agreement between BLS and Savsu with respect to the BLS Inventory in the form attached as Exhibit A-2 hereto (the "***BLS Inventory Assignment***"), duly executed by Savsu,;

(c) Amended and Restated Operating Agreement of the JV, by and among the JV, BLS and Savsu, in the form attached as Exhibit B hereto (the "***Amended JV Operating Agreement***"), duly executed by Savsu;

(d) the required notices, consents, Permits, waivers authorizations, orders and other approvals, if any, listed in Schedule 2.2(d), and all such notices, consents, Permits, waivers, authorizations, orders and other approvals will be in full force and effect and not be subject to the satisfaction of any condition that has not been satisfied or waived;

(e) copy of a good standing certificate for Savsu, certified on or before the Closing Date from the proper state official of its jurisdiction of organization;

(f) a certificate from an officer of Savsu certifying to (i) the resolutions of Savsu's board of managers (or equivalent governing board or Person), and of Savsu's members, authorizing the execution, delivery and performance of this Agreement and each of the Ancillary Documents to which it is a party or by which it is bound, and the consummation of each of the transactions contemplated hereby and thereby, and (ii) the incumbency of officers authorized to execute this Agreement or any Ancillary Document to which Savsu is a party or by which it is bound;

(g) evidence of the release of any Liens upon the Contributed Assets, subject to Section 6.3; and

(h) such other documents and instruments as may be required by any other provision of this Agreement or as may reasonably be required to consummate the transactions contemplated by this Agreement or the Ancillary Documents.

2.3. Closing Deliveries by the JV. At or prior to the Closing, the JV will deliver or cause to be delivered to Savsu and BLS the following, each in form and substance reasonably acceptable to Savsu and BLS:

(a) the Contributed Assets Assignment, duly executed by the JV

(b) the Amended JV Operating Agreement, duly executed by the JV;

(c) the Services Agreement between BLS and the JV, in the form attached as Exhibit C (the "***Services Agreement***"), duly executed by the JV;

(d) the required notices, consents, Permits, waivers authorizations, orders and other approvals, if any, listed in Schedule 2.3(d), and all such notices, consents, Permits, waivers, authorizations, orders and other approvals will be in full force and effect and not be subject to the satisfaction of any condition that has not been satisfied or waived;

(e) copy of a good standing certificate for the JV, certified on or before the Closing Date from the proper state official of its jurisdiction of organization;

(f) a certificate from an officer of the JV certifying to (i) the resolutions of the JV Board, and of JV members, authorizing the execution, delivery and performance of this Agreement and each of the Ancillary Documents to which it is a party or by which it is bound, and the consummation of each of the transactions contemplated hereby and thereby, and (ii) the incumbency of officers authorized to execute this Agreement or any Ancillary Document to which the JV is a party or by which it is bound; and

(g) such other documents and instruments as may be required by any other provision of this Agreement or as may reasonably be required to consummate the transactions contemplated by this Agreement or the Ancillary Documents.

2.4. Closing Deliveries by BLS. At or prior to the Closing, BLS will deliver or cause to be delivered to Savsu and the JV the following, each in form and substance reasonably acceptable to Savsu and the JV:

(a) the BLS Inventory Assignment, duly executed by BLS;

(b) the Amended JV Operating Agreement, duly executed by BLS;

(c) the Services Agreement, duly executed by BLS;

(d) the required notices, consents, Permits, waivers authorizations, orders and other approvals, if any, listed in Schedule 2.4(d), and all such notices, consents, Permits, waivers, authorizations, orders and other approvals will be in full force and effect and not be subject to the satisfaction of any condition that has not been satisfied or waived;

(e) a certificate from an officer of BLS certifying to (i) the resolutions of BLS's board of directors, authorizing the execution, delivery and performance of this Agreement and each of the Ancillary Documents to which it is a party or by which it is bound, and the consummation of each of the transactions contemplated hereby and thereby, and (ii) the incumbency of officers authorized to execute this Agreement or any Ancillary Document to which BLS is a party or bound; and

(f) such other documents and instruments as may be required by any other provision of this Agreement or as may reasonably be required to consummate the transactions contemplated by this Agreement or the Ancillary Documents.

Article III
Representations and Warranties of Savsu

Savsu represents and warrants to BLS and the JV that the statements contained in this Article III, and the information in the disclosure schedules delivered by Savsu to BLS and the JV on the date hereof (the "***Savsu Disclosure Schedules***"), are true and correct as of the Closing Date, except to the extent that a representation and warranty contained in this Article III expressly states that such representation and warranty is current as of an earlier date and then such statements contained in this Article III are true and correct as of such earlier date or time:

3.1. Organization and Qualification. Savsu is a limited liability company duly organized, validly existing and in good standing under the laws of the state of Delaware and has full limited liability company power and authority to own the assets owned by it and conduct its business as and where it is being conducted by it.

3.2. Authorization. Savsu has full power and authority to enter into this Agreement and the Ancillary Documents to which it is a party or bound and to consummate the transactions contemplated hereby and thereby, and to perform its obligations hereunder and thereunder. The execution and delivery of this Agreement and the Ancillary Documents to which it is a party or bound and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of Savsu, including requisite approval by Savsu's board of managers (or equivalent governing board or Person) and by Savsu's members. This Agreement and each Ancillary Document to which Savsu is a party or bound has been duly executed and delivered by Savsu and constitutes a legal, valid and binding obligation of Savsu, enforceable against it in accordance with its terms, except as the enforceability thereof may be limited by the Enforceability Exceptions.

3.3. Interests in the JV. Prior to giving effect to the Closing, Savsu owns 48% of the issued and outstanding membership interests in the JV, free and clear of all Liens other than those imposed by the JV's Organizational Documents and those imposed by applicable securities Laws.

3.4. Non-Contravention. Neither the execution, delivery and performance of this Agreement or any Ancillary Documents by Savsu, nor the consummation of the transactions contemplated hereby or thereby, will (a) violate or conflict with, any provision of the Organizational Documents of Savsu, (b) violate or conflict with any Law or Order to which Savsu, the Business or the Contributed Assets are bound or subject, (c) with or without giving notice or the lapse of time or both, breach or conflict with, constitute or create a default under, or give rise to any right of termination, cancellation or acceleration of any obligation or result in a loss of a material benefit under, or give rise to any obligation of Savsu (or the JV as the assignee thereof) to make any payment under, or to the increased, additional, accelerated or guaranteed rights or entitlements of any Person under, any of the terms, conditions or provisions of any Contract or other commitment to which Savsu is a party or by which Savsu, the Business or the Contributed Assets are bound, (d) result in the imposition of a Lien on any Contributed Asset or (e) require any filing with, or Permit, consent or approval of, or the giving of any notice to, any Governmental Authority or other Person.

3.5. Title to and Sufficiency of Assets. Savsu has good and valid title to, or other legal rights to possess and use, all of the Contributed Assets, free and clear of all Liens except for Permitted Liens. Upon delivery of the Contributed Assets to the JV on the Closing Date in accordance with this Agreement, good and valid title to all of the Contributed Assets owned by Savsu and a legal right to possess and use of all of the Contributed Assets leased or licensed by Savsu, free and clear of all Liens (other than Permitted Liens and Liens incurred by the JV), will pass to the JV.

3.6. Contributed Personal Property. The Contributed Personal Property is in reasonable operating condition and repair, normal wear and tear excepted, and is reasonably adequate for its intended use in the Business.

3.7. Contributed IP. All Contributed IP is valid and in force and owned exclusively by Savsu without obligation to pay royalties, licensing fees or other fees, or otherwise account to any other Person with respect to such Contributed IP. Savsu owns, free and clear of all royalties or other Liens (other than Permitted Liens), all Contributed IP, and there are no agreements which restrict or limit the use of the Contributed IP by Savsu (or the JV as its assignee). Savsu has not received any written or, to the Knowledge of Savsu, oral notice of any claim that the Contributed IP violates any Trade Secret agreement or interferes with, infringes upon or misappropriates any intellectual property or proprietary rights of any Person in any country. Savsu has not given any notice of infringement to any third party with respect to any Contributed IP, nor does it have any Knowledge of any infringement by any third party of any Contributed IP. All commercially reasonable action to maintain and protect the Contributed IP has been taken by Savsu, and all maintenance fees, Taxes, annuities and renewal fees have been paid and all other necessary actions to maintain the Contributed IP have been taken through the Closing Date.

3.8. Contracts. Except for the Contributed Contracts, there are no Contracts to which Savsu is a party or bound relating to the Contributed Assets, including no leases with respect to the Contributed Personal Property or licenses with respect to the Contributed IP.

3.9. Litigation. There is no (a) Action of any nature pending or, to the Knowledge of Savsu, threatened, or (b) Order now pending or previously rendered in the past six (6) years, in either case of (a) or (b), by or against Savsu or any of its Affiliates relating to any of the Contributed Assets. Savsu does not have any Actions pending against any other Person relating to the Contributed Assets.

3.10. Compliance with Laws. To the Knowledge of Savsu, Savsu is in compliance with, and for the past six (6) years has complied with, all Laws and Orders in all material respects with respect to the ownership, operation, use or possession of the Contributed Assets. To the Knowledge of Savsu, Savsu has not received any written notice of any actual or alleged violation or non-compliance with applicable Laws with respect to the ownership, operation, use or possession of the Contributed Assets.

3.11. No Brokers. Neither Savsu, nor any of its Representatives on its behalf, has employed any broker, finder or investment banker or incurred any liability for any brokerage fees, commissions, finders' fees or similar fees in connection with the transactions contemplated by this Agreement.

3.12. No Other Representations and Warranties. Except for the representations and warranties of Savsu contained in this Agreement and the Ancillary Documents, neither Savsu, nor any of its Representatives, nor any other Person on behalf of Savsu, makes any express or implied representation or warranty to any other party, at law or in equity, in respect of Savsu, its operations, business, assets, liabilities, capitalization, condition or prospects or the Ancillary Documents or the transactions contemplated by this Agreement or the Ancillary Documents, and Savsu hereby disclaims any such representation or warranty.

Article IV
Representations and Warranties of BLS

BLS hereby represents and warrants to Savsu and the JV as follows:

4.1. Organization and Authorization. BLS is a corporation duly organized, validly existing and in good standing under the Laws of the jurisdiction of its formation. BLS has full power and authority to enter into this Agreement and the Ancillary Documents to which it is or is required to be a party and to consummate the transactions contemplated hereby and thereby and to perform its obligations hereunder and thereunder. The execution and delivery of this Agreement and the Ancillary Documents to which BLS is or is required to be a party and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of BLS. Each of this Agreement and each Ancillary Document to which BLS is or is required to be a party has been duly executed and delivered by BLS and constitutes a legal, valid and binding obligation of BLS, enforceable against BLS in accordance with its terms, except as the enforceability thereof may be limited by the Enforceability Exceptions.

4.2. Non-Contravention. Neither the execution, delivery and performance of this Agreement or any Ancillary Documents by BLS, nor the consummation of the transactions contemplated hereby or thereby, will (a) violate or conflict with, any provision of the Organizational Documents of BLS, (b) violate or conflict with any Law or Order to which BLS or its assets is bound or subject, (c) with or without giving notice or the lapse of time or both, breach or conflict with, constitute or create a default under, or give rise to any right of termination, cancellation or acceleration of any obligation or result in a loss of a material benefit under, or give rise to any obligation of BLS to make any payment under, or to the increased, additional, accelerated or guaranteed rights or entitlements of any Person under, any of the terms, conditions or provisions of any Contract, agreement, or other commitment to which BLS is a party or by which BLS, or its assets may be bound, (d) result in the imposition of a Lien (other than a Permitted Lien) on the Contributed Interest or (e) require any filing with, or Permit, consent or approval of, or the giving of any notice to, any Governmental Authority or other Person, except, in the cases of clauses (a) through (e) such violations and conflicts which do not have and would not reasonably be expected to have a material adverse effect on the ability of BLS to consummate the transactions contemplated by, and perform its obligations under, this Agreement and the Ancillary Documents to which BLS is a party or otherwise bound.

4.3. Litigation. There is no Action pending or, to the Knowledge of BLS, threatened, nor any Order of any Governmental Authority is outstanding, against or involving BLS, whether at law or in equity, before or by any Governmental Authority, which would reasonably be expected to have a material and adverse effect on the ability of BLS to consummate the transactions contemplated by, and discharge its obligations under, this Agreement and the Ancillary Documents to which BLS is a party.

4.4. No Brokers. Neither BLS, nor any of its Representatives, has employed any broker, finder or investment banker or incurred any liability for any brokerage fees, commissions, finders' fees or similar fees in connection with the transactions contemplated by this Agreement.

4.5. No Other Representations and Warranties. Except for the representations and warranties of BLS contained in this Agreement and the Ancillary Documents, neither BLS, nor any of its Representatives, nor any other Person on behalf of BLS, makes any express or implied representation or warranty to any other party, at law or in equity, in respect of BLS, its operations, business, assets, liabilities, capitalization, condition or prospects or the Ancillary Documents or the transactions contemplated by this Agreement or the Ancillary Documents, and BLS hereby disclaims any such representation or warranty.

Article V
Representations and Warranties of the JV

The JV hereby represents and warrants to Savsu and BLS that:

5.1. Organization; Authority. The JV is a limited liability company duly organized, validly existing and in good standing under the Laws of the State of Delaware. The JV has full limited liability company and authority to enter into this Agreement and the Ancillary Documents to which it is a party and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the Ancillary Documents to which the JV is or is required to be a party and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary limited liability company action on the part of the JV. This Agreement and each Ancillary Document to which the JV is a party has been duly executed and delivered by the JV and constitutes a legal, valid and binding obligation of the JV, enforceable against the JV in accordance with its terms, except as the enforceability thereof may be limited by the Enforceability Exceptions.

5.2. Capitalization; Savsu Consideration. As of the Closing Date, prior to the giving effect to the transactions contemplated by this Agreement, the membership interests of the JV are owned 52% by BLS and 48% by Savsu. Immediately after giving effect to the transactions contemplated by this agreement, the membership interests of the JV will be owned 45% by BLS and 55% by Savsu. When issued by the JV to Savsu in accordance with the terms of this Agreement, the Savsu Consideration will be validly and duly issued free and clear of all Liens except those imposed by applicable securities Laws or under the Amended JV Operating Agreement or those incurred by Savsu or its Affiliates.

5.3. Non-Contravention. Neither the execution and delivery of this Agreement or any Ancillary Document by the JV, nor the consummation of the transactions contemplated hereby or thereby, will violate or conflict with (a) any provision of the JV's Organizational Documents, (b) any Law or Order to which the JV or any of its business or assets are bound or subject or (c) any Contract or Permit to which the JV is a party or by which it or any of its properties may be bound or affected, other than, in the cases of clauses (a) through (c), such violations and conflicts which do not and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the JV.

5.4. Litigation. There is no Action pending or, to the Knowledge of the JV, threatened, nor any Order of any Governmental Authority rendered, against or involving the JV or any of its officers, directors, properties, assets or businesses, whether at law or in equity, before or by any Governmental Authority, which have or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the JV.

5.5. No Other Representations and Warranties. Except for the representations and warranties of the JV contained in this Agreement and the Ancillary Documents, neither the JV, nor any of its Representatives, nor any other Person on behalf of the JV, makes any express or implied representation or warranty to any other party, at law or in equity, in respect of the JV, its operations, business, assets, liabilities, capitalization, condition or prospects or the Ancillary Documents or the transactions contemplated by this Agreement or the Ancillary Documents, and the JV hereby disclaims any such representation or warranty.

Article VI
Covenants

6.1. Further Assurances. In the event that at any time after the Closing any further action is reasonably necessary to carry out the purposes of this Agreement, each of the parties will take such further action (including the execution and delivery of such further instruments and documents) as the other parties reasonably may request, at the sole cost and expense of the requesting party.

6.2. Litigation Support. Following the Closing, in the event that and for so long as any party is actively contesting or defending against any third party or Governmental Authority Action in connection with any fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act or transaction existing on or relating to periods prior to the Closing and involving the Business, the Contributed Assets, the Assumed Liabilities or the BLS Inventory, the other parties will (i) reasonably cooperate with the contesting or defending party and its counsel in the contest or defense, (ii) make available its personnel at reasonable times and upon reasonable notice and (iii) provide (A) such testimony and (B) access to its non-privileged books and records as may be reasonably requested in connection with the contest or defense, in each case of clauses (i) through (iii), at the sole cost and expense of the contesting or defending party.

6.3. Post-Closing Receipts and Possession of Assets. If after the Closing Date any party or its Affiliate receives any funds properly belonging to another party in accordance with the terms of this Agreement, the receiving party will promptly advise such other party, will segregate and hold such funds in trust for the benefit of such other party and will promptly deliver such funds, together with any interest earned thereon, to an account or accounts designated in writing by such other party. In the event that after the Closing Date, the JV or its Affiliates receives or otherwise is in possession of any Retained Asset, the JV shall promptly notify Savsu of its receipt or possession of the Retained Asset and transfer, at Savsu's expense, such Retained Asset to Savsu. In the event that after the Closing Date, Savsu or its Affiliates receives or otherwise is in possession of any Contributed Asset or the BLS Inventory, Savsu shall promptly notify the JV of its receipt or possession of such Contributed Asset or BLS Inventory and transfer, at the JV's expense (unless such receipt or possession is a result of a breach of this Agreement by Savsu, in which case, at Savsu's expense), such Contributed Asset or BLS Inventory to the JV. Not later than January 31, 2017, Savsu will obtain the release of the Permitted Lien in favor of Citizens Bank, National Association and file or cause to be filed a form UCC-3 in the appropriate filing locations with respect thereto.

6.4. Expenses. Except as otherwise expressly provided in this Agreement, each party will pay all fees and expenses incurred by it in connection with the negotiation, execution, delivery of, and the performance under, this Agreement and the Ancillary Documents and the consummation of the transactions contemplated hereby and thereby. Notwithstanding the foregoing, all Taxes imposed in connection with the transfer of the Contributed Assets, the Assumed Liabilities, the BLS Inventory or the Savsu Consideration ("***Transfer Taxes***"), whether such Transfer Taxes are assessed initially against Savsu, BLS, the JV or any of their respective Affiliates, shall be borne and paid, by the JV.

6.5. Publicity. No party hereto shall, and each party shall cause its Representatives not to, disclose, make or issue, any public statement or announcement concerning this Agreement or the Ancillary Documents or the transactions contemplated hereby or thereby (including the terms, conditions, status or other facts with respect thereto) to any third parties (other than its Representatives who reasonably need to know such information in connection with carrying out or facilitating the transactions contemplated hereby or the business or operations of the JV in accordance with the Amended JV Operating Agreement) without the prior written consent of the other parties hereto (such consent not to be unreasonably withheld, delayed or conditioned), except as required by applicable Law or the rules or regulations of any securities exchange, after conferring with the other parties concerning the timing and content of such required disclosure.

6.6. Confidentiality. Savsu and BLS each shall, and shall cause their respective Representatives to: (a) treat and hold in strict confidence any Confidential Information, and will not use for any purpose (other than in connection with its investment in the JV or fulfilling any applicable duties on behalf of the JV), nor directly or indirectly disclose, distribute, publish, disseminate or otherwise make available to any third party any of the Confidential Information without the prior written consent of the JV and the other party; (b) in the event that Savsu or BLS becomes legally compelled to disclose any Confidential Information, to provide the JV and the other party with prompt written notice of such requirement so that the JV, the other party or an Affiliate thereof may seek a protective order or other remedy or so that the JV or the other party, as applicable, may waive compliance with this Section 6.6; and (c) in the event that such protective order or other remedy is not obtained, or the JV or the other party waives compliance with this Section 6.6, to furnish only that portion of such Confidential Information which is legally required to be provided as advised in writing by outside counsel and to exercise their commercially reasonable efforts to obtain assurances that confidential treatment will be accorded such Confidential Information.

6.7. No Trading. Savsu acknowledges and agrees that it and its Affiliates are aware of the restrictions imposed by the Federal securities Laws and other applicable foreign and domestic Laws on a Person possessing material nonpublic information about a publicly traded company. Savsu hereby agrees on behalf of itself and its Affiliates that while any of them is in possession of such material nonpublic information they shall not purchase or sell any securities of BLS, communicate such information to any third party, take any other action with respect to BLS in violation of such Laws, or cause or encourage any third party to do any of the foregoing.

