

Cryoport, Inc.
Form S-1/A
May 26, 2015

As filed with the Securities and Exchange Commission on May 22, 2015

Registration Number 333-203006

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

**Amendment No. 2
To
Form S-1/A
REGISTRATION STATEMENT
*UNDER
THE SECURITIES ACT OF 1933***

CRYOPORT, INC.

(Exact Name of Registrant as Specified in its Charter)

Nevada
(State or Other Jurisdiction of
Incorporation or Organization)

3086
(Primary Standard Industrial
Classification Code Number)

88-0313393
(I.R.S. Employer
Identification No.)

**20382 Barents Sea Circle,
Lake Forest, CA 92630
(949) 470-2300**

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Principal Executive Offices)

**Robert Stefanovich
Chief Financial Officer
20382 Barents Sea Circle,
Lake Forest, CA 92630
(949) 470-2300**

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

Copies to:

**Anthony Ippolito, Esq.
Snell & Wilmer L.L.P.
600 Anton Boulevard, Suite 1400
Costa Mesa, California 92626
Tel: (714) 427-7000
Fax: (714) 427-7799**

Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended, check the following box. x

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering. o

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. (Check one):

Large accelerated filer Accelerated filer
 Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price ⁽¹⁾	Amount of Registration Fee
Common stock, \$0.001 par value per share	\$ 14,980,469	\$ 1,741
Warrants	19,531	2
Common stock, \$0.001 par value per share, underlying the warrants ⁽²⁾	\$ 16,500,000	\$ 1,917
Common stock, \$0.001 par value per share, issuable upon exercise of the representative of the underwriters over-allotment	\$ 2,247,073	\$ 261
Warrants, issuable upon exercise of the representative of the underwriters over-allotment	2,927	0
Common stock, \$0.001 par value per share, underlying the warrants issuable upon exercise of the representative of the underwriters over-allotment ⁽²⁾	\$ 2,475,000	\$ 288
TOTAL	\$ 36,225,000	\$ 4,209⁽³⁾

(1) Estimated solely for purposes of calculating the registration fee pursuant to Rule 457(o) under the Securities Act.

(2) Pursuant to Rule 416, the registrant is also registering an indeterminate number of additional shares of common stock that are issuable by reason of the anti-dilution provisions of the warrants.

(3) \$4,209 has already been paid.

The registrant hereby amends this registration statement on such date or date(s) as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act, or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. The securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

PRELIMINARY PROSPECTUS SUBJECT TO COMPLETION DATED MAY , 2015

**1,953,125 shares of Common Stock and
Warrants to purchase 1,953,125 shares of Common Stock**

This is a firm commitment public offering of 1,953,125 shares of our common stock, \$0.001 par value, together with warrants to purchase 1,953,125 shares of our common stock at an exercise price of 110% of the public offering price of a share of common stock and a warrant to purchase common stock in this offering.

Our common stock is currently traded on the OTC Bulletin Board under the symbol CYRXD. On May 19, 2015, we effected a reverse stock split on a 12-to-1 basis. On May 8, 2015, the last reported sale price for our common stock was \$7.68 per share. We have applied for listing of our common stock and warrants on the NASDAQ Capital Market under the symbols [CYRX] and [*]. No assurance can be given that our application will be approved.

Investing in our common stock and warrants involves a high degree of risk. Please read Risk Factors beginning on page 10 of this prospectus for a discussion of information that should be considered in connection with an investment in our common stock and warrants.

Neither the Securities and Exchange Commission (the SEC) nor any state securities commission has approved or disapproved these securities or determined whether this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per share	Per share warrant	Total
Public offering price	\$	\$ 0.01	\$
Underwriting discounts and commissions ⁽¹⁾	\$	\$ 0.0007	\$
Proceeds, before offering expenses, to us ⁽²⁾	\$	\$ 0.0093	\$

Does not include a non-accountable expense allowance equal to 1% of the gross proceeds of this offering (or (1)\$150,000) payable to Aegis Capital Corp., the representative of the underwriters. See Underwriting for a description of compensation payable to the underwriters.