Article VII
General Provisions

7.1. Survival. The representations and warranties of the parties set forth in this Agreement will survive the Closing and continue for the applicable statute of limitations. If written notice of a claim for breach of any representation or warranty has been given on or before the applicable expiration date for such representation or warranty, then the relevant representations and warranties shall survive as to such claim, until the claim has been finally resolved. The covenants and agreements of the parties set forth in this Agreement, including any indemnification obligations, will survive until performed in accordance with their respective terms.

7.2. Notices. Any notice, request, instruction or other document to be given hereunder by a party hereto shall be in writing and shall be deemed to have been given, (i) when received if given in person or by courier or a courier service, (ii) on the date of transmission if sent by facsimile or email (with affirmative confirmation of receipt, and provided, that the party providing notice shall within two (2) Business Days provide notice by another method under this Section7.2) or (iii) three (3) Business Days after being deposited in the U.S. mail, certified or registered mail, postage prepaid (or at such other address for a party as shall be specified by like notice):

If to Savsu, to:	*with a copy (which will not constitute notice) to:*
Savsu Technologies, LLC 160 Sweet Hollow Road Old Bethpage, NY 11804 Attention: Dana E. Barnard, Manager Telephone No.: (505) 603-5306 Facsimile No.: (505) 467-6800 Email: d.barnard@barson.us	Meltzer, Lippe, Goldstein & Breitstone, LLP 190 Willis Avenue Mineola, NY 11501 Attention: Ira R. Halperin, Esq. Telephone No.: (516) 747-0300 Facsimile No.: (516) 747-0653 Email: ihalperin@meltzerlippe.com
If to the JV, to:	*with a copy (which will not constitute notice) to:*
bioLogistex CCM, LLC 160 Sweet Hollow Road Old Bethpage, NY 11804 Attention: Bruce McCormick, President Telephone No.: (516) 752-7882 Facsimile No.: (516) 752-7951 Email: b.mccormick@savsu.com	BLS (and each of its Persons designated to receive a copy) and Savsu (and each of its Persons designated to receive a copy)
If to BLS, to:	*with a copy (which will not constitute notice) to:*
BioLife Solutions, Inc. 3303 Monte Villa Parkway, Suite 310 Bothell, Washington 98021 Attention: Michael Rice, CEO Telephone No.: (425) 402-1400 Email: mrice@BioLifeSolutions.com	Ellenoff Grossman & Schole LLP 1345 Avenue of the Americas, 11th Floor New York, New York 10105 Attn: Sarah Williams, Esq. Matthew A. Gray, Esq. Telephone No: (212) 370-1300 Fax: (212) 370-7889 Email: swilliams@egsllp.com mgray@egsllp.com

7.3. Interpretation. The parties have participated jointly in the negotiation and drafting of this Agreement and the Ancillary Documents. In the event an ambiguity or question of intent or interpretation arises, this Agreement and the Ancillary Documents will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement or the Ancillary Documents. The headings and subheadings of this Agreement are for reference and convenience purposes only and in no way modify, interpret or construe the meaning of specific provisions of the Agreement. In this Agreement, unless the context otherwise requires: (i) whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa; (ii) reference to any Person includes such Person's successors and assigns but, if applicable, only if such successors and assigns are permitted by this Agreement; (iii) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding or succeeding such term and shall be deemed in each case to be followed by the words "without limitation"; (v) the words "herein," "hereto," and "hereby" and other words of similar import in this Agreement shall be deemed in each case to refer to this Agreement as a whole and not to any particular Article, Section or other subdivision of this Agreement; (vi) reference to any statute includes any rules and regulations promulgated thereunder; (vii) any Contract, Law or Order defined or referred to herein or in any agreement or instrument that is referred to herein means such Contract, Law or Order as from time to time amended, modified or supplemented, including (in the case of Contracts) by waiver or consent and (in the case of Laws or Orders) by succession of comparable successor Laws or Orders and references to all attachments thereto and instruments incorporated therein; (viii) except as otherwise indicated, all references in this Agreement to the words "Article", "Section", "Schedule", "Exhibit", "Annex" are intended to refer to articles, sections, schedules, exhibits and annexes to this Agreement; and (ix) any reference to dollars or "$" means United States dollars.

7.4. Severability. In case any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions will not in any way be affected or impaired. Any illegal or unenforceable term will be deemed to be void and of no force and effect only to the minimum extent necessary to bring such term within the provisions of applicable Law and such term, as so modified, and the balance of this Agreement will then be fully enforceable. The parties will substitute for any invalid, illegal or unenforceable provision a suitable and equitable provision that carries out, so far as may be valid, legal and enforceable, the intent and purpose of such invalid, illegal or unenforceable provision.

7.5. Assignment; Third Party Beneficiaries. This Agreement may not be assigned by any party without the prior written consent of the other parties hereto, and any attempted assignment in violation of this Section 7.5 shall be null and void ab initio; provided, however, that BLS may without such consent assign its rights and benefits hereunder to any Affiliate of BLS (provided, that BLS shall remain primarily responsible for its obligations hereunder). Subject to the preceding sentence, this Agreement will apply to, be binding in all respects upon and inure to the benefit of the successors and permitted assigns of each party hereto. Except for the indemnification rights of the Indemnitees set forth herein, this Agreement is for the sole benefit of the parties hereto and their successors and permitted assigns and nothing herein expressed or implied shall give or be construed to give to any Person, other than the parties hereto and such successors and permitted assigns, any legal or equitable rights hereunder.

7.6. Amendment; Waiver. This Agreement may not be amended or modified except by an instrument in writing signed by each of the parties hereto. Notwithstanding anything to the contrary contained herein: (a) the failure of any party at any time to require performance by the other of any provision of this Agreement will not affect such party's right thereafter to enforce the same; (b) no waiver by any party of any default by any other party will be valid unless in writing and acknowledged by an authorized representative of the non-defaulting party, and no such waiver will be taken or held to be a waiver by such party of any other preceding or subsequent default; and (c) no extension of time granted by any party for the performance of any obligation or act by any other party will be deemed to be an extension of time for the performance of any other obligation or act hereunder.

7.7. Remedies. Except as specifically set forth in this Agreement, any party having any rights under any provision of this Agreement will have all rights and remedies set forth in this Agreement and all rights and remedies which such party may have been granted at any time under any other contract or agreement and all of the rights which such party may have under any applicable Law. Except as specifically set forth in this Agreement, any such party will be entitled to (a) enforce such rights specifically, without posting a bond or other security or proving that monetary damages would be inadequate, (b) to recover damages by reason of a breach of any provision of this Agreement and (c) to exercise all other rights granted by applicable Law. The exercise of any remedy by a party will not preclude the exercise of any other remedy by such party.

7.8. Governing Law; Jurisdiction; Waiver of Jury Trial. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York (without giving effect to its choice of law principles). For purposes of any Action arising out of or in connection with this Agreement or any transaction contemplated hereby, each party hereto (a) irrevocably submits to the exclusive jurisdiction and venue of any state or federal court located within Nassau County, State of New York (or in any court in which appeal from such courts may be taken), (b) agrees that service of any process, summons, notice or document by U.S. registered mail to such party's respective address set forth in Section 7.2 shall be effective service of process for any Action with respect to any matters to which it has submitted to jurisdiction in this Section 7.8, and (c) waives and covenants not to assert or plead, by way of motion, as a defense or otherwise, in any such Action, any claim that it is not subject personally to the jurisdiction of such court, that the Action is brought in an inconvenient forum, that the venue of the Action is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court, and hereby agrees not to challenge such jurisdiction or venue by reason of any offsets or counterclaims in any such Action. Each party agrees that a final judgement in any such Action shall be conclusive and may be enforced in each other jurisdiction by suit on the judgment or in any other manner provided by law or in equity. Each party hereto hereby knowingly, voluntarily and intentionally waives any right such party may have to a trial by jury in respect to any litigation based hereon, or arising out of, under, or in connection with this Agreement and any agreement contemplated to be executed in connection herewith, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of any party in connection with such agreements, in each case, whether now existing or hereafter arising and whether in tort, contract or otherwise. Each party hereto acknowledges that it has been informed by the other parties hereto that this Section 7.8 constitutes a material inducement upon which they are relying and will rely in entering into this Agreement.

7.9. Entire Agreement. This Agreement (including the schedules, exhibits and annexes hereto, which are hereby incorporated herein by reference and deemed part of this Agreement), together with the Ancillary Documents constitute the entire agreement among the parties hereto with respect to the subject matter hereof and supersede all prior agreements and undertakings, both written and oral, with respect to the subject matter hereof.

7.10. JV Action. Notwithstanding anything to the contrary contained in this Agreement, all actions, determinations and authorizations on the part of the JV under this Agreement shall be taken and authorized by the JV Board (excluding, in the case of any dispute with the JV involving (i) Savsu (or related Indemnitee), any managers designed by Savsu under the Amended JV Operating Agreement, or (ii) BLS (or related Indemnitee), any managers designed by BLS under the Amended JV Operating Agreement; provided that all voting and quorum requirements shall ignore such excluded managers), and the JV shall not be deemed to have taken any action, made any determination or provided any authorization under this Agreement that has not been so authorized by the JV Board.

7.11. Counterparts. This Agreement may be executed in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. A photocopy, faxed, scanned and/or emailed copy of this Agreement or any Ancillary Document or any signature page to this Agreement or any Ancillary Document, shall have the same validity and enforceability as an originally signed copy.

[Remainder of Page Intentionally Left Blank; Signatures Appear on Following Page]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the date first written above.

Savsu:

SAVSU TECHNOLOGIES, INC.

By: _____
Name: Dana E. Barnard
Title: Manager

BLS:

BIOLIFE SOLUTIONS, INC.

By: _____
Name: Roderick de Greef
Title: Chief Financial Officer

The JV:

BIOLOGISTEX CCM, LLC

By: _____
Name: Michael Rice
Title: President

[Signature Page to Contribution Agreement]

ANNEX I
DEFINITIONS

1. Certain Defined Terms. As used in the Agreement, the following terms shall have the following meanings:

"***Action***" means any notice of noncompliance or violation, or any claim, demand, charge, action, suit, litigation, audit, settlement, complaint, stipulation, assessment or arbitration, or any request (including any request for information), inquiry, hearing, proceeding or investigation, by or before any Governmental Authority.

"***Affiliate***" means, as applied to any Person, any other Person directly or indirectly controlling, controlled by or under direct or indirect common control with, such Person, where "control" (including with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise. For purposes of this Agreement, the JV shall not be deemed an Affiliate of any other party.

"***Ancillary Document***" means each agreement, instrument or document attached hereto as an exhibit, including the Contributed Assets Assignment, the BLS Inventory Assignment, the Amended JV Operating Agreement and the Services Agreement, and the other agreements, certificates and instruments to be executed or delivered by any of the parties hereto in connection with or pursuant to this Agreement.

"***Business Day***" means any day that is not a Saturday, Sunday or any other day on which banks are required or authorized by Law to be closed in New York, New York.

"***Code***" means the Internal Revenue Code of 1986 and any successor statute thereto, as amended. Reference to a specific section of the Code shall include such section, any valid regulation promulgated thereunder, and any comparable provision of any future legislation amending, supplementing or superseding such section.

"***Confidential Information***" means, as it applies with respect to the obligations of BLS or Savsu, as applicable, the terms and provisions of this Agreement and any information concerning the Contributed Assets, the Assumed Liabilities, the BLS Inventory or the Business or, to the extent disclosed in connection with this Agreement or the Ancillary Documents or the transactions contemplated hereby or thereby, the JV, the other applicable party or their respective Affiliates that is not generally available to the public, including Trade Secrets, customer lists, details of customer or consultant contracts, pricing policies, operational methods and marketing plans or strategies, and any information disclosed to the JV, the other applicable party or their respective Affiliates by third parties to the extent that they have an obligation of confidentiality in connection therewith; provided, however, that Confidential Information shall not include any information which, at the time of disclosure, is generally available publicly and was not disclosed in breach of this Agreement by the other party or its Representatives.

"***Contract***" means any contract, agreement, binding arrangement, commitment or understanding, bond, note, indenture, mortgage, debt instrument, license (or any other contract, agreement or binding arrangement concerning intellectual property), franchise, lease or other instrument or obligation of any kind, written or oral (including any amendments or other modifications thereto).

"***Enforceability Exceptions***" means bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and general principles of equity (regardless of whether enforceability is considered in a proceeding at law or in equity).

"***Governmental Authority***" means any federal or national, state or provincial, municipal or local government, governmental authority, regulatory or administrative agency, governmental commission, department, board, bureau, agency or instrumentality, political subdivision, court, tribunal, official arbitrator or arbitral body in each case whether domestic or foreign. The term "Governmental Authority" includes any Person acting on behalf of a Governmental Authority.

*"**JV Board**"* means the board of managers of the JV, as designated in accordance with the JV's Organizational Documents, as may be amended from time to time.

"***Knowledge***" means, with respect to any party, the actual present knowledge of a particular matter by any of the directors or executive officers of such party, provided that a Person shall be deemed to have actual knowledge of information contained in a writing (including electronic writings) addressed to or authored by such Person.

"***Law***" means any federal, state, local, municipal, foreign or other law, statute, legislation, principle of common law, ordinance, code, edict, decree, proclamation, treaty, convention, rule, regulation, directive, requirement, writ, injunction, settlement, Permit or Order that is or has been issued, enacted, adopted, passed, approved, promulgated, made, implemented or otherwise put into effect by or under the authority of any Governmental Authority.

"***Liabilities***" means any and all debts, liabilities and obligations of any nature whatsoever, whether accrued or fixed, absolute or contingent, mature or unmatured or determined or determinable, including those arising under any Law, Action, Order or Contract.

"***Lien***" means any interest (including any security interest), pledge, mortgage, lien, encumbrance, charge, claim or other right of third parties, including any spousal interests (community or otherwise), whether created by law or in equity, including any such restriction on the use, voting, transfer, receipt of income or other exercise of any attributes of ownership.

"***Material Adverse Effect***" means, with respect to any Person, any event, fact, condition, change, circumstance, occurrence or effect, which, either individually or in the aggregate with all other events, facts, conditions, changes, circumstances, occurrences or effects, (a) has had, or would reasonably be expected to have, a material adverse effect on the business, operations, properties, prospects, assets, Liabilities, value, condition (financial or otherwise), licenses or results of operations of such Person or its Subsidiaries (including with respect to Savsu, the Business, the Assumed Liabilities or the Contributed Assets) or (b) does or would reasonably be expected to materially impair or delay the ability of such Person to perform its obligations under this Agreement and the Ancillary Documents or to consummate the transactions contemplated hereby and thereby; provided, however, that a Material Adverse Effect will not include any adverse effect or change resulting from any change, circumstance or effect relating to (A) the economy in general, (B) securities markets, regulatory or political conditions in the United States (including terrorism or the escalation of any war, whether declared or undeclared or other hostilities), (C) changes in applicable Laws or (D) a natural disaster (provided, that in the cases of clauses (A) through (D), the Person is not disproportionately affected by such event as compared to other similar companies and businesses in similar industries and geographic regions as such Person).

"***Order***" means any order, writ, rule, judgment, injunction, decree, stipulation, determination or award made, entered, rendered or otherwise put into effect by, with or under the authority of any Governmental Authority.

"***Organizational Documents***" means a company's certificate of incorporation, certificate of formation, articles of organization or other equivalent charter document and bylaws, operating agreement or other equivalent document.

"***Patents***" means all patents, patent applications and the inventions, designs and improvements described and claimed therein, patentable inventions, and other patent rights (including any divisionals, continuations, continuations-in-part, substitutions, or reissues thereof, whether or not patents are issued on any such applications and whether or not any such applications are amended, modified, withdrawn, or refiled).

"***Permit***" means any federal, state, local, foreign or other third-party permit, grant, easement, consent, approval, authorization, exemption, license, franchise, concession, ratification, permission, clearance, confirmation, endorsement, waiver, certification, designation, rating, registration or qualification that is or has been issued, granted, given or otherwise made available by or under the authority of any Governmental Authority or other Person.

"***Permitted Liens***" means any (a) statutory Liens of landlords, carriers, warehousemen, mechanics and materialmen and other similar Liens imposed by Law in the ordinary course of business consistent with past practice for sums not yet due and payable; (b) the Lien of Citizens Bank, National Association, filed April 27, 2016, provided that such Lien is released not later than January 31, 2017; and (c) Liens for current Taxes not yet due and payable.

"***Person***" shall include any individual, trust, firm, corporation, limited liability company, partnership, Governmental Authority or other entity or association, whether acting in an individual, fiduciary or any other capacity.

"***Representative***" means, as to any Person, such Person's Affiliates and its and their managers, directors, officers, employees, agents and advisors (including financial advisors, counsel and accountants).

"***Securities Act***" means the Securities Act of 1933, as amended.

"***Subsidiary***" means, with respect to any Person, any corporation, partnership, association or other business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a partnership, association or other business entity, a majority of the partnership or other similar ownership interests thereof is at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons will be deemed to have a majority ownership interest in a partnership, association or other business entity if such Person or Persons will be allocated a majority of partnership, association or other business entity gains or losses or will be or control the managing director, managing member, general partner or other managing Person of such partnership, association or other business entity. For purposes of this Agreement, the JV will not be deemed to be a Subsidiary of Savsu or BLS.

"***Tax***" means any federal, state, local or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, environmental, natural resources, customs duties, franchise, withholding, social security (or similar), payroll, unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated tax, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not, including such item for which Liability arises from the application of Treasury Regulation 1.1502-6, as a transferee or successor-in-interest, by contract or otherwise, and any Liability assumed or arising as a result of being, having been, or ceasing to be a member of any Affiliated Group (as defined in Section 1504(a) of the Code) (or being included or required to be included in any Tax return relating thereto) or as a result of any Tax indemnity, Tax sharing, Tax allocation or similar Contract.

"***Trade Secrets***" means, as they exist in any jurisdiction throughout the world, any trade secrets, confidential business information, concepts, ideas, designs, research or development information, processes, procedures, techniques, technical information, specifications, operating and maintenance manuals, engineering drawings, methods, know-how, data, mask works, discoveries, inventions, modifications, extensions, improvements, and any other information, however documented, that is a trade secret within the meaning of the applicable trade secret protection Laws, including the Uniform Trade Secrets Act.

"***Trademarks***" means, as they exist in any jurisdiction throughout the world, any trademarks, service marks, trade dress, trade names, brand names, Internet domain names, designs, logos, or corporate/company names (including, in each case, the goodwill associated therewith), whether registered or unregistered, and all registrations and applications for registration and renewal thereof.

2 . Other Defined Terms. The following capitalized terms, as used in the Agreement, have the respective meanings given to them in the Section as set forth below adjacent to such terms:

Term	Section
Agreement	Preamble
Amended JV Operating Agreement	2.2(c)
Assumed Liabilities	1.3
BLS	Preamble
BLS Inventory	1.7(a)
BLS Inventory Assignment	2.2(b)
BLS Loan	Recitals
Business	Recitals
Closing	2.1
Closing Date	Preamble
Contributed Assets	1.1
Contributed Assets Assignment	2.2(a)
Contributed Contract	1.1(c)
Contributed IP	1.1(b)
Contributed Personal Property	1.1(a)
JV	Preamble
Necessary Consent	1.4
Retained Assets	1.2
Savsu	Preamble
Savsu Consideration	1.5
Savsu Disclosure Schedules	Article III
Services Agreement	2.3(c)
Transfer Taxes	6.4

Exhibit A-1
Contributed Assets Assignment

See attachment.

Exhibit A-2
BLS Inventory Assignment

See attachment.

Exhibit B
Amended JV Operating Agreement

See attachment.

Exhibit C
Services Agreement

See attachment.

Schedule I
Contributed Personal Property

1. Belovac – ThermoForm Class Vacuum Former
2. Six Axis Industrial Robot
3. D&B Industrial Sales – Six Axis Industrial Robot
4. Landstar Inway – Freight
5. Clean Air Consultants – Down Draft Table
6. Robot Units – Robot Guard Assembly
7. Precision Drive System – Router for Robot
8. Model BV C Class Vacuum Former
9. SOFTWARE FOR ROBOT
10. MECSOFT CORP – January
11. MECSOFT CORP – February
12. MECSOFT CORP – March
13. BEMCO Test Chamber
14. Belovac – ThermoForm 24"x48"
15. App For Iphone
16. Computer
17. Mac Mini W/Access
18. Computer
19. Jordan Johnson – design work renovation, cabinets, desk, shelving
20. Lumber – Amex
21. TM – March Amex 3/17/16 – Hunter Bower Lumber
22. DEB – March Amex 3/17/16 – Albuquerque Hardwood
23. Volkswagen – 2015 Golf Wagon

Schedule II
Patents and Trademarks Description

1. PR-3001-1 Insulated Storage/Transportation Containers
2. P-3001-2 Insulated Storage/Transportation Containers
3. P-3001-3 Insulated Storage/Transportation Containers
4. PR-3002-1 Insulated Storage System with Balanced Thermal Energy Flow
5. P-3002-2 Insulated Storage System with Balanced Thermal Energy Flow
6. P-3002-3 Insulated Storage System with Balanced Thermal Energy Flow
7. P-3011-2 Insulated Storage/Transportation System
8. T-3003-1 SAVSU
9. T-3004-1 NANO Q
10. T-3006-1 PHD (Word)
11. T-3007-1 Rx PACK (Design)
12. PR-3008-1 Storage of Temperature-Sensitive Items with Stabilizing Pellets
13. P-3008-1 Storage of Temperature-Sensitive Items with Stabilizing Pellets
14. P-3008-1 Storage of Temperature-Sensitive Items with Stabilizing Pellets
15. PR-3009-1 Contents Rack for Use in Insulated Storage Containers
16. P-3009-2 Contents Rack for Use in Insulated Storage Containers
17. T-3012-1 EVO (Word)
18. T-3012-2 EVO (Design)
19. PR-3013-1 Cryogenic Storage Container
20. PR-3005-1, PR-3005-2, PR-3005-3 & P-3011-1, P-3011-2
21. P-3001-2, P-3002-2, T-3012-1, T-3012-2

Schedule III
BLS Inventory

Inventory Counts

Item	Part #	Count
evo 2-8C w/ Radio	evo - 2-8 SM	61
evo 2-8 Shell	EVO-05SM0000A	7
Cold Pack - 2-8, Top All Season - 1.0L	CPK-05SMTA56A	57
Cold Pack - 2-8, Bottom All Season - 1.0L	CPK-05SMBA56A	57
1.0L payload - 2-8, All Season	PLD-05SM0056A	55
Cold Pack - 2-8, Top All Season - 1.5L	CPK-05SMTA48A	31
Cold Pack - 2-8, Bottom All Season - 1.5L	CPK-05SMBA48A	30
1.5L payload - 2-8, All Season	PLD-05SM0048A	31
Cold Pack - 2-8, Small, Top Extreme - 72	CPK-05SMTE72A	62
Cold Pack - 2-8, Small, Bottom Extreme -72	CPK-05SMBE72A	62
750mL payload - 2-8, Small, 72, Extreme	PLD-05SM0072A	48
evo CRT w/ Radio	evo - CRT SM	45
evo CRT Shell Small	EVO-22SM0000A	0
CRT Pack, Top All Season - 1.0L	CPK-22SMTA56A	24
CRT Pack, Bottom All Season - 1.0L	CPK-22SMBA56A	25
1.0L payload - CRT, All Season	PLD-22SM0056A	20
CRT Pack, Top All Season - 1.5L	CPK-22SMTA48A	20
CRT Pack, Bottom All Season - 1.5L	CPK-22SMBA48A	20
1.5L payload - CRT, All Season	PLD-22SM0048A	20
evo CRYO w/ Radio	evo - CRYO SM	37
evo CRYO Shell Small	EVO-80SM0000A	78
Cryo, Small, Top Dry Ice Tray	CPK-80SMIT72A	117
Cryo Vial Rack - 1.0L	PLD-80SMVR72A	117
Small Cryo Cross Bar for Vial Rack Holder	PLD-80SMCB72A	117
Small Cryo Support Frame for Vial Rack	PLD-80SMSF72A	117
BATTERY	BAT-00000000A	335
BATTERY CHARGER	BCH-00000000A	360
ELECTRONICS PACKAGE	ELE-00000000A	219
MIDDLE BROWN BOX	PBM-00SM0000A	401
INNER WHITE BOX	PBW-00SM0000A	343
SCREWDRIVER	SDV-00000000A	95

Accessories Returned from Customers

Item	Part #	Count
Cold Pack - 2-8, Top All Season - 1.5L	CPK-05SMTA48A	1
Cold Pack - 2-8, Bottom All Season - 1.5L	CPK-05SMBA48A	1
1.5L payload - 2-8, All Season	PLD-05SM0048A	1
Cold Pack - 2-8, Small, Top Extreme - 72	CPK-05SMTE72A	2
Cold Pack - 2-8, Small, Bottom Extreme -72	CPK-05SMBE72A	2
750mL payload - 2-8, Small, 72, Extreme	PLD-05SM0072A	2
CRT Pack, Top All Season - 1.0L	CPK-22SMTA56A	2
CRT Pack, Bottom All Season - 1.0L	CPK-22SMBA56A	2
BATTERY	BAT-00000000A	8
BATTERY CHARGER	BCH-00000000A	7

evo's Deployed to Customers

Customer	Model	Count
Amnio Technology	CRYO	1
British Columbia Cancer Agency	2-8C	1
Boston Children's	2-8C	1
Capicore	CRYO	1
Dana Farber	2-8C	1
eQCell	2-8C	1
eQCell	CRYO	1
Kite Pharma	2-8C	1
StemCell Tech	CRT	2
StemCell Tech	CRYO	1
StemCell Tech	2-8C	1
UCSF	CRT	1
UCSF	2-8C	1
MNX	2-8C	59
PharmaCell	2-8C	4

Exhibit 10.32

AMENDED and RESTATED

OPERATING AGREEMENT

of

BIOLOGISTEX CCM, LLC

Dated as of December 31, 2016

TABLE OF CONTENTS

SCHEDULES

AMENDED and RESTATED OPERATING AGREEMENT

OF

BIOLOGISTEX CCM, LLC

This AMENDED and RESTATED OPERATING AGREEMENT ("Agreement") of BIOLOGISTEX CCM, LLC ("Company") dated as of December 31, 2016 ("Effective Date") by and among the Company, BIOLIFE SOLUTIONS, INC., with a principal place of business at 3303 Monte Villa Parkway, Suite 310, Bothell, Washington 98021 ("BioLife"), SAVSU TECHNOLOGIES, LLC, with a principal place of business at 160 Sweet Hollow Road, Old Bethpage, New York 11804 ("Savsu") and such other parties, if any, who have executed the signature page(s) hereto as members of the Company and whose names and addresses appear on Schedule A hereto (BioLife, Savsu and such other parties are each sometimes referred to herein as a "Member" and collectively, the "Members").

WHEREAS, the Company was formed as a Delaware limited liability company upon the filing of a certificate of formation (the "Certificate of Formation") on September 29, 2014 in the offices of the Secretary of State of Delaware;

WHEREAS, the Members entered into an undated Limited Liability Company Agreement of the Company (the "LLC Agreement"). This Agreement amends and restates the LLC Agreement in its entirety;

WHEREAS, in connection with the amendment and restatement of this Agreement, Savsu shall contribute certain machinery, equipment, inventory and IP to the Company, in the agreed-upon value set forth at Schedule A;

WHEREAS, Biolife held indebtedness of the Company, which indebtedness has been contributed by Biolife to the capital of the Company during 2016 in exchange for additional equity in the Company;

WHEREAS, the parties hereto have agreed to enter into this Agreement to provide for their rights, obligations and responsibilities as holders of Membership Interests.

NOW, THEREFORE, in consideration of the mutual promises, covenants and undertakings of the parties hereto, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as of the Effective Date as follows:

ARTICLE I
DEFINITIONS

1 . 1 Definitions. As used in this Agreement and the Exhibits, Schedules and Annexes hereto, the following terms shall have the meanings set forth below:

"Act" shall mean the Delaware Limited Liability Company Act, 6 Del. C. § 18101 et seq., and any successor statute thereto, as amended from time to time.

"Adjusted Capital Account" means, with respect to any Member, at any time, the Member's Capital Account at such time (a) increased by the sum of (i) the amount of such Member's share of "partnership minimum gain" (as defined in Treas. Reg. § 1.704-2(g)(1) and (3)), (ii) the amount of such Member's share of "partner nonrecourse debt minimum gain" (as defined in Treas. Reg. § 1.704-2(i)(5)), and (iii) any amount of the deficit balance in such Member's Capital Account that the Member is obligated to restore on liquidation of the Company and (b) decreased by reasonably expected adjustments, allocations, and distributions described in Treas. Reg. §§ 1.704-1(b)(2)(ii)(*d*)(4), (5), or (6). The foregoing definition of Adjusted Capital Account is intended to comply with the provisions of Treas. Reg. § 1.704-1(b)(2)(ii)(*d*) and shall be interpreted and applied in a manner consistent therewith.

The foregoing definition of "Adjusted Capital Account Deficit" is intended to comply with the provisions of Treasury Regulations Sections 1.704-1(b)(2)(ii)(d) and 1.704-2, and shall be interpreted consistently therewith.

"Affiliate" shall mean with respect to any Person (i) any other Person that directly or indirectly through one or more intermediaries controls or is controlled by or is under common control with such Person, (ii) any other Person owning or controlling 10% or more of the outstanding voting securities of, or other ownership interests in, such Person, (iii) any officer, director or member of such Person, (iv) if such Person is an officer, director or member of the company for which such Person acts in any such capacity and (v) in the case of an individual, any Relative of such individual. For purposes of this definition, "control," when used with respect to any Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Agreement" shall mean this Amended and Restated Operating Agreement, as it may hereafter be amended or modified from time to time.

"Annual Financial Statements" shall have the meaning set forth in Section 4.5(c).

"Assignee" shall mean the transferee pursuant to this Agreement of a Member's Membership Interest, who or which has not been admitted as a Substituted Member.

"Available Cash" shall mean the cash reserves of the Company in excess of that required to satisfy existing liabilities and to provide for future contingencies or future needs of the business of the Company, as determined from time to time by the Management Committee.

"Bankruptcy Event" shall mean, with respect to any Person:

(i) the adjudication that such Person is bankrupt or insolvent, or the entry of a final and non-appealable order for relief under Title 11 of the United States Code or any other applicable federal or state bankruptcy or insolvency law;

(ii) the admission by such Person of its inability to pay its debts as they mature;

(iii) the making by such Person of an assignment for the benefit of creditors;

(iv) the filing by such party of a petition in bankruptcy or a petition for relief under Title 11 of the United States Code or any other applicable federal or state bankruptcy or insolvency law;

(v) the expiration of sixty (60) days after the filing of an involuntary petition under Title 11 of the United States Code, an application for the appointment of a receiver for the assets of such Person, or an involuntary petition seeking liquidation, reorganization, arrangement or readjustment of its debts under any other federal or state insolvency law; provided, that the same shall not have been vacated, set aside or stayed within such sixty (60) day period;

(vi) the imposition of a judicial or statutory lien on all or a substantial part of such Person's assets unless such lien is discharged or vacated or the enforcement thereof stayed within sixty (60) days after its effective date; and

(vii) the filing by such Person of an answer or other pleading admitting or failing to contest the material allegations of a petition filed against it in any proceeding of the nature described in clause (v) above, and

(viii) the expiration of sixty (60) days after the commencement of any stay referred to in clause (v) or (vi) above; provided, that the subject of such stay shall not have been vacated or set aside within such sixty (60) day period.

"BioLife Copyrights" shall mean the copyrights and copyright registrations as set forth on Schedule B hereto.

"Book Value" with respect to any assets of the Company shall mean its adjusted basis for federal income tax purposes, except that (i) the initial Book Value of any asset contributed by a Member to the Company shall be an amount equal to the fair market value of such asset, as determined by the Management Committee, (ii) the Book Value of any Company asset distributed to any Member shall be the fair market value of such asset on the date of distribution as determined by the Management Committee, and (iii) such Book Value shall thereafter be adjusted in a manner consistent with Treasury Regulations Section 1.704-l(b)(2)(iv)(g) and for the Depreciation taken into account with respect to such asset.

"Business" shall mean the business of transporting and storing temperature sensitive vaccines and new "live cell" medical treatments.

"Business Day" shall mean any day other than a Saturday, Sunday or any other day on which banks in New York are required or permitted to be closed.

"Capital Account" shall mean the capital account established and maintained on the books of the Company for each Member in accordance with the provisions of Treasury Regulation Section l.704-1(b)(2)(iv) as shall be adjusted upon the occurrence of certain events as provided in Treasury Regulation Section 1.704-1(b)(2)(iv)(f). Such Capital Account balance shall be (i) reduced from time to time by (A) the amount of money or agreed net fair market value of any property distributions from the Company to such Member pursuant to this Agreement (net of liabilities secured by such distributed property that such Member is considered to assume or take subject to under Section 752 of the Code) and (B) the amount of any Losses allocated to such Member under Section 8.3 and (C) any and all indebtedness of the Company to the Member to the extent they are repaid, (ii) increased from time to time by (A) the amount of any Profits allocable to such Member under Section 8.3 and (B) the amount of money or agreed net fair market value of any property contributed by such Member (net of liabilities secured by such contributed property that the Company is considered to assume or take subject to under Section 752 of the Code), and (C) any and all indebtedness of the Company to the Member to the extent they are incurred, and (iii) otherwise adjusted as required under Section 1.704-1(b)(2)(iv) of the Treasury Regulations. In the event of a Transfer of some or all of a Membership Interest, the Capital Account of the assignor shall become the Capital Account of the Assignee or the Substituted Member, as the case may be, to the extent it relates to the portion of the Membership Interest Transferred. In connection with the contribution by Savsu, the Company shall revalue the assets of the Company and shall allocate unrealized Profits or Losses in a manner consistent with Sections 8.3(c) and (d) as if there were a Liquidity Event.

"Capital Contribution" shall mean any cash, property, services rendered, or a promissory note or other binding obligation to contribute cash or property or to render services that a Member contributes to the Company in the capacity of a Member.

"Capital Percentage(s)" shall mean a Member's share of the Company's Profits from such Liquidity Event as set forth below:

(a) For a Liquidity Event that is consummated prior to the first (1^{st}) anniversary of the Effective Date, the Capital Percentages of the Members shall be forty-five (45%) percent to BioLife and fifty-five (55%) percent to Savsu;

(b) For a Liquidity Event that is consummated on or after the first (1^{st}) anniversary of the Effective Date and prior to the second (2^{nd}) anniversary of the Effective Date, the Capital Percentages of the Members shall be forty (40%) percent to BioLife and sixty (60%) percent to Savsu;

(c) For a Liquidity Event that is consummated on or after the second (2^{nd}) anniversary of the Effective Date and prior to the third (3^{rd}) anniversary of the Effective Date, the Capital Percentages of the Members shall be thirty-five (35%) percent to BioLife and sixty-five (65%) percent to Savsu; and

(d) For a Liquidity Event that is consummated on or after the third (3rd) anniversary of the Effective Date, the Capital Percentages of the Members shall be twenty-five (25%) percent to BioLife and seventy-five (75%) percent to Savsu.

"Certificate of Formation" shall have the meaning set forth in the Recitals.

"Change in Control" means any sale, transfer or issuance or series of sales, transfers and/or issuances of Membership Interests which results in a majority of the Membership Interests of the Company no longer being owned by the Members owning such Membership Interests immediately prior to the transaction in question.

"Code" shall mean the Internal Revenue Code of 1986, as amended and in effect from time to time, or any corresponding provision(s) of succeeding law.

"Confidential Information" has the meaning set forth in Section 4.10.

"Deemed Sale" shall have the meaning set forth in Section 7.2.

"Depreciation" shall mean, with respect to any Fiscal Year, all deductions attributable to depreciation or cost recovery with respect to assets of the Company, including any improvements made thereto and any tangible personal property located therein, or amortization of the cost of any intangible property or other assets acquired by the Company, which have a useful life exceeding one year, provided, however, that with respect to any asset of the Company whose tax basis differs from its Book Value at the beginning of such Fiscal Year or other period, Depreciation shall be an amount which bears the same ratio to such beginning Book Value as the depreciation, amortization or other cost recovery deduction for such period with respect to such asset for federal income tax purposes bears to its adjusted tax basis as of the beginning of such Fiscal Year; provided, however, that if the federal income tax depreciation, amortization or other cost recovery deduction for such Fiscal Year is zero, Depreciation shall be determined using any reasonable method selected by the Management Committee.

"Distributed Royalties" shall mean the aggregate amount of Distributions of Royalties by the Company to Biolife pursuant to Section 8.1(a).

"Distribution" shall mean the transfer of property by the Company to one or more of its Members in the capacity of a Member.

"Drag-Along Option" shall have the meaning set forth in Section 7.3.

"Exculpated Parties" shall have the meaning set forth in Section 4.4(b).

"Fiscal Year" shall mean the fiscal year of the Company, which shall be the calendar year; but upon termination of the Company, "Fiscal Year" shall mean the period from the end of the last preceding Fiscal Year to the date of such termination.

"FMV" shall mean fair market value as determined by the Management Committee in its sole discretion or, if such Management Committee cannot agree, by an independent appraiser selected by the Management Committee.

"GAAP" shall mean United States generally accepted accounting principles in effect from time to time, using the accounting methods, practices, principles, policies and procedures, with consistent classifications, judgments and valuation and estimation methodologies that were used in the preparation of the Annual Financial Statements.

"Governmental Authority" shall mean any governmental, administrative or regulatory agency, bureau, department or other body, whether federal, state, local or foreign.

"Indemnified Parties" shall have the meaning set forth in Section 4.4(a).

"Initial Managers" shall mean Michael Rice, Dana Barnard and Bruce McCormick.

"Inventions" shall mean all original works of authorship, software applications, computer code, inventions, ideas, discoveries, improvements, modifications, writings, artistic or creative material, and other intellectual property in any form whatsoever (whether or not patented and/or copyrighted).

"Liquidity Event" shall mean the consummation of a transaction or series of related transactions pursuant to which the Company shall sell its business or substantially all of its assets or Membership Interests, borrow money or enter into a financing transaction in which the assets of the Company are mortgaged or pledged (excluding customary liabilities in the Company's ordinary course of business), or merge or consolidate with another Person, or recapitalize, split up and/or combine the existing Membership Interests of the Company other than in connection with the consummation of a New Investment Round, or consummate an initial public offering of the Company's securities, or any other transaction that results in a Change in Control.

"Majority Purchaser" shall have the meaning set forth in Section 7.3.

"Management Committee" shall have the meaning set forth in Section 4.1.

"Managers" shall mean the Initial Managers and such other Persons as may be appointed as Managers in accordance with Section 4.2.

"Member" shall mean each of those persons listed on Schedule A hereto (as such Schedule A may be amended from time to time), their successors and permitted assigns and any other members admitted to the Company in accordance with this Agreement.

"Membership Interest(s)" shall mean a Member's aggregate rights in the Company, including but not limited to such Member's right to the share of the Profits and Losses of the Company, the right to receive Distributions from the Company, and the right to vote its Membership Interests to the extent provided herein.

"Negative Capital Account" shall have the meaning set forth in Section 3.9.

"Net Profits" and "Net Losses" shall mean the sum of the Profits and Losses, defined below, for each taxable year of the Company.

"New Investment Round" shall mean one or more capital investment(s) in the Company subsequent to the Effective Date by a Person that may include Savsu but is otherwise not a Member of the Company as of the date of such investment, in an aggregate sum of approximately $5,000,000-$7,000,000, on terms and conditions acceptable to the Management Committee in its sole discretion.

"New Investor" shall mean a Person who purchases Membership Interests from the Company in a New Investment Round.

"Non-Selling Member(s)" shall have the meaning set forth in Section 7.3.

"Offer" shall have the meaning set forth in Section 7.4.

"Officer" shall have the meaning set forth in Section 5.1.

"Operations" means any and all transactions of the Company, excluding Liquidity Events.

"Person" shall mean any individual, partnership, corporation, limited liability company, trust or other legal entity.