(2)We estimate that the total expenses of this offering will be approximately \$350,000, consisting of \$150,000 for the underwriter s non-accountable expense allowance (equal to 1% of the gross proceeds of this offering) and \$200,000 for legal, accounting, printing costs and various fees associated with the registration and listing of our shares of

common stock and warrants.

We have granted a 45-day option to the representative of the underwriter to purchase 292,969 shares of common stock and/or warrants to purchase 292,969 shares of common stock to be offered by us solely to cover over-allotments, if any. If the underwriters exercise their right to purchase additional shares of common stock and warrants to purchase common stock to cover over-allotments, we estimate that we will receive gross proceeds of \$2,250,000 from the sale of 292,969 shares of common stock and warrants to purchase 292,969 shares of common stock being offered at an assumed public offering price of \$7.67 per share of common stock and \$0.01 per warrant to purchase one share of common stock and net proceeds of \$2,092,500 after deducting \$157,500 for underwriting discounts and commissions. The shares of common stock and warrants to purchase shares of common stock issuable upon exercise of the underwriter option are identical to those offered by this prospectus and have been registered under the registration statement of which this prospectus forms a part.

In connection with this offering, we have also agreed to issue to Aegis Capital Corp., the underwriters' representative, a warrant to purchase up to 4% of the shares of common stock sold (or 78,125 shares based on 1,953,125 shares of common stock). If the underwriters' representative exercises this warrant, each share of common stock may be purchased at \$10.56 per share (137.5% of the price of the shares of common stock and warrants sold in this offering), commencing on a date that is one year from the effective date of the registration statement and expiring five years from the effective date of the registration statement.

The underwriters expect to deliver our shares of common stock and warrants to purchasers in this offering on or about [*], 2015.

Aegis Capital Corp

The date of this prospectus is _____, 2015

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You may only rely on the information contained in this prospectus. We have not authorized anyone to provide you with different information. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities other than the common stock and the warrants offered by this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any common stock or warrants in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this prospectus nor any sale made in connection with this prospectus shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this prospectus or that the information incorporated by reference to this prospectus is correct as of any time after its date.

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PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus and does not contain all of the information you should consider before investing in our shares of common stock and warrants. You should read this entire prospectus carefully, especially the risks of investing in our common stock and warrants discussed under Risk Factors beginning on page 10 and the consolidated financial statements and notes to those consolidated financial statements, before making an investment decision. Cryoport, Inc. is referred to throughout this prospectus as Cryoport, Company, we or us.

Unless otherwise indicated, all historical and pro forma common stock and per share data in this prospectus have been retroactively restated to the earliest period presented to account for the 12-to-1 reverse stock split effectuated on May 19, 2015.

Overview

Cryoport is a leading provider of cryogenic logistics solutions to the life sciences industry through its purpose-built proprietary packaging, information technology and specialized cold chain logistics expertise. We provide leading edge logistics solutions for biologic materials such as immunotherapies, stem cells, CAR-T cells, and reproductive cells for clients worldwide including points-of-care, CROs, central laboratories, biopharmaceuticals, contract manufacturing, health centers and university research. Our packaging is built around our proprietary Cryoport Express® liquid nitrogen dry vapor shippers, which are validated to maintain a constant -150°C temperature for a ten day dynamic shipment duration. Our information technology centers on our Cryoport™ Logistics Management Platform, which facilitates management of the entire shipment process.

We view our solutions as disruptive to older technologies such as dry ice, in that our solutions provide reliable, economic alternatives to existing solutions and services utilized for frozen shipping in life sciences, including immunotherapies, stem cells, cell lines, vaccines, diagnostic materials, semen, eggs, embryos, cord blood, bio-pharmaceuticals, infectious substances and other items that require continuous exposure to frozen or cryogenic temperatures.