"Preferred Basis" the sum of the formula: (i) Preferred Capital minus (ii) aggregate Distributions pursuant to Sections 8.1(b) and 8.2(b) plus aggregate Losses allocated pursuant to Section 8.3(b)(i).

"Preferred Capital" the amount of the preferred capital contributed to the Company and so designated, as further set forth in Section 3.2.

"Preferred Member" the Member or Members who or which hold Preferred Membership Interests.

"Preferred Membership Interest" the preferred membership interest attributable to the contribution of preferred capital.

"Profits" and "Losses" mean for each taxable year of the Company, the amount of the Company's income and gain or the Company's losses and deductions, respectively, determined for federal income tax purposes, in accordance with Section 703(a) of the Code (including, without limitation, all items of income, gain, loss, or deduction required to be separately stated pursuant to Section 703(a)(1) of the Code), with the following modifications:

(a) The amount determined above shall be increased by income exempt from federal income tax;

(b) The amount determined above shall be reduced by any expenditures described in Section 705(a)(2)(B) of the Code or expenditures treated as such pursuant to Treas. Reg. § 1.704-1(b)(2)(iv)(i);

(c) Depreciation, amortization and other cost recovery deductions shall be computed based on their respective book values in accordance with the provisions of Treas. Reg. §§ 1.704-1(b)(2)(iv)(g)(3) and 1.704-3(d)(2), as applicable;

(d) Gain or loss resulting from a disposition of property to which the principles of Section 704(c) of the Code apply shall be computed by reference to the book value of such property, notwithstanding that the adjusted tax basis of such property differs from its book value;

(e) Any book gain or book loss resulting from a revaluation of property attributable to unrealized gain or loss in such property shall be taken into account for purposes of computing Profits or Losses;

(f) Any items which are regulatory or special allocations under Section 8.7 shall not be taken into account in computing Profits or Losses.

"Profits Percentage(s)" shall mean a Member's share of the Company's Profits and Losses as set forth below:

(a) During the period commencing on the Effective Date and ending on the first (1st) anniversary of the Effective Date, the Profits Percentages of the Members shall be forty-five (45%) percent to BioLife and fifty-five (55%) percent to Savsu;

(b) During the period subsequent to the first (1st) anniversary of the Effective Date and ending on the second (2nd) anniversary of the Effective Date, the Profits Percentages of the Members shall be forty (40%) percent to BioLife and sixty (60%) percent to Savsu; and

(c) Subsequent to the third (3rd) anniversary of the Effective Date, the Profits Percentages of the Members shall be twenty-five (25%) percent to BioLife and seventy-five (75%) percent to Savsu.

"Royalty" shall mean the payments due to BioLife pursuant to the Services Agreement.

"Savsu Patents" shall mean the patents and patent registrations set forth on Schedule C hereto.

"Services Agreement" shall mean that certain Services Agreement between BioLife and the Company, dated the date hereof, as same may be amended from time to time.

"Substituted Member" shall mean an Assignee admitted as a Member of the Company in accordance with this Agreement.

"Supermajority" means the Member(s) (which must include Savsu and BioLife) whose aggregate Membership Interest constitutes not less than sixty (60%) percent of the aggregate outstanding Membership Interests of the Company.

"Supermajority Interests" shall have the meaning set forth in Section 7.3.

"Tag-Along Option" shall have the meaning set forth in Section 7.4.

"Transfer" shall mean any sale, assignment, transfer, exchange, mortgage, pledge, grant, hypothecation, or other transfer, absolute or as security or encumbrance (including dispositions by operation of law).

"Treasury Regulation(s)" and "Treas. Reg." shall mean the regulation or regulations promulgated by the United States Department of Treasury under the Code, as such regulation or regulations are in effect on the date hereof and from time to time.

"Undistributed Preferred Capital" the amount of a Preferred Member's initial Preferred Capital reduced by aggregate amount of Distributions pursuant to Sections 8.1(b) and 8.2(c).

1.2 Terms Generally. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

(a) the terms defined in this Article have the meanings assigned to them in this Article and include both the plural and the singular;

(b) the words "hereto", "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision; and

(c) the words "including" and "include" and other words of similar import shall be deemed to be followed by the phrase "without limitation."

ARTICLE II
THE COMPANY AND ITS BUSINESS

2.1 Formation. The Company has been formed as a limited liability company under the Act. The parties hereto desire to set forth the duties and obligations of the Members and the Management Committee of the Company in accordance with the terms and conditions set forth herein.

2.2 Place of Business. The principal office of the Company shall be located at 160 Sweet Hollow Road, Old Bethpage, New York 11804, or at such other place as the Management Committee may designate from time to time.

2.3 Term. The term of the Company shall be effective on the date the Certificate of Formation was filed with the Secretary of State of the State of Delaware, and shall continue to exist until it is dissolved or terminated under the terms of this Agreement or as provided by law. The Company shall forthwith be terminated and dissolved and its business and affairs liquidated only upon the unanimous vote of the Management Committee and each Member hereby waives its/his/her right to seek a court decree of dissolution or to seek the appointment by a court of a liquidator for the Company.

2.4 Purpose; Authority and Powers. The Company is formed to conduct and operate the Business and for any other lawful business purpose or purposes, and, subject to the provisions of this Agreement, may exercise all of the powers provided in Section 18-106 of the Act. Notwithstanding the foregoing, any change in the nature of the Business shall be subject to the provisions of Section 4.3.

ARTICLE III
MEMBERS

3.1 Capital of the Company. The capital of the Company shall be the sum of the Members' Capital Contributions. As of the Effective Date, each Member's Capital Account shall be as set forth opposite such Member's name on Schedule A hereto and shall be subject to subsequent adjustment as provided in this Agreement.

3.2 Additional Capital Contributions. No Member shall be obligated to contribute any additional capital to the Company. In connection with this amended and restated Agreement, Savsu has made certain additional capital contributions the value of which is stipulated and agreed to as $_____ ("Preferred Capital").

3.3 Withdrawal. No Member shall have the right to withdraw from the Company except as expressly permitted by the terms of this Agreement. Any attempt by a Member to withdraw from the Company in violation of this Agreement shall be ineffective. The Company shall have no obligation to pay to any Member withdrawing from the Company in violation of this Section 3.3 the FMV for such Member's Membership Interest as of the date of withdrawal.

3.4 No Interest. Members shall not be entitled to receive any interest on their Capital Contributions to the Company.

3.5 No Return of Capital. Except as otherwise specifically provided in this Agreement, no Member shall be entitled to demand or receive the return of its Capital Contributions.

3.6 Admission of Additional Members. The Management Committee is authorized to admit one or more additional Members for such Capital Contributions and upon such terms and conditions as they shall deem to be in the best interest of the Company. In the event any additional Members are admitted to the Company pursuant to this Section 3.6, the Membership Interest in the Company of the then existing Members (as shown on Schedule A) shall be reduced pro rata in an aggregate amount equal to the aggregate Membership Interest in the Company acquired by the new Member(s). In connection with any such admission, the Management Committee may elect to adjust the Capital Accounts of the Members to reflect the then current FMV of the assets of the Company pursuant to and in accordance with Section 1.704-1(b)(2)(iv)(f) of the Treasury Regulations. To accomplish the purposes of this Section, the Management Committee are authorized to do all things necessary to effectuate the admission of such additional Members (including the recomputation and revision of Schedule A), each of whom shall become a signatory hereto upon executing a signature page, whereby each such additional Member shall be deemed to have adopted and to have agreed to be bound by all of the provisions of this Agreement. The original copy of this Agreement, and any duly executed signature pages, taken together, shall constitute a single instrument.

3.7 New Investment Round.

(a) New Investor. The Management Committee is expressly authorized to offer, sell and issue Membership Interests to one or more New Investors in a New Investment Round on such terms and conditions and in such amounts as the Management Committee in its sole discretion deems fair and reasonable to the Company. In accordance with Section 4.1(f)(xvii), the Company has reserved Membership Interests for issuance to New Investors in connection with their purchase of Membership Interests in a New Investment Round in an amount that, when aggregated with all other Membership Interests outstanding, would entitle such New Investors to own not more than one-third (1/3) of the total amount of Membership Interests outstanding immediately subsequent to such issuance. Such issuance shall dilute the Membership Interests of the existing Members, immediately prior to the consummation of the New Investment Round, in proportion to their respective Membership Interests.

(b) Anti-dilution of BioLife. Upon the consummation of a New Investor Round, BioLife shall have the right, but not the obligation, to make additional Capital Contributions, or to undertake in writing to the Company to make such additional Capital Contributions thereafter and to acquire Membership Interests in accordance with any such additional Capital Contribution, in an amount (computed at the same price per Membership Interests at which the New Investor purchases its Membership Interests) that, when aggregated with all other Membership Interests owned by BioLife, shall entitle BioLife to own not more than fifteen (15%) percent of the total amount of Membership Interests outstanding immediately subsequent to such consummation. The Management Committee is expressly authorized to issue any such Membership Interests to BioLife in accordance with Section 4.1(f)(xvii). In the event BioLife gives a written undertaking as set forth above, such undertaking shall be acceptable in form and substance to the Management Committee in its sole discretion.

3.8 Members' Limited Liability. The liability of each Member, as such, shall be limited to the amount of such Member's Capital Contributions in accordance with the provisions hereof. None of the Members shall have any further personal liability to contribute money to or in respect of the liabilities or the obligations of the Company, nor shall any Member be personally liable for any other obligations of the Company solely by reason of being a member of the Company. Each Member understands, however, that, to the extent required by Section 18-607 of the Act, if such Member knowingly receives a Distribution from the Company in violation of subdivision (a) of Section 18-607 of the Act, such Member may be liable to the Company for the amount of such Distribution; but nothing herein is intended to or shall expand the rights, if any, that a creditor may have under law apart from this Agreement.

3.9 Negative Capital Account. A "Negative Capital Account" resulting from any Distribution in accordance with the provisions of this Agreement, or from losses, is hereby recognized as a possibility under this Agreement, and such Negative Capital Account shall not affect a Member's participation in the Profits and Losses of the Company. In no event shall a Member be required at any time to restore a Negative Capital Account or shall such Negative Capital Account be in any way considered a liability of such Member or an asset of the Company.

3.10 No Fiduciary Relationship Among Members and Management Committee. Except as otherwise expressly and specifically provided in this Agreement or as required under the Act:

(a) the Members and Managers shall have no fiduciary relationship to the other Members and Managers solely by reason of their status as Members and Managers (as the case may be);

(b) no Member or Manager shall have any authority to bind or act for, or assume any obligations or responsibility on behalf of, any other Member or Manager (as the case may be);

(c) neither the Company nor any Member nor any Manager shall, by virtue of executing this Agreement, be responsible or liable for any indebtedness or obligation of the other Members or Managers (as the case may be); and

(d) the rights of each of the Members and Managers and the Company to sue for matters and claims arising out of or pertaining to this Agreement shall not be dependent upon the dissolution, winding up or termination of the Company.

3.11 Outside Interests. A Member or an Affiliate of a Member may, directly or indirectly, own, manage, operate, control, be employed by, participate in, be financially interested in or represent, or render any advice or services to any other business, independently or with others. Neither the Company nor the other Members shall have, nor have the right to acquire, any right, by virtue of this Agreement, in and to any such permitted venture or to the income or profits derived therefrom.

ARTICLE IV
RIGHTS, DUTIES AND POWERS OF MANAGEMENT COMMITTEE AND MEMBERS

4.1 Rights, Powers and Duties of Management Committee.

(a) The business and affairs of the Company shall be managed exclusively by or under the direction of a Management Committee consisting of three (3) Managers who initially shall be the Initial Managers. It is acknowledged that Dana Barnard and Bruce McCormick have been designed as Managers by Savsu and Michael Rice has been designated as a Manager by BioLife. Upon the consummation of a New Investment Round, the composition of the Management Committee shall be increased to four (4) Managers and such additional Manager shall be designated by the New Investor. The Management Committee shall possess and enjoy all of the management rights and powers provided in the Act and shall conduct and manage the business of the Company in accordance with the provisions of the Act and the terms of this Agreement. Except as otherwise provided herein, the Managers shall devote such time and attention to the management of the Company as they deem necessary, but shall not be required to devote any specified amount of time or attention to the affairs of the Company. Except as otherwise provided in this Agreement, no Manager shall receive any compensation for any management services provided by him or her, but shall be reimbursed for reasonable out of pocket expenses incurred on behalf of the Company.

(b) No Member, solely by reason of being a Member, shall be an authorized agent of the Company.

(c) Each Manager shall have one vote. Except as expressly stated otherwise herein, all actions by the Management Committee will require the approval of at least a majority of the Managers (by number).

(d) Following a valid vote taken by the Management Committee in respect of any action on behalf of the Company, the President shall be the agent of the Company for the purpose of effecting such action, and the act of the President, if any, or any other individual authorized by the Management Committee, including the execution in the name of the Company of any agreement, document or instrument, for apparently carrying on such action in the usual way of the business of the Company, shall bind the Company.

(e) Each Manager shall have the right to authorize, by written notice to the other Managers, his or her Representative as his or her delegate to attend meetings of the Management Committee on his or her behalf and exercise all of such Manager's authority for all purposes until the appointment is revoked.

(f) Without limiting the forgoing general powers set forth in this Section 4.1, the Management Committee is hereby authorized and empowered on behalf and in the name of the Company to do any and all of the following, subject to the provisions of Section 4.3:

(i) appoint, delegate authority to, remove and terminate such employees, officers, agents and consultants, including without limitation, attorneys, accountants and other professional advisors, as the Management Committee considers appropriate;

(ii) sell, exchange, lease, mortgage, pledge, or otherwise transfer all or any portion of the assets of the Company;

(iii) make any loan by the Company to, or guarantee the indebtedness of, any other Person;

(iv) create any new class of Membership Interests not initially named or specified herein;

(v) borrow money on behalf of the Company on such terms and conditions as the Management Committee shall determine;

(vi) make all tax elections on behalf of the Company;

(vii) invest the assets of the Company in interests in any issuer, wherever such issuer may be located, organized or operated, whether within or without the United States of America, without limitation as to marketability of the securities or other interests reflecting such investments;

(viii) employ one or more custodians of the assets of the Company;

(ix) vote, give assent and otherwise exercise all rights, powers, privileges and other incidents of ownership or possession with respect to assets of the Company; and execute and deliver proxies or powers of attorney to such person or persons as the Management Committee shall deem proper, granting to such person or persons such power and discretion with relation to the Company's assets as the Management Committee shall deem proper;

(x) institute, prosecute, defend, settle, compromise or otherwise adjust all claims, including but not limited to claims for taxes, and litigation arising out of the conduct or the affairs of the Company or in the enforcement of obligations due it, including all rights of appeal;

(xi) employ or consult with such agents or independent contractors as the Management Committee may deem necessary or advisable, including without limitation, brokers, auditors, counsel, investment advisers, managers or specialists in any field or endeavor whatsoever, including such persons or companies as may be Members or Affiliates of any Members;

(xii) pay or cause to be paid all expenses, fees, charges, taxes and liabilities incurred or arising in connection with the conduct of the affairs of the Company;

(xiii) enter into joint ventures, general or limited partnerships and any other combinations or associations, or enter into any transaction resulting in or constituting a Change in Control of the Company;

(xiv) purchase and pay for such insurance as the Management Committee shall deem necessary, desirable or appropriate for the conduct of the Business;

(xv) make, issue, accept, endorse and execute promissory notes, drafts, bills of exchange and other instruments and evidences of indebtedness, and secure the payment thereof by mortgage, pledge, or assignment of or security interest in all or any part of the assets then owned or thereafter acquired by the Company;

(xvi) enter, make and perform such other contracts, agreements and other undertakings as may be necessary, desirable or advisable or incidental to the carrying out of any of the foregoing powers, objects or purposes, including contracts, agreements and undertakings with Affiliates of the Members;

(xvii) Issue Membership Interests to New Investors and BioLife in accordance with Section 3.7(a) and Section 3.7(b); and

(xviii) execute all other instruments of any kind or character and take all action of any kind or character which the Management Committee may in its sole discretion determine to be necessary or appropriate in connection with the Business.

4.2 Appointment and Removal of Managers. So long as a Manager is willing and able to serve in such capacity, he or she may be removed as a Manager only by the vote of the Member who originally designated that Manger (the "Designating Member"). If, at any time, a Manager is unwilling or unable to serve as a Manager or upon the death or incapacity of a Manager, the resulting vacancy on the Management Committee shall be filled by the vote of the Designating Member. Such replacement Manager shall be subject to the provisions of this Agreement as if he or she had been appointed upon its execution.

4.3 Limitation of Powers. The Management Committee may not, without the approval of Members holding a Supermajority of the Membership Interests, take any of the following actions:

(a) Sell, exchange, or otherwise dispose of or agree to sell or exchange or otherwise dispose of all or substantially all of the property or assets of the Company and/or the Membership Interests of the Company for property, cash, or on terms (or any combination thereof), except in a liquidating sale upon dissolution of the Company;

(b) Except to the extent specifically provided in Section 3.7(a) and Section 3.7(b), issue additional Membership Interests to any Person, or grant options pursuant to a plan or otherwise to employees of the Company to purchase existing Membership Interests or other newly-created classes of Membership Interests;

(c) Acquire any business or Person for an aggregate purchase price of more than $1,000,000;

(d) Merge or consolidate with any other Person, if the Company is not the surviving entity;

(e) Recapitalize, split up and/or combine the existing Membership Interests of the Company (other than in connection with the consummation of a New Investment Round;

(f) Enter into any transaction, the effect of which would be to cause a Change in Control of the Company;

(g) Cause the Company to issue securities in an initial public offering thereof;

(h) Make a material change in the nature of the Business of the Company;

(i) Repay any indebtedness owed by the Company in excess of $1,000,000 prior to the maturity thereof;

(j) Take any voluntary action which constitutes a Bankruptcy Event;

(k) Dissolve the Company in accordance with Article IX;

(l) Enter into any transaction with any Affiliate of a Manager other than in accordance with Section 4.11;

(m) Do any act in contravention of this Agreement or the Certificate;

(n) Do any act that would make it impossible to carry on the business of the Company, except in a liquidating sale upon dissolution of the Company; or

(o) Knowingly take any action that would subject any Member to personal liability in any jurisdiction.

4.4 Indemnification and Exculpation of Members and Managers.

(a) Each Member and each Manager (including any testator or intestate of any such Member or Manager) and, to the extent any such Member or Manager is not a natural person, each Member's or Manager' members, Managers, directors, officers, employees or agents acting on its behalf (and the Affiliates of each of them) ("Indemnified Parties") shall be held harmless and indemnified by the Company from any liability, loss, cost or expense (including, without limitation, judgment, fines, amounts paid in settlement, attorneys' fees and expenses actually and necessarily incurred) arising out of any action or proceeding arising out of any act taken in the capacity of a Member or Manager (or a member, manager, director, officer, employee or agent thereof) or any failure to take action in such capacity in connection with activities of the Company; provided, however, that no indemnification may be made to or on behalf of any Indemnified Party if a judgment or other final adjudication adverse to the Indemnified Party establishes (i) that the acts in question were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or (ii) that the Indemnified Party or a principal of the Indemnified Party personally gained in fact a financial profit or other advantage to which the Indemnified Party or any such principal was not legally entitled. The Company shall advance to each Indemnified Party any expenses incurred by the Indemnified Party in the defense of any action or proceeding arising out of any act taken in the capacity of a Member or Manager (or a member, manager, director, officer, employee or agent thereof) or any failure to take action in such capacity in connection with activities of the Company upon the written undertaking of the Indemnified Party to reimburse the Company therefor in the event that such Indemnified Party is ultimately found not to be entitled to indemnification as a result of the proviso set forth above.

(b) A Manager (including any testator or intestate of such Manager) and, to the extent a Manager is not a natural person, each of such Manager's, members, Managers, directors, officers, agents or employees acting on its behalf ("Exculpated Parties") shall not be liable to the Company or any Member for any damages suffered by the Company or any Member as a result of any breach of duty by any Exculpated Party in the capacity of a Manager, except to the extent that a judgment or other final adjudication adverse to the Exculpated Party, or a principal of such Exculpated Party, establishes that the acts or omissions of the Exculpated Party, or a principal of such Exculpated Party, were in bad faith or involved intentional misconduct or a knowing violation of law or that the Exculpated Party, or a principal of such Exculpated Party, personally gained in fact a financial profit or other advantage to which the Exculpated Party, or a principal of such Exculpated Party, was not legally entitled or that with respect to a Distribution the subject of subsection (a) of Section18-607 of the Act, the acts of the Exculpated Party, or a principal of such Exculpated Party, were not performed in accordance with Section 18-607 of the Act.

4.5 Books, Records and Reports.

(a) At all times during the continuance of the Company, the Management Committee shall keep or cause to be kept full and true books of account in accordance with Section 11.1. All of the books of account, together with (i) a current list of the full name set forth in alphabetical order and last known mailing address of each Member, together with the Capital Contribution and the share in Profits and Losses of each Member or information from which such share can be readily derived; (ii) a copy of the Certificate of Formation and all amendments thereto, or restatement thereof, together with executed copies of any powers of attorney pursuant to which any certificate of amendment has been executed; (iii) a copy of this Agreement, any amendments thereto; and (iv) a copy of the Company's Federal, state and local income tax or information returns and reports, if any, for the three most recent fiscal years, shall at all times be maintained at the principal office of the Company, or at such other office (in the State of New York) as the Management Committee may designate by written notice to all Members. Any Member or its, his or her duly authorized representative may inspect and copy at its, his or her own expense for any purpose related to the Member's Membership Interest the records referred to in this Section 4.5, at any time during regular business hours upon reasonable prior notice to the Company.

(b) The Management Committee shall cause to be prepared all federal, state and local tax returns required to be filed. Each Member shall notify the other Members upon receipt of any notice of tax examination of the Company by federal, state or local authorities. Notwithstanding anything herein to the contrary, Savsu shall have the right to review and comment on all federal, state and local tax returns and filings, and all schedules and forms, of the Company, before they are filed with federal, state or local taxing authorities.

(c) The Company shall have prepared annual reviewed financial statements prepared in accordance with GAAP by an outside certified public accountant as may be engaged by the Management Committee (each, an "Annual Financial Statement").

(d) The Company shall deliver to each Member the following:

(i) At the earliest practicable date following the end of each quarter of the Company's Fiscal Year, as determined by the Management Committee, a balance sheet, income statement and statement of cash flows of the Company and a statement of each Member's Capital Account (all of which may be unaudited) as of the end of such fiscal quarter;

(ii) At the earliest practicable date following the end of each Fiscal Year, as determined by the Management Committee, a balance sheet, income statement and statement of cash flows of the Company and a statement of each Member's Capital Account (all of which shall be audited by an independent certified public accountant engaged by the Company) as of the end of such Fiscal Year;

(iii) At the earliest practicable date following the end of each Fiscal Year, information necessary for the preparation by each Member of its, his or her Federal Income Tax Return as to the Company's income, gain, and loss or deductions, if any, including a copy of the Federal Partnership Return to be filed by the Company with the Internal Revenue Service, showing the income, gain, credit and loss and deductions, if any, of the Company and the allocations thereof to each Member for said Fiscal Year; and

(iv) At the earliest practicable date following the end of each Fiscal Year, as determined by the Management Committee, a copy of the Company's annual capital and operating budgets.

4.6 Tax Matters.

(a) The Management Committee shall designate a tax matters partner for purposes of Federal and state income tax matters. The tax matters partner shall cause the preparation and timely filing of all tax returns required to be filed by the Company pursuant to the Code and all other tax returns deemed necessary and required in each jurisdiction in which the Company does business.

(b) The expenses of professional representation during any tax audit controversy or dispute involving the Company shall be a Company expense payable out of Company funds.

(c) The tax matter partner may, in its, his or her sole discretion, settle or dispose of any tax controversy or dispute affecting the Company or any of the tax positions taken by the Company.

4.7 Status of Members.

(a) No Member shall be subject to calls or assessments for Capital Contributions in excess of such Member's Capital Contributions as of the Effective Date.

(b) No Member shall have contractual appraisal rights with respect to such Member's Membership Interest in the Company in connection with any amendment of this Agreement, any merger or consolidation in which the Company is a constituent party to such merger or consolidation, any conversion of the Company to another business form, any transfer to or domestication or continuance in any jurisdiction by the Company, or the sale of all or substantially all of the Company's assets (each of which actions shall require the unanimous vote of the Management Committee).

4 . 8 Meetings of Members and the Management Committee. Meetings of Members and/or the Management Committee shall be called by any Manager, in his/her discretion or in the case of a meeting of the Members upon the request of Members holding [fifteen (15%)] percent or more of the Membership Interests, at the office of the Company or such other place within the State of New York as the Management Committee shall determine. Each Member and Manager shall receive notice of such meeting from the Management Committee or Members, as the case may be, shall have the right to attend each Meeting of the Company for the transaction of business of the Company. Notice stating the time and place of the Meeting and describing the matters to be discussed at the Meeting shall be provided to each Member and Manager, as the case may be, not less than ten (10) days and not more than ninety (90) days prior to the Meeting. Whether or not a quorum is present, a meeting of Members may be adjourned by a vote of at least a majority of the Membership Interests that are present at the meeting (in person or by proxy). No notice need be given of an adjourned meeting, provided that the date, time and place to which a meeting is adjourned are announced at the meeting at which the adjournment is taken. At any meeting or adjourned meeting of the Members or Management Committee, as the case may be, the only business that may be transacted is limited to the matters specified in the notice of meeting. Each meeting shall be conducted by the Management Committee. A valid vote for the taking of an action on behalf of the Company by the Members shall mean the affirmative vote of Members who are holders of at least a majority of the Membership Interests who are present in person or by proxy at a duly called meeting at which a quorum is present unless otherwise stated in this Agreement. A quorum for a meeting of Members shall consist of the Members (as of the date of the meeting, or, if a record date has been specified for the meeting, as of the record date) are holders of at least a majority of the Membership Interests.

4.9 Action by Members or Management Committee Without a Meeting.

(a) Whenever the Members or Management Committee are required or permitted to take any action by vote, or any consent of the Members or Management Committee is required hereunder, such action may be taken, or such consent given, without a meeting and without a vote, if a consent or consents in writing, setting forth the action so taken shall be signed by: (i) for Members, the Members who hold Membership Interest representing not less than the minimum number of Membership Interests, or (ii) for the Management Committee, by affirmative vote of a majority of the Managers, by number, in each case, that would be necessary to authorize or take such action at a meeting at which all of the Members or Management Committee, as the case may be, entitled to vote thereon were present and voted, or; and provided further that each Member and Manager, as the case may be, shall receive notice of such consent from the Management Committee prior to the execution of such consent. All such consents shall be delivered to the principal office of the Company, or a Manager, employee or agent of the Company having custody of the records of the Company. Delivery made to the principal office of the Company or Manager, employee or agent shall be by hand or by certified or registered mail, return receipt requested.

(b) Prompt notice of the taking of the action without a meeting by less than unanimous written consent of all Members shall be given to those Members who have not consented in writing, but would have been entitled to vote thereon had such action been taken at a meeting.

4.10 Confidentiality.

(a) Each Member and Manager agrees not to disclose or permit the disclosure of and shall keep confidential all information furnished to the Members and their Affiliates by or on behalf of the Company, including without limitation all information relating to the Company's products, customers, suppliers, business, financial condition or operations ("Confidential Information") provided, that disclosure may be made (i) to any person who is a Member, or a member, manager, officer, director or employee of such Member or counsel to, accountants of, investment bankers for or consultants to, such Member or the Company solely for its, his or her use with respect to and in connection with such Member's Membership Interest and on a need-to-know basis, and who shall be advised of and agree to preserve the confidential nature of such information, (ii) with the prior consent of the Management Committee, or (iii) pursuant to a subpoena or order issued by a court, arbitrator or governmental body, agency or official or in order to comply with any law, rule or regulation.

(b) In the event that a Member, or any member, manager, officer, director or employee of such Member or any of its counsel, accountants, investment bankers or consultants, shall receive a request to disclose any of the terms of this Agreement or any other Confidential Information under a subpoena or order, such Member shall promptly notify and consult with the Management Committee on the advisability of taking steps to resist or narrow such request and, if disclosure is required or deemed advisable, cooperate with the Management Committee in any attempt they may make to obtain an order or other assurance that confidential treatment will be accorded those terms of this Agreement or such other Confidential Information that are required to be disclosed.

(c) Notwithstanding the foregoing, information shall not constitute Confidential Information, to the extent it (i) is or becomes generally available to the public other than as a result of a disclosure by a Member or its Affiliates in contravention of this Agreement, (ii) was already in the possession of the Member or its Affiliates on a non-confidential basis prior to its disclosure to the Member or its Affiliates by or on behalf of the Company; or (iii) is or becomes available to the Member or its Affiliates on a non-confidential basis from a source other than the Company or another Member of the Company or such other Member's Affiliates.

(d) In the event of a breach or threatened breach by any Member of the covenants contained in this Section 4.10, the Management Committee, acting on behalf of the Company, shall be entitled (i) to obtain an injunction or other equitable relief to restrain or enjoin such breach or threatened breach, without any requirement to post a bond, and (ii) to recover the Company's legal fees incurred as a result of the breach or threatened breach.

4.11 Dealing with Members. The fact that a Member, an Affiliate of a Member, or any member, manager, officer, director, employee, partner, consultant or agent of a Member or an Affiliate of a Member, is directly or indirectly interested in or connected with any Person employed by the Company to render or perform a service, or from or to whom the Company may buy or sell any property or have other business dealings, shall not prohibit the Company from employing such Person or from dealing with him or her on customary terms, and at rates of compensation, no less favorable to the Company than it would obtain in an arms' length transaction between or among unrelated parties, as determined in the sole discretion of the Management Committee, and neither the Company nor any of the Members shall have any rights in or to any income or profits derived therefrom by such interested Person.

(a) Notwithstanding any duty otherwise existing or anything to the contrary law (whether common or statutory), in equity or otherwise, to the fullest extent permitted by law (including Section 18-110 of the Act), the only duties of an Indemnitee to the Company or to any other Indemnitee hereunder or under law (whether common or statutory), in equity or otherwise are limited solely to performing those contractual duties explicitly set forth herein, in such manner and under such standards as expressly set forth herein, and the Indemnitees shall have no additional or other duties (including fiduciary duties) to the Company or the other lndemnitees hereunder or under law (whether common or statutory), in equity or otherwise, any such additional or other duties (including fiduciary duties) being hereby eliminated; provided, however, that nothing in this Agreement shall be construed as eliminating the implied contractual covenant of good faith and fair dealing.

(b) To the extent that, law (whether common or statutory) or in equity, an Indemnitee has duties (including fiduciary duties) and liabilities relating to the Company, other Indemnitees, as the case may be, acting under this Agreement, shall, to the fullest extent permitted by law, not be liable to the Company, to any other Indemnitee for its good faith reliance on the provisions of this Agreement.

(c) The provisions of this Agreement, to the extent that they restrict or eliminate the duties (including fiduciary duties) and liabilities of an Indemnitee otherwise existing law (whether common or statutory) or in equity or otherwise, are agreed by the Members to replace (or eliminate, as the case may be) such other duties (including fiduciary duties) and liabilities of the Indemnitees, as the case may be, to the fullest extent permitted by law (including Section 18-1101 of the Act); provided, however, that nothing in this Agreement shall be construed as eliminating the implied contractual covenant of good faith and fair dealing.

(d) To the fullest extent permitted by applicable law, and notwithstanding any other provision of this Agreement or in any agreement contemplated herein, or law (whether common or statutory) or equity or otherwise, whenever in this Agreement a Person is permitted or required to make a decision in its "sole discretion" or "discretion" or under a grant of similar authority or latitude, such Person shall be entitled to consider such interests and factors as it desires, including its own interests, and shall have no duty or obligation to give any consideration to any interest of or factors affecting the Company or any other Person, provided that nothing in this Section 4.11 shall be construed as eliminating the implied contractual covenant of good faith and fair dealing.

(e) The foregoing provisions of this Section 4.11 shall (a) survive any termination of this Agreement and (b) be contract rights, and no amendment, modification, supplement, restatement or repeal of this Section 4.11 shall have the effect of limiting or denying any such rights with respect to Liabilities prior to any such amendment, modification, supplementation or repeal.

4.12 Royalties. The Company and BioLife have entered into a Services Agreement, dated the date hereof, relating to the performance by BioLife of services for the Company, on the terms and conditions set forth in the Services Agreement. The Company shall pay Royalties to BioLife as and when provided in the Services Agreement.

ARTICLE V
OFFICERS

5.1 Officers. The Management Committee shall, at their sole discretion, appoint and designate a President and such other persons as they deem fit to serve as officers (each, an "Officer") of the Company, with such duties and obligations as may be delegated to such persons by the vote of a majority in number of the Management Committee, in their sole discretion, and subject to, at all times, the Management Committee's control and supervision. Initially, the President shall be Bruce McCormick. Subject to the direction and oversight of the Management Committee, the President shall be responsible for the day-to-day operation and management of the business and affairs of the Company. The Management Committee shall have the power to remove or replace any Officer and to appoint new and/or additional Officers.

5.2 Indemnification and Exculpation of Officers

(a) The Company shall indemnify, defend and hold each Officer harmless from any liability, loss, cost or expense (including, without limitation, judgment, fines, amounts paid in settlement, attorneys' fees and expenses actually and necessarily incurred) arising out of any action or proceeding arising out of any act taken in the capacity of an Officer or any failure to take action in such capacity in connection with activities of the Company; provided, however, that no indemnification may be made to or on behalf of any Officer if a judgment or other final adjudication adverse to the Officer establishes (i) that the acts in question were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or (ii) that the Officer personally gained in fact a financial profit or other advantage to which the Officer was not legally entitled. The Company shall advance to each Officer any expenses incurred by the Officer in the defense of any action or proceeding arising out of any act taken in the capacity of an Officer or any failure to take action in such capacity in connection with activities of the Company upon the written undertaking of the Officer to reimburse the Company therefor in the event that such Officer is ultimately found not to be entitled to indemnification as a result of the proviso set forth above.

(b) An Officer shall not be liable to the Company, any Manager and/or any Member for any damages suffered by the Company or any Member or Manager as a result of any breach of duty by any Officer in the capacity of an Officer, except to the extent that a judgment or other final adjudication adverse to the Officer establishes that the acts or omissions of the Officer were in bad faith or involved intentional misconduct or a knowing violation of law or that the Officer personally gained in fact a financial profit or other advantage to which the Officer was not legally entitled or that with respect to a Distribution the subject of subsection (a) of Section 18-607 of the Act, the acts of the Officer were not performed in accordance with Section 18-607 of the Act.

ARTICLE VI
INTELLECTUAL PROPERTY

6.1 Initial Assignments of Intellectual Property.

(a) Assignment by Savsu. The parties confirm that Savsu has assigned to the Company all of its right, title and interest to and to the Savsu Patents and all intellectual property rights contained therein and appurtenant thereto.

(b) Assignment by BioLife. The parties confirm that BioLife has assigned to the Company all of its right, title and interest to and to the BioLife Copyrights and all intellectual property rights contained therein and appurtenant thereto.

(c) Disclosure of Future Inventions. Each Member shall promptly communicate and disclose to the Company Inventions all original works of authorship, software applications, computer code, inventions, ideas, discoveries, improvements, modifications, writings, artistic or creative material, and other intellectual property in any form whatsoever (whether or not patented and/or copyrighted), conceived, developed, or made by the Member and/or its employees and/or agents whether solely or jointly with others and whether or not patentable or copyrightable, (a) which relate to the Business, or (b) which result from or are suggested by any work performed by the Member in connection with the Business.

(d) Property. All materials, records, and documents (in any form) made by each Member or coming into his possession concerning the Business of the Company will be the sole property of the Company. Each Member shall promptly deliver the original and all copies (whether physical or electronic) thereto to the Company. Each Member agrees to render to the Company reports of the activities undertaken by the Member or conducted under the Member's direction pursuant to this provision, as the Company may request from time to time.

(e) Assignment. Each Member hereby assigns to the Company all of his rights in the Inventions conceived, developed, or made by the Member in connection with and/or relating to the Business of the Company whether solely or jointly with others, while he is a Member. Each Member agrees to assist and cooperate with the Company at the Company's sole expense, in filing patent and/or copyright applications on, and obtaining for the Company's benefit, patents and/or copyright applications, and all patents and/or copyrights which may issue thereon. The Inventions are, shall be, and shall remain the sole and exclusive property of the Company.

(f) Original Works. Any copyrightable work (including, but not limited to, software code and applications), whether published or unpublished, created by a Member in connection with or during the performance of his duties or services as a Member, employee, consultant or in any other capacity for the Company shall be considered a work made for hire to the fullest extent permitted by law, and all right, title and interest therein, including the worldwide copyrights, shall be the sole and exclusive property of the Company as the employer and party specially commissioning such work. In the event that any such copyrightable work or portion thereof shall not be legally qualified as a work made for hire, or shall subsequently be so held, each Member agrees to properly convey to the Company the entire right, title and interest in and to such work or portion thereof, including but not limited to the worldwide copyrights, extensions of such copyrights, and renewal copyrights therein, and further including all rights to reproduce the copyrighted work, to prepare derivative works based on the copyrighted work, to distribute copies of the copyrighted work, to display the copyrighted work, and to register the claim of copyright therein and to execute any and all documents with respect hereto.

ARTICLE VII
TRANSFERS OF MEMBERSHIP INTERESTS

7.1 Restriction on Transfer. Except as expressly permitted by this Article VII, a Member may not Transfer all or any portion of a Membership Interest, nor enter into any agreement as a result of which any other person shall become interested in the Company, including any purported assignment of the economic rights only, without the prior written consent of the Management Committee in its sole discretion. For the purposes of this Article VII, a Transfer shall include and encompass (i) a voluntary action of a Member, (ii) a Transfer of an existing equity interest in a Member or the issuance of a new equity interest in a Member or some combination of both the effect of which is to change the Person or Persons who have management control of the Member at the time of the execution of this Agreement, or (iii) any involuntary Transfer, as described in Section 7.2, which may occur with respect to such equity interest.

7.2 Involuntary Transfer. In the event of the death, incapacity, Bankruptcy Event or other event which results in an involuntary Transfer of a Member's Membership Interest (including, without limitation, a transfer by way of attachment, levy, foreclosure, sheriffs' or other judicial sale, or pursuant to a divorce decree), then such Membership Interest shall be deemed to have been offered, in full, for sale (a "Deemed Sale") to the other Members immediately prior to such event pursuant to the provisions of this Article VII. Each Member has the right to purchase, in full, its, his or her pro rata share of the Membership Interest offered in a Deemed Sale for a purchase price, in the case of an involuntary Transfer equal to (a) the FMV, multiplied by (b) such Membership Interest, expressed as a percentage. The closing of a Deemed Sale shall occur no later than thirty (30) days after the date of the event resulting in an involuntary Transfer of a Member's Membership Interest. The Member or his or her estate or legal representatives, if any, shall be entitled to payments in respect of the FMV of such Membership Interest in equal monthly installments over a thirty six (36) month period, bearing interest at the short-term monthly Applicable Federal Rate as of the date of closing.

7.3 Drag Along Rights. Subject to Section 7.1, if one or more Members (the "Selling Member(s)") collectively seek to Transfer not less than a Supermajority of the Membership Interests (the "Supermajority Interest") to a purchaser who is not a Member or an Affiliate of a Member (a "Majority Purchaser"), the Selling Member(s), after obtaining the prior written consent of the Management Committee, may, by giving twenty (20) days written notice to the remaining Members (the "Non-Selling Member(s)"), demand that the Non-Selling Member(s) Transfer a pro rata portion of the Membership Interests which they own to the Majority Purchaser upon Transfer of the Interest to such Majority Purchaser (the "Drag-Along Option"). If the Selling Member(s) exercises its Drag-Along Option, the Non-Selling Member(s) shall be required to Transfer their Membership Interest to the Majority Purchaser at the same price and on the same terms and conditions under which the Selling Member(s) shall Transfer the Supermajority Interest to the Majority Purchaser; provided, however, that no Member shall be required to assume any liability or obligation in connection with such sale without its written consent except with respect to customary representations as to such Member's title to the Membership Interest being transferred and the due authority and authorization, if necessary, to Transfer such Membership Interest. Each of the Non-Selling Member(s) shall, at the request of the Selling Member(s), become a party to the purchase agreement or other agreement for the sale of the Supermajority Interest, and, shall, among other things, join in any other representations and warranties made therein.

7.4 Tag Along Rights. Subject to Section 7.1, if any Member receives a written offer (the "Offer") from a Person who is not a Member or an Affiliate of a Member, for the Transfer of any or all of his or her Membership Interests without exercising the Drag-Along Option, if applicable, such Member, after obtaining the prior written consent of the Management Committee, shall promptly forward a copy of such Offer to the other Member(s), together with a notice from such Member that Member desires to sell such Membership Interests. Such notice shall specify the number of Membership Interests which such Member desires to sell, the percentage that such Membership Interests represent of the total percentage of Membership Interests owned by the Selling Member, the identity of the proposed purchaser of the Membership Interests, and all of the material terms of the Offer, the Non-Selling Member(s) may, by [ten (10)] days written notice to such Member, demand that the Selling Member(s) include in such Transfer, such Non-Selling Member(s) entire Membership Interest, if Transferring its entire Membership Interest, or a pro rata portion of the Non-Selling Member(s)' Membership Interest in the event the Selling Members are Transferring less than all of its Membership Interest to the Purchaser (the "Tag-Along Option"). If the Non-Selling Member(s) exercise their Tag-Along Option, the Non-Selling Member(s) shall be required to so transfer their Membership Interests to the purchaser at the same price and on the same terms and conditions under which such selling Member(s) shall transfer the Membership Interest to the purchaser; provided, however, that no Member shall be required to assume any liability or obligation in connection with such sale without its consent except with respect to customary representations as to such Member's title to the Membership Interest being transferred and the due authority and authorization, if necessary, to transfer such Member's Membership Interest. Each of the Non-Selling Member(s) that exercise the Tag-Along Option shall, at the request of such Selling Member, become a party to the purchase or other agreement for the sale of the Membership Interests, and shall, among other things, join in any other representations and warranties made therein. No Transfers to the purchaser shall be made pursuant to this Section 7.4 unless the purchaser accepts the Transfer of and agrees to purchase all of such Selling Member(s)' and Non-Selling Member(s)' Membership Interest being Transferred pursuant to this Section 7.4.

7.5 Relationship of Assignees and Substituted Members.

(a) No Assignee shall have the right to participate in the Company, inspect the books of account of the Company or exercise any other rights of a Member until admitted as a Substituted Member. An Assignee shall be entitled to share in the Profits and Losses of the Company and receive Distributions from the Company; provided, however, that no assignment shall be binding on the Company until written notice thereof is received by the Company. An Assignee may become a Substituted Member only upon the terms and conditions set forth in Section 7.5(b).

(b) In order to become a Substituted Member, an Assignee of a Membership Interest must first obtain the prior unanimous consent of the Management Committee. The admission of a Substituted Member shall be conditioned upon the Substituted Member's written acceptance and adoption of all of the terms and provisions of this Agreement. Any Substituted Member shall remain liable for the obligations of the assignor of its Membership Interest to make the Capital Contributions required of such assignor pursuant to this Agreement.

ARTICLE VIII
PROFITS, LOSSES AND DISTRIBUTIONS

8.1 Distributions from Operations. Provided the Distribution is not in connection with a Liquidity Event or the complete liquidation of the Company or the complete liquidation of a Member's Membership Interest in the Company, all Distributions of Available Cash from Operations shall be made at such times and in such amounts as the Management Committee shall in its sole discretion determine; provided, however, that, notwithstanding anything to the contrary contained in this Agreement, if at the end of any annual fiscal period in which the Company's gross income for such period exceeds its gross costs and expenses for the same period, then the Management Committee shall make aggregate distributions to the Members in such amounts and at such times as the Management Committee in its sole discretion shall determine (but in no event less frequently than once each fiscal year, on or before the sixtieth (60^{th}) day following the end of each such fiscal year). Distributions of Cash from Operations, when made, shall be Distributed in the following order of priority:

(a) First, all earned and unpaid Royalties shall be distributed to BioLife;

(b) Second, to the Preferred Members until the aggregate Distributions pursuant to this subsection (b) and Section 8.2(c) shall equal the Preferred Capital;

(c) Thereafter, to the Members, pro rata in proportion to their respective Profits Percentages.

8.2 Distribution of Proceeds from Liquidity Event or Liquidation. The net proceeds to the Company resulting from a Liquidity Event, including the liquidation of any substantial portion of Company assets, shall be distributed and applied in the following order of priority:

(a) First, to the payment of the debts and liabilities of the Company (including all expenses of the Company incident to any such liquidation of the Company or sale referred to immediately above), and to the setting up of any reserves which the Management Committee in its sole discretion deems reasonably necessary for contingent, unmatured or unforeseen liabilities or obligations of the Company;

(b) Second, to the payment of loans made by Members to the Company, in accordance with the terms agreed among them and otherwise on a pro rata basis, either by the payment thereof or the making of reasonable provision therefor;

(c) Third, to the Preferred Members until the aggregate Distributions pursuant to Section 8.1(b) and this subsection (c) shall equal their Preferred Capital;

(d) Thereafter, after taking into account subsections (a), (b) and (c), the sum of the remaining balance of net proceeds resulting from the Liquidity Event plus the Distributed Royalties ("Adjusted Net Proceeds") (i) to Savsu in the amount of its Capital Percentage multiplied by the Adjusted Net Proceeds ("Savsu Liquidation Amount") and (ii) to Biolife in the amount of its Capital Percentage multiplied by the Adjusted Net Proceeds, decreased by the Distributed Royalties ("Biolife Liquidation Amount").

In the event that any Available Cash is held in reserve or escrow, when such amounts become distributable they shall be Distributed to the Members pro rata in proportion to their respective Capital Percentages. In the event that the Liquidity Event is a sale of Membership Interests, the contract of sale or purchase and sale agreement shall allocate the proceeds of such sale in a manner consistent with the above provisions.

8.3 Allocations of Profits and Losses. Net Income (or loss) of the Company and all items of which it consists shall be determined for all purposes, separately and not cumulatively for each year, in accordance with the accounting methods used in preparing the Company's Federal Income Tax returns.

(a) Profits from Operations. Profits from Operations of the Company for each taxable year shall be allocated among the Members in the following order of priority:

(i) First, to Biolife up to the amount of the Distribution of Royalties during such current taxable year as described in Section 8.1(a); and

(ii) Thereafter, among the Members, pro rata in proportion to their relative Profits Percentages.

(b) Losses from Operations. Profits from Operations of the Company for each taxable year shall be allocated among the Members, pro rata in proportion to their relative Profits Percentages in the following order of priority:

(i) First, after taking into account the Distributions pursuant to Sections 8.1(b) and 8.2(c), to the Preferred Members until each such Member's Preferred Basis shall have been reduced to zero;

(ii) Thereafter, among the Members pro rata in proportion to their relative Profits Percentages.

(c) Profits from a Liquidation Event. Profits from a Liquidation Event shall be allocated among the Members in the following order of priority:

(i) First, to each Preferred Member in an amount equal to the difference between its Undistributed Preferred Capital and its Preferred Basis;

(ii) Second, to Savsu until its Adjusted Capital Account shall equal the Savsu Liquidation Amount (defined below); and

(iii) Thereafter, among the Members pro rata in proportion to their Capital Percentages.

(d) Losses from a Liquidation Event. Losses from a Liquidation Event shall be allocated among the Members in the following order of priority:

(i) First, to Biolife until its Adjusted Capital Account shall equal the Biolife Liquidation Amount (defined below); and

(ii) Thereafter, among the Members pro rata in proportion to their Capital Percentages.

(e) If the allocations set forth in subsections (c)(i) and (d)(i) above are insufficient to bring the Members' Adjusted Capital Accounts to the Savsu or Biolife Liquidation Amounts, as applicable, the Company shall make such special allocations or reallocate Profits or Losses, as appropriate, in a manner consistent with Section 8.7(d), in order to meet the aforementioned targets.

8.4 Proration of Allocations. If there is a transfer of a Membership Interest, a daily net allocation of the items or amounts allocated pursuant to this Article VIII shall be computed by dividing the items or amounts for the period by the number of days in the period. The result obtained shall be applied to the former Member and the present Member in proportion to the number of days each of them was a Member in the Company for such fiscal year; provided, however, any item or amount arising from the acquisition or disposition of Company assets shall be taken into account as of the date thereof.

8.5 Tax Distributions. On or prior to April 1 of each Fiscal Year, the Management Committee shall use its best efforts to cause cash Distributions to be made to the Members in an amount, when added to other cash Distributions received by the Members during the previous Fiscal Year as a result of the Members' ownership of their Membership Interests, enables each Member (and, if such Member is a pass-through entity for federal income tax purposes, the members thereof) to pay timely federal, state and local taxes attributable to items of Profits, Losses, deductions and credits from the Company. In making such distributions, the tax rate paid by the Members will be determined to be the highest marginal Federal and State individual tax rates. For the avoidance of doubt, Tax Distributions as set forth herein, shall be treated as advances in respect of such Member's entitled to Distributions under the provisions above.

8.6 Alternative Minimum Tax. All Company items of income, gain, loss, deduction and credit shall be allocated for purposes of the alternative minimum tax in a manner that satisfies the requirements of Section 1.704-1(b) of the Treasury Regulations and that results in each Member being allocated during the term of the Company an amount of alternative minimum taxable income with respect to the Company during such term equal to the amount of regular tax income allocated to such Member during such term.

8.7 Regulatory and Special Allocations. Prior to making any allocations under Section 8.3 hereof, the following allocations shall be effected in the order or priority in which they are listed:

(a) Minimum Gain Chargeback. This Agreement incorporates by reference the "Minimum Gain Chargeback Requirement" of Section 1.704-2(f) of the Treasury Regulations and the "Partner Nonrecourse Debt Minimum Gain Chargeback" rules of Section 1.704-2(I) of the Treasury Regulations.

(b) Qualified Income Offset. If a Member unexpectedly receives any adjustment, allocation or distribution described in Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6) of the Treasury Regulations, items of Company income and gain shall be specifically allocated to such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Adjusted Capital Account Deficit of such Member as quickly as possible, provided, that an allocation pursuant to this Section 8.7 shall be made only if and to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in Section 8.3 and this Section 8.7 hereof tentatively have been made as if this Section 8.7(b) were not in this Agreement.

(c) Special Allocations. The following special allocations shall be made with respect to the taxable year of the Company for 2016 only:

(i) 100% of the income from discharge of indebtedness, if any, resulting from the contribution of the Company's indebtedness to Biolife by Biolife to the capital of the Company in exchange for additional equity shall be specially allocated to Biolife; and

(ii) 100% of Losses of the Company for 2016 shall be allocated first to Biolife until the percentage produced by dividing its Adjusted Capital Account by the Members' aggregate Adjusted Capital Accounts shall be equal to Biolife's Capital Percentage.

(d) Curative Allocations. Subject to the provisions of Sections 8.7(a) and 8.7(b) above, if any allocation is made pursuant to one or more of Sections 8.7(a) or 8.7(b), then items of income and gain (including gross income, if necessary) and deduction and loss shall be allocated among the Members as soon as possible to restore the Capital Accounts to the balances that would have existed if such allocations pursuant to Sections 8.7(a) and 8.7(b) had not occurred so as to preserve the intended economic arrangement among the Members as otherwise expressed herein.

(e) Limitation on Losses. Notwithstanding anything else contained in this Agreement, Losses allocated to any Member pursuant to Section 8.3 of this Agreement shall not exceed the maximum amount of Losses that may be allocated without causing such Member to have an Adjusted Capital Account Deficit at the end of the Fiscal Year for which the allocation is made.

8.8 Contributed Business Property. Notwithstanding any provision to the contrary in this Agreement, income, gain, loss, and deduction with respect to property contributed to the Company by a Member shall be shared among the Members so as to take account of the variation between the basis of the property to the Company and its FMV at the time of contribution in accordance with Section 704(c) of the Code and the Treasury Regulations thereunder, or any successor provisions thereto. Prior to a subsequent round of equity funding, or to any other event enumerated in Treas. Reg. § 1.704-1(b)(2)(iv)(f), the Company shall revalue its assets pursuant to Treas. Reg. § 1.704-1(b)(2)(iv)(f) and allocate such unrealized Profits and Losses of the Company pursuant to Sections 8.3(c) and (d) as if there were a Liquidation Event. For purposes of Treas. Reg. § 1.704-3, the Management Committee shall consult with the Company's accountants and use such method of allocations which allocates tax losses equal to "book" Losses, to the maximum extent possible, with respect to the Preferred Members and Members admitted in subsequent rounds of financing.

8.9 Required Amendment. The allocations set forth herein shall be amended as may be required from time to time as may be necessary to comply with the Code and the Treasury Regulations as the same shall be amended after the Effective Date.

ARTICLE IX
DISSOLUTION AND LIQUIDATION

9.1 Dissolution.

(a) The withdrawal, expulsion, bankruptcy or dissolution of any Member or the occurrence of any other event that terminates the continued membership of any Member shall not cause the dissolution of the Company or its affairs to be wound up, and upon the occurrence of any such event, the Company shall be continued without dissolution.

(b) Upon the dissolution of the Company in accordance with this Article IX, the Management Committee or, in the event there is then no Manager, a liquidating agent selected by a Supermajority of the Members, shall proceed to the orderly liquidation of the Company. Such persons winding up the Company's affairs may, in the name of and for and on behalf of the Company, prosecute and defend suits, whether civil, criminal or administrative, settle and close the Company's business, dispose of and convey the Company's property, discharge the Company's liabilities and distribute to the Members any remaining assets of the Company in accordance with Section 8.2.

9.2 Distributions in Kind. In the event of a liquidation and dissolution of the Company, in which the assets of the Company are distributed to the Members, the intellectual property of the Company including the IP contributed by Savsu shall be Distributed to Savsu as part of its liquidation. The value of such intellectual property so distributed shall be accounted for as part of Savsu's Distribution and shall not be construed as a right to an additional Distribution.

9.3 Sale of Assets of the Company.

(a) As expeditiously as possible, the Management Committee, or any such trustee or liquidator, shall pay all Company liabilities, establish the reserves and make the distributions provided for in Section 8.2. Except as otherwise provided in Section 9.2, no Member shall have the right to demand or receive property other than cash upon liquidation, and the Management Committee, or any such trustee or liquidator, shall, in any event, have the power to sell Company assets for cash as necessary to provide for the payment of all Company liabilities and the establishment of reserves.

(b) In connection with the sale by the Company and reduction to cash of its assets, although the Company has no obligation to offer to sell any property to the Members, any Member or any Affiliate of any Member may bid on and purchase any assets of the Company. If the Management Committee, or any such trustee or liquidator, determines that an immediate sale of part or all of the Company assets would cause undue loss to the Members, the Management Committee, or any such trustee or liquidator, may defer liquidation of and withhold from distribution for a reasonable time any assets of the Company (except those necessary to satisfy the Company's current obligations).

9.4 Orderly Liquidation. A reasonable time shall be allowed for the orderly liquidation of the assets of the Company and the discharge of liabilities to creditors so as to minimize the losses normally attendant upon liquidation.

9.5 Statements on Liquidation. On liquidation, each of the Members shall be furnished promptly with a statement which shall set forth the assets and liabilities of the Company as at the date of liquidation, and each Member's share thereof and a final Federal Partnership Tax Return. Within ninety (90) days following the date of dissolution, the Management Committee, or liquidating agent if there be one, shall execute and cause to be filed Articles of Dissolution of the Company.

ARTICLE X
NO REQUIREMENT TO RESTORE DEFICIT IN CAPITAL ACCOUNT

10.1 No Requirement to Restore Deficit in Capital Account. Nothing contained in this Agreement shall be construed to require any Member to restore any deficit in a Capital Account by making any Capital Contributions to the Company.

10.2 Provisions of Agreement Not For Benefit of Any Creditor. None of the provisions of this Agreement shall be construed as existing for the benefit of any creditor of any of the Members or of the Company, nor shall any such provision be enforceable by any party not a signatory to this Agreement.

ARTICLE XI
BOOKS, RECORDS AND EXPENSES

11.1 Books of Account. At all times during the continuance of the Company, the Management Committee shall keep or cause to be kept true and complete books of account in which shall be entered fully and accurately each transaction of the Company. Such books shall be kept on the basis of the Fiscal Year in accordance with the GAAP method of accounting, and shall reflect all Company transactions, to the extent practicable, in accordance with sound accounting practices.

11.2 Availability of Books of Account. All of the books of account referred to in Section 11.1, together with an executed copy of this Agreement and the Certificate of Formation, and any amendments thereto, shall at all times be maintained by the Company, and shall be open to the inspection and examination of the Members or their agents, as provided in Section 4.5.

11.3 Accounting Expenses. All out-of-pocket expenses payable to Persons who are not an Affiliate of any Member in connection with the keeping of the books and records of the Company and the preparation of audited or unaudited financial statements and federal and local tax and information returns required to implement the provisions of this Agreement or required by any Governmental Authority with jurisdiction over the Company shall be borne by the Company as an ordinary expense of its business.

11.4 Bank Account. The Company shall maintain its bank deposits in segregated accounts held for the Company's business. All funds of the Company shall be promptly deposited in the appropriate segregated account.

11.5 Fidelity Bonds and Insurance. The Company may obtain fidelity bonds with reputable surety companies, covering all persons having access to the Company's funds, indemnifying the Company against loss resulting from fraud, theft and dishonest and other wrongful acts of such persons.

ARTICLE XII
AMENDMENTS

12.1 Amendments. Amendments may be made to this Agreement from time to time by the unanimous vote of the Members and the Management Committee. In making any amendments, there shall be prepared and filed for recordation by the Management Committee such documents and certificates as shall be required to be prepared and filed.

ARTICLE XIII
GENERAL PROVISIONS

13.1 Further Assurances. Each party to this Agreement agrees to execute, acknowledge, deliver, file and record such further certificates, amendments, instruments and documents, and to do all such other acts and things, as may be required by law or as, in the reasonable judgment of the Management Committee, may be necessary or advisable to carry out the intent and purpose of this Agreement.

13.2 Notices. Unless otherwise specified in this Agreement, all notices, demands, elections, requests or other communications that any party to this Agreement may desire or be required to give hereunder shall be in writing and shall be given by hand, by facsimile or electronic transmission with delivery of an original thereafter by any other method provided by this Section, or by a recognized international overnight courier service providing confirmation of delivery for next Business day delivery, or depositing the same in the United States mail, first class postage prepaid, or certified or registered mail, return receipt requested, addressed as follows:

(a) To the Company, at 160 Sweet Hollow Road, Old Bethpage, New York 11804, attention: Bruce McCormick, President, or at such other address as may be designated by the Management Committee upon written notice to all of the Members; and

(b) To the Members at their respective addresses set forth in the Company's books and records. Each Member shall have the right to designate another address or change in address by written notice to the Company in the manner prescribed herein.

All notices given pursuant to this Section 13.2 shall be deemed received (i) when actually received if hand delivered and (ii) on the Business Day of receipt if sent by any other method contemplated by this Section 13.2.

13.3 Headings and Captions. All headings and captions contained in this Agreement and the table of contents hereto are inserted for convenience only and shall not be deemed a part of this Agreement.

13.4 Variance of Pronouns. All pronouns and all variations thereof shall be deemed to refer to the masculine, feminine or neuter, singular or plural, as the identity of the person or entity may require.

13.5 Partition. The Members agree that no Member nor any successor in interest to any Member shall have the right, while this Agreement remains in effect, to have the property of the Company partitioned, or to file a complaint or institute any proceeding at law or in equity to have the property of the Company partitioned, and each Member, on behalf of itself, its successors, heirs and assigns, waives any such right.

13.6 Invalidity. Every provision of this Agreement is intended to be severable. The invalidity and unenforceability of any particular provision of this Agreement in any jurisdiction shall not affect the other provisions, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.

13.7 Successors and Assigns. This Agreement shall be binding upon the parties and their respective successors, executors, administrators, heirs and permitted legal assigns and shall inure to the benefit of the parties and, except as otherwise provided herein, their respective successors, executors, administrators, legal, heirs and permitted legal assigns. No Person other than the parties hereto and their respective successors, executors, administrators, heirs and permitted legal assigns, shall have any rights or claims under this Agreement.

13.8 Power of Attorney.

(a) Each Member does irrevocably constitute and appoint the Management Committee, with full power of substitution, as its true and lawful attorney, in its name, place and stead, to execute, acknowledge, swear to, deliver, record and file, as appropriate and in accordance with this Agreement: (i) the original Certificate of Formation and all amendments to the Certificate of Formation required or permitted by law or the provisions of this Agreement, (ii) all certificates and other instruments requiring execution by the Members or any of them and deemed necessary or advisable by the Management Committee to qualify or continue the Company as a limited liability company in the jurisdictions where the Company may be conducting its operations, (iii) all instruments, agreements or documents that the Members so direct and (iv) all conveyances and other instruments deemed necessary or advisable by the Management Committee to effect the dissolution and termination of the Company in accordance with this Agreement. Nothing contained in this Section 13.8 shall empower the Management Committee to take any action requiring the consent of the Members unless such consent is first obtained.

(b) The powers of attorney granted pursuant to this Section 13.8 are coupled with an interest and shall be irrevocable and survive and not be affected by the subsequent death, incapacity, disability, Bankruptcy Event or dissolution of the grantor; may be exercised by the Management Committee either by signing separately as attorney-in-fact for each Member or by the Management Committee as attorneys-in-fact for all of them, as shall be applicable; and shall survive the delivery of an assignment by a Member of the whole or any fraction of its Membership Interest, except that, where the whole of such Member's Membership Interest has been assigned or diluted in accordance with this Agreement, the power of attorney of the assignor shall survive the delivery of such assignment for the sole purpose of enabling the Management Committee to execute, acknowledge, swear to, deliver, record and file any instrument necessary or appropriate to effect such substitution. In the event of any conflict between this Agreement and any document, instrument, conveyance or certificate executed or filed by the Management Committee pursuant to such power of attorney, this Agreement shall control.

13.9 Governing Law. This Agreement shall be construed in accordance in all respects with the laws of the State of Delaware, without regard to the conflicts of laws provisions thereof.

13.10 Jurisdiction. Any matter arising out of or relating to this Agreement, or the making, performance or interpretation hereof, shall be submitted to the exclusive jurisdiction of the federal and state courts sitting in the County of Nassau, State of New York. The parties irrevocably submit to such jurisdiction, agree not to assert any claim or defense that is not personally subject to the jurisdiction of such courts or that such forum is not convenient or the venue thereof is improper, and consent to service of process in any action or proceeding by written notice, delivered in the manner provided for in Section 13.2.

13.11 Entire Agreement. This Agreement, together with all Exhibits, Schedules, and Annexes hereto, supersedes all prior agreements among the parties with respect to the subject matter hereof, including without limitation the LLC Agreement, which is hereby amended and restated. This Agreement contains the entire agreement among the parties with respect to such subject matter. This instrument may not be amended, supplemented or discharged, and no provisions hereof may be modified or waived, except expressly by an instrument in writing signed by the Management Committee and each Member. No waiver of any provision hereof by any party hereto shall be deemed a waiver by any other party nor shall any such waiver by any party be deemed a continuing waiver of any matter by such party. No amendment, modification, supplement, discharge or waiver hereof or hereunder shall require the consent of any person not a party to this Agreement.

13.12 Legal Fees. Each party shall bear its own legal expenses in connection with the negotiation, execution and delivery of this Agreement and any documents related thereto.

13.13 No Third Party Beneficiaries. None of the provisions of this Agreement shall be construed as existing for the benefit of any party, including any creditor of the Company or any of the Members, not a signatory to this Agreement, nor shall any such provision be enforceable by any such party.

13.14 Counterparts. This Agreement may be executed in two or more counterparts, and by original, facsimile or PDF (portable document format) signatures, each of which shall constitute an original and all of which, when taken together, shall constitute one Agreement.

13.15 WAIVER OF JURY TRIAL EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT OR COUNTERCLAIM ARISING IN CONNECTION WITH, OUT OF OR OTHERWISE RELATING TO THIS AGREEMENT.

13.16 This Agreement is and shall be effective on and as of the Effective Date.

[*signature page immediately follows*]

IN WITNESS WHEREOF, each of the Company, the Members and the Managers has executed this Agreement as of the Effective Date.

COMPANY:

BIOLOGISTEX CCM, LLC

By: _____
Name:
Title:

MEMBERS:

BIOLIFE SOLUTIONS, INC.

By: _____
Name:
Title:

SAVSU TECHNOLOGIES, LLC

By: _____
Name: Dana E. Barnard
Title: Manager

MANAGERS:

_____
DANA BARNARD

_____
MICHAEL RICE

_____
BRUCE McCORMICK

[Signature page to Amended and Restated Operating Agreement – biologistex CCM, LLC]

SCHEDULE A

MEMBERS and CAPITAL CONTRIBUTIONS

(as of the Effective Date)

NAME OF MEMBER	CAPITAL CONTRIBUTIONS
BIOLIFE SOLUTIONS, INC.	$
SAVSU TECHNOLOGIES, LLC	$
Total	$

The Profits Percentages and the Capital Percentages of the Members are set forth in Section 1.1 of the Agreement.

SCHEDULE B

LIST OF THE BIOLIFE COPYRIGHTS

The BioLife Copyrights are as follows:

[SPECIFY THE CLOUD-BASED SOFTWARE APPLICATIONS AND WEB PLATFORMS OWNED BY BIOLIFE]

SCHEDULE C

LIST OF THE SAVSU PATENTS

The Savsu Patents are as follows:

[LIST THE PATENT REGISTRATIONS AND ANY PATENTS PENDING OWNED BY SAVSU]

Exhibit 10.33

SERVICES AGREEMENT

This SERVICES AGREEMENT (this "***Agreement***") is made and entered into effective as of December 31, 2016 (the "***Effective Date***"), by and between **BioLife Solutions, Inc**., a Delaware corporation ("***BioLife***"), and **bioLogistex CCM, LLC**, a Delaware limited liability company ("***Client***"). Each of BioLife and Client may be referred to herein individually as a "***Party***", and collectively as the "***Parties***".

WHEREAS, pursuant to that certain Contribution Agreement, dated effective as the Effective Date (the "***Contribution Agreement***"), by and among the Parties and Savsu Technologies, LLC, a Delaware limited liability company, BioLife is making certain contributions to Client subject to the terms and conditions set forth therein, including the entrance by the Parties into this Agreement, which is a material inducement for BioLife entering into and consummating the transactions contemplated by the Contribution Agreement; and

WHEREAS, Client desires to obtain from BioLife, and BioLife is willing to provide to Client, certain sales and marketing services as set forth in this Agreement to or on behalf of Client in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants, conditions and provisions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I. SERVICES

1.1. Services. Subject to the terms and conditions of this Agreement, BioLife will provide, or cause to be provided to Client and its subsidiaries, the sales and marketing services set forth on Schedule A hereto (collectively, the "***Services***"). Client acknowledges that, except as otherwise consented to by BioLife in writing, the Services shall be provided only with respect to Client or its subsidiaries, and Client shall not be entitled to performance of any Service for the benefit of any person other than Client or its subsidiaries without the written consent of BioLife. Any or all of the Services may be modified in any respect upon mutual written agreement of BioLife and Client.

1.2. Employee Cooperation. BioLife will cause its employees providing the Services ("***BioLife Employees***") to cooperate with the employees of Client and its subsidiaries ("***Client Employees***"), but BioLife will not have any other duty or obligation with respect to Client Employees (except for any Services that are expressly provided to or on behalf of Client Employees pursuant to Schedule A). Client shall, and shall cause its subsidiaries and the Client Employees to, cooperate with the provision by or on behalf of BioLife of the Services hereunder, including providing any information or documentation necessary or appropriate for the provision of the Services or the invoicing of the Monthly Fee, Commissions and Expenses (each term as defined below) and complying with applicable law and the terms of any thirdparty agreements used by BioLife in providing the Services.

1.3. Standard of Performance; Limited Warranty. BioLife will perform, or will cause to be performed, the Services (a) in a commercially reasonable manner and level of service, and (b) in all material respects in accordance with applicable laws. Except as provided in this Section 1.3, BioLife does not make any warranty concerning the Services, and the warranty in this Section 1.3 is in lieu of, and BioLife hereby disclaims, any and all other warranties, express or implied, including any warranty or merchantability or fitness for a particular purpose.

ARTICLE II. CHARGES

2.1. Monthly Fee. On each of (i) the first business day after Effective Date, (ii) February 1, 2017 and (iii) the first day of each of the next ten (10) calendar months thereafter during the Term (as defined below), Client shall pay to BioLife the amount of $10,000 (the "***Monthly Fee***"), by wire transfer of immediately available funds to an account specified in writing by BioLife to Client, which Monthly Fee shall be in addition to any Commissions, Expenses or other amounts payable under this Agreement.

2.2. Commissions.

(a) In exchange for causing the provision of the Services hereunder, BioLife will be entitled to receive from Client a commission (the "***Commissions***") during the first three (3) years of the Term (the "***Initial Term***") equal to twenty percent (20%) of the BioLife Customer Revenue. For purposes of this Agreement, "***BioLife Customer Revenue***" shall mean the gross revenues of Client or its subsidiaries from any customer account resulting from a BioLife generated marketing lead and/or sales activity (a "***BioLife Customer Account***") (including any contracts or agreements generated with such customer account and any renewals or extensions thereof). With respect to any customer account of Client or its subsidiaries for which both BioLife and Client had significant involvement in its generation (which for the avoidance of doubt will exclude any Persons who are or have been customers of BioLife or its subsidiaries at or prior to the Effective Date), such customer account will be a BioLife Customer Account, but the Parties will negotiate reasonably and in good faith a written agreement by the Parties providing that the BioLife Customer Revenue from such BioLife Customer Account will be reduced by a percentage (as reasonably agreed by the Parties acting in good faith) attributable to Client's portion of such joint efforts with respect to such BioLife Customer Account generation. For any portion of the Term (as defined below) after the Initial Term, the Commissions shall instead be equal to ten percent (10%) of the BioLife Customer Revenue. The Commissions shall be calculated quarterly in arrears.

(b) On the fifteenth (15^{th}) day after each calendar quarter, Client shall (i) deliver a written statement to BioLife (the "***Commission Statement***") setting forth its good faith determination of the Commissions owed to BioLife for the immediately preceding calendar quarter, along with a line item description of the gross sales by customer for Client and its subsidiaries, showing the dates and amounts thereof, for the immediately preceding calendar quarter, and specifying each BioLife Customer Account and the applicable BioLife Customer Revenue, all in sufficient detail to verify its determination of the amount of Commissions owed to BioLife for such calendar quarter, and (ii) pay to BioLife an amount equal to the Commissions for the immediately preceding calendar quarter as set forth in the Commission Statement.

(c) BioLife will have a period of forty-five (45) days after its receipt of a Commission Statement to dispute the determination of the Commissions for the calendar quarter set forth therein. In connection with its review of the Commission Statement, Client will, and will cause its representatives to, provide BioLife and its representatives with reasonable access to the books and records, personnel and properties of Client and its subsidiaries, and any other information reasonably requested by BioLife or its representatives in connection with such review. In the event that BioLife provides Client with a written notice (an "***Objection Notice***") during such forty-five (45) day period objecting to the determination of the Commissions for the applicable calendar quarter set forth in the Commission Statement, including any determination of whether any customer account is a BioLife Customer Account or whether the revenue from such customer is BioLife Customer Revenue, BioLife and Client shall meet and attempt in good faith to resolve such objections for a period of twenty (20) days after the delivery of the Objection Notice. In the event that the Parties fail to come to agreement during such twenty (20) day period, either Party may resolve such dispute in accordance with the dispute resolution procedure as set forth in Section 5.9. If BioLife does not provide an Objection Notice within forty-five (45) days after its receipt of a Commission Statement, then except in the case of fraud on the part of Client or its representatives, the Commission Statement shall be deemed to be final and binding on the Parties with respect to the determination of the Commissions for the calendar quarter covered thereunder.

(d) During the Term and, if applicable, any Tail Period, Client will use its commercially reasonable efforts to ensure that it has sufficient inventory available, provides quality customer warranty service and provides other services as reasonably necessary or appropriate to support the sales by Client and its subsidiaries to BioLife Customer Accounts during such periods.

2.3. Expenses. In addition to the payment of the Monthly Fee and the Commissions, Client will promptly reimburse BioLife for all reasonable direct costs and expenses incurred by or on behalf BioLife in connection with the performance of the Services to the extent pre-approved by Client ("***Expenses***"). BioLife shall invoice Client for all Expenses for each calendar month or any portion thereof, as applicable, within thirty (30) days following the end of such calendar month; provided, that any failure by BioLife to provide an invoice within such time period shall not relieve Client of its obligation to pay an invoice provided or otherwise received after such date. Within thirty (30) days following receipt of an invoice, Client will pay or cause to be paid to BioLife, by wire transfer of immediately available funds to an account specified in writing by BioLife to Client, and without set off, the Expenses contained in such invoice.

2.4. Default. Without limiting any other rights or remedies of BioLife under this Agreement or applicable law, if Client fails to pay any amounts owed to BioLife hereunder when due, interest will accrue on the amount payable thereunder at a per annum rate equal to the prime rate of interest (as published in the Wall Street Journal on the due date of such invoice) plus three percent (3%), compounded monthly.

2.5. Audit Rights. Without limiting Section 2.2(c), BioLife shall have the right during the Term and for a period of one (1) year thereafter (unless there is a Tail Period (as defined below), in which case such right shall continue until one (1) year after the end of the Tail Period), upon its reasonable request, to, directly or indirectly through BioLife's representatives, audit the books, records, files and facilities of Client and its subsidiaries relating to its sales and marketing activities for transactions that took place in the immediately preceding six (6) calendar quarters; provided, that BioLife and its representatives will use their commercially reasonable efforts during such audit not to unreasonably disturb the businesses of Client and its subsidiaries. Unless otherwise consented to by Client, BioLife may conduct any audit under this Section 2.5 at any time during regular business hours and no more frequently than semi-annually.

ARTICLE III. TERM AND TERMINATION

3.1. Term. This Agreement will begin effective as of the Effective Date and continue indefinitely unless terminated in accordance with Section 3.2 below (the "***Term***").

3.2. Termination of Agreement. This Agreement may be terminated as follows:

(a) the Parties may terminate this Agreement at any time by mutual written agreement;

(b) beginning ninety (90) days prior to the end of the Initial Term, either Party may terminate this Agreement for any reason or no reason after giving ninety (90) days' prior written notice to the other Party of such termination;

(c) Client may terminate this Agreement with ninety (90) days' prior written notice to BioLife in the event that any of the following occurs: (i) both of Michael Rice and Jim Mathers are no longer officers, employees or independent contractors of BioLife or any of its subsidiaries; (ii) BioLife sells or transfers (other than an affiliate of BioLife) all of the equity interests that it owns in Client; or (iii) there is a Change of Control (as defined below) of BioLife;

(d) BioLife may terminate this Agreement with ninety (90) days' prior written notice to Client in the event that either of the following occurs: (i) Savsu sells or transfers (other than an affiliate of Savsu) all of the equity interests that it owns in Client; or (ii) there is a Change of Control of Savsu; and

(e) either Party may terminate this Agreement upon written notice to the other Party if the other Party: (i) has violated or breached this Agreement in any material respect and such violation or breach has not been cured within thirty (30) days after receipt of written notice thereof by such violating or breaching Party; or (ii) is adjudicated insolvent and/or bankrupt, a receiver or trustee is appointed for such other Party or its property, a petition for reorganization or arrangement under any bankruptcy or insolvency law is approved for such other Party or its property or such other Party files a voluntary petition in bankruptcy or consents to the appointment of a receiver or trustee.

For purposes of this Agreement, a "***Change of Control***" with respect to any person means the occurrence of any of the following: (A) a merger, consolidation, corporation reorganization or other business combination where upon consummation of the transaction, shareholders of such person immediately prior to the consummation of the transaction will hold less than a majority of the aggregate voting power of the equity securities of such person or the successor entity, (B) the sale or transfer (other than to an affiliate of such person) of all or substantially all of the assets of such person and its subsidiaries, taken as a whole, in one transaction or a combination or series of related transactions, or (C) the sale or transfer of a majority of the voting power of the equity interests of such person, in one transaction or a combination or series of related transactions.

3.3. Effect of Termination.

(a) The Parties' obligations under Sections 1.2 and 1.3, Articles II, IV, V and VI and this Section 3.3 will survive the termination of this Agreement. Subject to the other provisions of this Agreement, no Party shall be relieved of liability for any violation or breach of this Agreement by such Party prior to the termination of this Agreement.

(b) Notwithstanding anything to the contrary contained herein, in the event that either (i) Client terminates this Agreement pursuant to Section 3.2(b) or 3.2(c) or (ii) BioLife terminates this Agreement pursuant to Section 3.2(d) or 3.2(e), then for a period of twelve (12) months following such termination (the "***Tail Period***"), BioLife will be entitled to receive Commissions equal to ten percent (10%) of the BioLife Customer Revenue during the Tail Period. The Commissions during the Tail Period shall be calculated quarterly in arrears, and determined and paid using the procedures set forth in Sections 2.2(b) and 2.2(c).

ARTICLE IV. LIMITATION OF LIABILITY; INDEMNIFICATION

4.1. Limitation of Liability. Notwithstanding anything to the contrary contained herein, including Sections 1.3 and 4.2:

(a) BioLife shall have no responsibility or liability to Client or its subsidiaries in connection with the provision of the Services except to the extent caused by the gross negligence, willful misconduct or fraud of BioLife or its affiliates or their respective officers, directors or employees in providing the Services; provided, that if BioLife fails to cause any of the Services to be provided in accordance with the requirements of Section 1.3, BioLife shall be required to use commercially reasonable efforts to either correct errors so that such Services, as corrected, satisfy the requirements of Section 1.3 or have such Services re-performed properly in accordance with requirements of Section 1.3, in either case, at no additional cost or expense to Client or its subsidiaries. If Client observes any nonconformance with the Service, BioLife must be promptly notified, allowing for necessary corrections.

(b) The maximum liability of BioLife and its representatives to Client or its representatives or any Client Indemnitee for Losses for any and all causes whatsoever, and Client's maximum remedy, regardless of the form of action, whether in contract, tort or otherwise, shall be limited to the amount of Commissions received by BioLife under this Agreement during the twelve (12) month period preceding the event giving rise to the claim, suit or other legal proceeding.

(c) In no event shall BioLife or its representatives be liable to Client or its representatives or any Client Indemnitee for any lost data, lost profits, business interruption or for any indirect, incidental, special, consequential, exemplary or punitive damages arising out of or relating to the Services (except to the extent that any such damages are actually awarded to a third party under a Third Party Claim for which BioLife is required to provided indemnification under Section 4.2(a)), even if Client or its representatives or other Client Indemnitee has been advised of the possibility of such damages, and notwithstanding the failure of essential purpose of any limited remedy.

4.2. Indemnification.

(a) Subject to Section 4.1 and this Section 4.2, BioLife shall indemnify Client and its successors and assigns (collectively, the "***Client Indemnitees***") in respect of, and defend and hold them harmless from and against, any and all claims, charges, actions, suits, proceedings, costs of investigation, judgments, liens, liabilities, losses, damages, deficiencies, taxes, interest, dues, penalties, fines, amounts paid in settlement and costs and expenses (including court costs and reasonable attorneys' or other professionals' fees and expenses) (collectively, "***Losses***") suffered, incurred or sustained by a Client Indemnitee to the extent caused by or resulting from (i) the gross negligence, willful misconduct or fraud of BioLife or its affiliates or their respective officers, directors or employees in connection with the provision of Services under this Agreement or (ii) a breach by BioLife of this Agreement other than in connection with the provision of Services.

(b) Subject to Section 4.1 and this Section 4.2, Client shall indemnify BioLife and its successors and assigns (collectively, the "***BioLife Indemnitees***", and any Client Indemnitee or BioLife Indemnitee, an "***Indemnitee***") in respect of, and defend and hold them harmless from and against, any and all Losses suffered, incurred or sustained by a BioLife Indemnitee (i) to the extent caused by or resulting from a breach by Client of this Agreement or (ii) in connection with this Agreement or the Services provided hereunder except to the extent caused by or resulting from the gross negligence, willful misconduct or fraud of BioLife or its affiliates or their respective officers, directors or employees in connection with the provision of Services under this Agreement.

(c) The amount of any Losses for which indemnification is provided under this Section 4.2 will be computed net of any insurance proceeds or other amounts under indemnification or contribution agreements with unaffiliated third parties actually received by an Indemnitee on account of such Losses. If the amount of any indemnifiable Losses, at any time following the payment of an indemnification obligation, is offset or reduced by the payment of any insurance proceeds or third party indemnification or contribution proceeds, the amount of such insurance proceeds or third party indemnification or contribution proceeds, less any costs, expenses, premiums or taxes incurred in connection therewith (including any future increase in insurance premiums, retroactive premiums, costs associated with any loss of insurance and replacement thereof or self-insured component of such insurance coverage) shall be promptly repaid to the Indemnitor (as defined in Section 4.2(e) below).

(d) Subject to Section 4.1, and except for claims for specific performance, injunctive relief or other equitable remedies, the Indemnitees' rights to indemnification as set forth in this Section 4.2 will be their exclusive remedy with respect to any Losses arising out of the matters covered by this Agreement other than to terminate this Agreement as set forth in Article III.

(e) In the event any claim in respect of which an Indemnitee might seek indemnity under this Section 4.2 is asserted against or sought to be collected from such Indemnitee by a third person (a "***Third Party Claim***"), the Indemnitee shall promptly deliver written notice of such Third Party Claim (a "***Claim Notice***") to the Party against whom indemnification is sought under this Section 4.2 (the "***Indemnitor***"), which Claim Notice must include a copy of all papers served, if any, and specifying the nature of and basis for such Third Party Claim and for the Indemnitee's claim against the Indemnitor under this Section 4.2, together with the amount or, if not then reasonably determinable, the estimated amount (which estimate will not be conclusive of the final amount for which the Indemnitor shall be responsible with respect to such Third Party Claim), determined in good faith, of the Loss arising from such Third Party Claim; provided, that the failure of the Indemnitee to give timely notice of any such Third Party Claim will not relieve the Indemnitor of its indemnification obligations hereunder except to the extent that such failure has actually prejudiced the Indemnitor. The Indemnitor shall have the right to control the defense of such Third Party Claim at its sole cost and expense, including the right to settle such Third Party Claim, so long as the Indemnitor (i) notifies the Indemnitee within thirty (30) days from its receipt of a Claim Notice that it elects to assume such defense and that it is required to provide indemnification to the Indemnitee with respect to such Third Party Claim and (ii) provides the Indemnitee with reasonably sufficient evidence of its ability to satisfy such Third Party Claim in full along with all other outstanding Third Party Claims; provided, that the Indemnitor may compromise or settle such Third Party Claim only with the consent of the Indemnitee, which consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, the Indemnitor shall not have the right to assume or control the defense of any Third Party Claim if at any time prior to, during or subsequent to the Indemnitor's delivery of notice of its assumption of the defense of a Third Party Claim, representation of both the Indemnitee and the Indemnitor by the same counsel would be prohibited by rules or regulations governing the professional conduct of such counsel due to actual or potential differing interests between them. If the Indemnitor has assumed the defense of a Third Party Claim in accordance with this Section 4.2(e): (A) the Indemnitee shall cooperate with the Indemnitor and its counsel in contesting any Third Party Claim, including in making any counterclaim against the person asserting the Third Party Claim, or any cross-complaint against any person (other than the Indemnitor or any of its affiliates or any affiliate of the Indemnitee); and (B) the Indemnitee may, at its sole cost and expense, retain separate counsel to participate in, but not control, any defense or settlement of any Third Party Claim. In the event that the Indemnitor does not elect to assume control of the Third Party Claim or otherwise is not entitled to control such Third Party Claim in accordance with this Section 4.2(e), the Indemnitee may control the defense of such Third Party Claim and seek indemnification as permitted by this Article IV with respect to such Third Party Claim. The Parties (and any other Indemnitee) shall cooperate with each other in all reasonable respects in connection with the defense of any Third Party Claim, including making available records relating to such Third Party Claim and furnishing, without expense (other than reimbursement of reasonable, documented, out-of-pocket expenses) to the defending party, employees and agents of the non-defending party as may be reasonably necessary for the preparation of the defense of such Third Party Claim. Notwithstanding any other provision of this Section 4.2, the Indemnitor shall not have indemnification obligations with respect to any settlement or compromise of any Third Party Claim entered into by an Indemnitee without the prior written consent of the Indemnitor (which consent shall not be unreasonably withheld, delayed or conditioned).

(f) In the event any Indemnitee should have a claim under this Section 4.2 against any Indemnitor that does not involve a Third Party Claim, the Indemnitee shall promptly deliver written notice of such claim to the Indemnitor, which notice shall specify the nature of and basis for such claim, together with the amount or, if not then reasonably determinable, the estimated amount (which estimate will not be conclusive of the final amount for which the Indemnitor shall be responsible with respect to such claim), determined in good faith, of the Loss arising from such claim; provided, that the failure of the Indemnitee to give timely notice of any such claim will not relieve the Indemnitor of its indemnification obligations hereunder except to the extent that such failure has actually prejudiced the Indemnitor.

4.3. Force Majeure. BioLife shall not be required to provide any Service and shall not be liable to Client or it subsidiaries for failure to perform or delays in performing any part of the Services if such failure or delay results from an act of god, war, terrorism, revolt, revolution, sabotage, actions of a governmental authority, laws, embargo, fire, strike, other labor trouble or any other cause or circumstance reasonably beyond the control of BioLife (any of the foregoing, a "***Force Majeure***"). Upon the occurrence of any Force Majeure which results in, or will result in, delay or failure to perform according to the terms of this Agreement, BioLife will promptly give notice to Client of such occurrence and the effect and/or anticipated effect of such occurrence. BioLife will use its commercially reasonable efforts to minimize disruptions in its performance, to resume performance of its obligations under this Agreement as soon as reasonably practicable and to assist Client in obtaining, at its sole expense, an alternative source for the affected Services.

ARTICLE V. MISCELLANEOUS

5.1. Confidentiality. Client shall, and shall cause its respective representatives to: (a) treat and hold in strict confidence any BioLife Confidential Information, and not use for any purpose (other than in connection with this Agreement), nor directly or indirectly disclose, distribute, publish, disseminate or otherwise make available to any third party any of the BioLife Confidential Information without the prior written consent of the BioLife; (b) in the event the Client or its representatives becomes legally compelled to disclose any BioLife Confidential Information, to provide the BioLife with prompt written notice of such requirement so that BioLife or an affiliate thereof may seek a protective order or other remedy or so that BioLife may waive compliance with this Section 5.1; and (c) in the event that such protective order or other remedy is not obtained, or BioLife waives compliance with this Section 5.1, to furnish only that portion of such BioLife Confidential Information which is legally required to be provided as advised in writing by outside counsel and to exercise their commercially reasonable efforts to obtain assurances that confidential treatment will be accorded such BioLife Confidential Information. As used in this Agreement, "***BioLife Confidential Information***" means the terms and provisions of this Agreement and any information concerning the Services, the business or operations of BioLife, or, to the extent disclosed in connection with this Agreement or the transactions contemplated hereby, all confidential and or proprietary information of BioLife, including trade secrets, customer lists, details of customer or consultant contracts, pricing policies, operational methods and marketing plans or strategies, and any information disclosed to BioLife by third parties to the extent that it has an obligation of confidentiality in connection therewith; provided, however, that BioLife Confidential Information shall not include any information which, at the time of disclosure, is generally available publicly and was not disclosed in breach of this Agreement by Client or its representatives.

5.2. Relationship of Parties. BioLife will (a) be deemed to be an independent contractor with respect to the provision of Services hereunder, (b) not be considered (nor will any of its directors, officers, employees, contractors or agents be considered) an employee, commercial representative, partner, franchisee or joint venturer of Client as a result of or in connection with this Agreement or the provision of the Services hereunder and (c) have no duties or obligations in connection with this Agreement beyond those expressly provided in this Agreement with respect to the provision of Services. No Party will have as a result of this Agreement any authority, absent express written permission from the other Party, to enter into any agreement, assume or create any obligations or liabilities, or make representations on behalf of the other Party.

5.3. Interpretation. When a reference is made in this Agreement to Articles, Sections or Schedules, such reference will be to an Article or Section of or Schedule to this Agreement unless otherwise indicated. The headings contained in this Agreement are for reference purposes only and will not affect in any way the meaning or interpretation of this Agreement. Whenever the words "include," "includes" or "including" are used in this Agreement, they will be deemed to be followed by the words "without limitation." The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement will refer to this Agreement as a whole and not to any particular provision of this Agreement. Unless the context otherwise requires, (i) words in the singular include the plural and vice versa and (ii) the use in this Agreement of a pronoun in reference to a person includes the masculine, feminine or neuter, as the context may require. All Schedules hereto will be deemed part of this Agreement and included in any reference to this Agreement. As used in this Agreement, the term (i) "business day" shall mean any day other than a Saturday, a Sunday or a day on which banks in New York, New York are authorized or obligated by law or executive order to close, (ii) "person" means any natural person, corporation, limited liability company, partnership, trust, joint venture or other business entity, unincorporated association, organization or enterprise or governmental entity, (iii) "affiliate" means, as applied to any person, any other person directly or indirectly controlling, controlled by or under direct or indirect common control with, such person, where "control" (including with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as applied to any person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person, whether through the ownership of voting securities, by contract or otherwise, and (iv) "representatives" means, as to any person, such person's affiliates and the managers, directors, officers, employees, agents and advisors (including financial advisors, counsel and accountants) of such person or its affiliates. For purposes of this Agreement, each Party shall not be treated as an affiliate or representative of the other Party. This Agreement will not be interpreted or construed to require any Party to take any action, or fail to take any action, if to do so would violate any applicable law.

5.4. Joint Participation. Both Parties have participated in negotiating and drafting this Agreement. In the event that an ambiguity or a question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by both Parties, and no presumption or burden of proof will arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement.

5.5. Amendment: Waiver. This Agreement may be amended, modified or supplemented only by the written agreement of the Parties hereto. Except as otherwise provided in this Agreement, the failure by any Party to comply with any obligation, covenant, agreement or condition under this Agreement may be waived by the Party entitled to the benefit thereof only by a written instrument signed by the Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition will not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. The failure of any Party to enforce at any time any of the provisions of this Agreement will in no way be construed to be a waiver of any such provision, or in any way to affect the validity of this Agreement or any part hereof or the right of any Party hereafter to enforce each and every such provision. No waiver of any breach of such provisions will be held to be a waiver of any other or subsequent breach.

5.6. Notices. All notices, approvals and consents provided for herein shall be in writing and be given in person, by nationally recognized overnight courier, by U.S. mail or by means of facsimile or other means of electronic document delivery, and shall become effective: (a) on delivery if given in person; (b) on the date of affirmative confirmation of receipt if sent by facsimile or other means of electronic document delivery; (c) one (1) business day after delivery to the overnight service; or (d) three (3) business days after being mailed, with proper postage and documentation, for first-class registered or certified mail, prepaid, in any case, to the address of the Party underneath the signature of such Party on the signature page hereto, as such address may be modified by written notice of such Party in accordance with the requirements of this Section 5.6.

5.7. Successors and Assigns; Third Party Beneficiaries. This Agreement will be binding upon and will inure to the benefit of the Parties hereto and their respective successors and permitted assigns. No Party may assign this Agreement, or any of its rights or liabilities hereunder, without the prior written consent of the other Party hereto, and any attempt to make any such assignment without such consent will be null and void. Nothing in this Agreement is intended to confer on any person other than the Parties hereto or their respective successors and assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement.

5.8. Severability. In the event that any provision of this Agreement or the application thereof, becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of this Agreement will continue in full force and effect and the application of such provision to other persons or circumstances will be interpreted so as reasonably to effect the intent of the Parties hereto. The Parties further agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business and other purposes of such void or unenforceable provision.

5.9. Dispute Resolution. Any and all disputes, controversies and claims (other than applications for a temporary restraining order, preliminary injunction, permanent injunction or other equitable relief or an application for enforcement of a resolution under this Section 5.9) arising out of, related to, or in connection with this Agreement (a "***Dispute***") shall be governed by this Section 5.9. The Parties agrees that any Dispute will be submitted to and determined exclusively by binding arbitration in Nassau County, New York, before a single arbitrator from the Judicial Arbitration Mediation Service ("***JAMS***") selected in accordance with the commercial arbitration rules of JAMS then in effect (the "***Rules***"), which arbitrator shall be a commercial lawyer with substantial experience arbitrating disputes under commercial contracts. Such arbitration shall be conducted in accordance with such Rules and this Agreement, and judgment on the arbitration award may be entered in any court having jurisdiction over the subject matter of controversy. To the extent that the Rules and this Agreement are in conflict, the terms of this Agreement shall control. The arbitrator shall decide the Dispute in accordance with the substantive law of the State of New York. Each Party shall submit a proposal for resolution of the Dispute to the arbitrator within thirty (30) days after confirmation of the appointment of the arbitrator. The arbitrator shall have the power to order any Party to do, or to refrain from doing, anything consistent with this Agreement and applicable law, including to perform its contractual obligation(s); provided, that the arbitrator shall be limited to ordering pursuant to the foregoing power (and, for the avoidance of doubt, shall order) the relevant Party (or Parties, as applicable) to comply with only one or the other of the proposals. The arbitrator's award shall be in writing and shall include a reasonable explanation of the arbitrator's reason(s) for selecting one or the other proposal. Each Party shall pay for its own costs and attorneys' fees, if any. The fees, costs and expenses of the arbitrator will be borne by the non-prevailing party. Notwithstanding the foregoing in this Section 5.9, BioLife shall have the right in accordance with Section 5.10 to seek injunctive or other equitable action in any court of competent jurisdiction in connection with any actual or alleged breach of this Agreement.

5.10. Governing Law; Jurisdiction; Waiver of Jury Trial. This Agreement will be governed by and construed in accordance with the internal laws of the State of New York, without regard to any applicable conflict of laws principles. Subject to Section 5.9, each Party irrevocably agrees that any legal suit, action or proceeding or counter-claim with respect to this Agreement, the transactions contemplated hereby, any provision hereof, the breach, performance, validity or invalidity hereof or for recognition and enforcement of any judgment in respect hereof brought by another Party hereto or its successors or permitted assigns (a "***Proceeding***") may be brought and determined in any federal or state court located in Nassau County, New York (and any appellate courts thereof), and each Party hereby (a) irrevocably submits with regard to any such action or proceeding for itself and in respect to its property, generally and unconditionally, to the exclusive jurisdiction of the aforesaid courts, (b) agrees that service of any process, summons, notice or document by U.S. registered mail to such party's address in accordance with Section 5.6 shall be effective service of process for any Proceeding with respect to any matters to which it has submitted to jurisdiction in this Section 5.10, and (c) waives and covenants not to assert or plead, by way of motion, as a defense or otherwise, in any such Proceeding, any claim that it is not subject personally to the jurisdiction of such court, that such Proceeding is brought in an inconvenient forum, that the venue of such Proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court, and hereby agrees not to challenge such jurisdiction or venue by reason of any offsets or counterclaims in any such Proceeding. Each Party knowingly and irrevocably waives any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

5.11. Entire Agreement. This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among the Parties with respect to the subject matter of this Agreement. If there is any conflict or inconsistency between the terms and conditions set forth in the main body of this Agreement and the Schedules hereto, the provisions of the Schedules shall control with respect to the rights and obligations of the Parties regarding the Services.

5.12. Counterparts. This Agreement may be executed in one or more counterparts (including by facsimile or other electronic document delivery), each of which will be deemed an original, but all of which together will constitute one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Services Agreement to be executed by their respective officers thereunto duly authorized, as of the date first written above.

BIOLIFE SOLUTIONS, INC.

By: _____
Name: Roderick de Greef
Title: Chief Financial Officer

Address for Notice:

BioLife Solutions, Inc.
3303 Monte Villa Parkway, Suite 310
Bothell, Washington 98021
Attention: Michael Rice, CEO
Telephone No.: (425) 402-1400
Email: mrice@BioLifeSolutions.com

with a copy (which shall not constitute notice) to:

Ellenoff Grossman & Schole LLP
1345 Avenue of the Americas, 11th Floor
New York, New York 10105
Attn: Sarah Williams, Esq.
Matthew A. Gray, Esq.
Telephone No: (212) 370-1300
Fax: (212) 370-7889
Email: swilliams@egsllp.com
mgray@egsllp.com

BIOLOGISTEX CCM, LLC

By: _____
Name: Michael Rice
Title: President

Address for Notice

bioLogistex CCM, LLC
160 Sweet Hollow Road
Old Bethpage, NY 11804
Attention: Bruce McCormick, President
Telephone No.: (516) 752-7882
Facsimile No.: (516) 752-7951
Email: b.mccormick@savsu.com

With a copy (which shall not constitute notice) to:

Meltzer, Lippe, Goldstein & Breitstone, LLP
190 Willis Avenue
Mineola, NY 11501
Attention: Ira R. Halperin, Esq.
Telephone No.: (516) 747-0300
Facsimile No.: (516) 747-0653
Email: ihalperin@meltzerlippe.com

[Signature Page to Services Agreement]

Schedule A
Services

Description of Service

1. Customer acquisition and other sales activities targeting evo opportunities in the biobanking, drug discovery, and regenerative medicine market segments where biopreservation media opportunities are present (the "***BioLife Markets***"), to leverage BioLife's current customer relationships and ability to offer a portfolio of complementary biopreservation tools including media and evo. Client will market and sell to non-media market segments such as vaccine storage and shipment.

2. Marketing and promotion of evo and Client SaaS at biopreservation media trade shows, with total event costs shared equally by BioLife and Client and with each Party bearing expenses for their respective personnel attending the event. At Client's request, marketing and promotion of evo and Client SaaS at non-biopreservation media trade shows, with total event costs and BioLife personnel costs borne by Client. Notwithstanding the foregoing, BioLife's expenses with the respect to the foregoing shall only be reimbursed to the extent pre-approved by Client.

3. Solely for the 6-month period commencing on the Effective Date, support of evo customers and prospects engaged before the Effective Date and closed afterward by BioLife in the referenced BioLife Markets including order fulfillment, customer onboarding and training, ongoing app support, and evo warranty and out of warranty repairs or replacements for customers that BioLife closed.

4. Commercial input into ongoing product development efforts on the evo and Client Saas application as requested by Client.

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference into Registration Statement No. 333-208912 on Form S-3, Registration Statement No. 333-205101 on Form S-8, Registration Statement No. 333-189551 on Form S-8, and Registration Statement No. 333-194697 on Post-Effective Amendment No. 1 to Form S-1 on Form S-3 of our report dated March 15, 2017, relating to our audits of the consolidated financial statements of BioLife Solutions, Inc. and Subsidiary appearing in the Annual Report on Form 10-K of BioLife Solutions, Inc. for the year ended December 31, 2016.

/S/ PETERSON SULLIVAN LLP

Seattle, Washington
March 15, 2017

EXHIBIT 31.1

CERTIFICATION PURSUANT TO
RULE 13a-14(a) or RULE 13d-14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934

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 controls 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 our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control 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 our 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 our 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.

Date: March 15, 2017

/s/ Michael Rice
Michael Rice

EXHIBIT 31.2

CERTIFICATION PURSUANT TO
RULE 13a-14(a) or RULE 13d-14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934

I, Roderick de Greef, 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 controls 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 our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control 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 our 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 our 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.

Date: March 15, 2017

/s/ Roderick de Greef
Roderick de Greef

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of BioLife Solutions, Inc. (the "Company") on Form 10-K for the fiscal year ended December 31, 2016, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael Rice, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; 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 15, 2017

/s/ Michael Rice
Michael Rice
Chief Executive Officer

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of BioLife Solutions, Inc. (the "Company") on Form 10-K for the fiscal year ended December 31, 2016, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Roderick de Greef, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; 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 15, 2017

/s/ Roderick de Greef
Roderick de Greef
Chief Financial Officer