Our Cryoport Express® Solutions include a sophisticated cloud-based logistics operating platform, which is branded as the Cryoport™. The Cryoport™ supports the management of the entire shipment and logistics process through a single interface, including initial order input, document preparation, customs clearance, courier management, shipment tracking, issue resolution, and delivery. In addition, it provides unique and incisive information dashboards and validation documentation for every shipment. The Cryoport™ records and retains a fully documented chain-of-custody and, at the client's option, chain-of-condition for every shipment, helping ensure that quality, safety, efficacy, and stability of shipped commodities are maintained throughout the process. This recorded and archived information allows our clients to meet exacting requirements necessary for scientific work and for proof of regulatory compliance during the logistics phase.

The branded packaging for our Cryoport Express® Solutions includes our liquid nitrogen dry vapor shippers, the Cryoport Express® Shippers. The Cryoport Express® Shippers are cost-effective and reusable cryogenic transport containers (our standard shipper is a patented vacuum flask) utilizing an innovative application of dry vapor liquid nitrogen (LN₂) technology. Cryoport Express® Shippers are International Air Transport Association (IATA) certified

and validated to maintain stable temperatures of minus 150°C and below for a 10-day dynamic shipment period. The Company currently features three Cryoport Express® Shippers: the Standard Dry Shipper (holding up to 75 2.0 ml vials), the High Volume Dry Shipper (holding up to 500 2.0 ml vials) and the recently introduced Cryoport Express® CXVC1 Shipper (holding up to 1,500 2.0 ml vials). In addition, we assist clients with internal secondary packaging as well (e.g., vials, canes, straws, plates, etc.)

Our most used solution is the turnkey solution, which can be accessed directly through our cloud-based Cryoport™ or by contacting Cryoport Client Care for order entry. Once an order is placed and cleared, we ship a fully charged Cryoport Express® Shipper to the client who conveniently loads its frozen commodity into the inner chamber of the Cryoport Express® Shipper. The customer then closes the shipper package and reseals the shipping box displaying the next recipient's address (Flap A) for pre-arranged

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carrier pick up. Cryoport arranges for the pick-up of the parcel by a shipping service provider, which is designated by the client or chosen by Cryoport, for delivery to the client's intended recipient. The recipient simply opens the shipper package and removes the frozen commodity that has been shipped. The recipient then reseals the package, displaying the nearest Cryoport Operations Center address (Flap B), making it ready for pre-arranged carrier pick-up. When the Cryoport Operations Center receives the Cryoport Express® Shipper, it is cleaned, put through quality assurance testing, and returned to inventory for reuse.

In late 2012, we shifted our focus to become a comprehensive cryogenic logistics solutions provider. Recognizing that clients in the life sciences industry have varying requirements, we unbundled our technologies, established customer facing solutions and took a consultative approach to the market. Today, in addition to our standard Turn-key Solution, described above, we also provide the following customer facing, value-added solutions to address our various clients' needs:

Customer Staged Solution, designed for clients making 50 or more shipments per month. Under this solution, we supply an inventory of our Cryoport Express® Shippers to our customer, in an uncharged state, enabling our customer (after training/certification) to charge them with liquid nitrogen and use our Cryoport™ to enter orders with shipping and delivery service providers for the transportation of the package.

Customer Managed Solution, a limited customer implemented solution, whereby we supply our Cryoport Express® Shippers to clients in a fully charged state, but leaving it to the client to manage the shipping, including the selection of the shipping and delivery service provider and the return of the shipper to us.

powered by CryoportSM, available to providers of shipping and delivery services who seek to offer a branded cryogenic logistics solution as part of their service offerings, with *powered by CryoportSM* appearing prominently on the offering software interface and packaging. This solution can also be private labeled upon meeting certain requirements, such as minimum required shipping volumes.

Integrated Solution, which is our total outsource solution. It is our most comprehensive solution and involves our management of the entire cryogenic logistics process for our client, including Cryoport employees at the client's site to manage the client's cryogenic logistics function in total.

Regenerative Medicine Point-of-Care Repository Solution, designed for allogeneic therapies. In this solution we supply our Cryoport Express® Shipper to ship and store cryogenically preserved life science products for up to six days (or longer periods with supplementary shippers) at a point-of-care site, with the Cryoport Express® Shipper serving as a temporary freezer/repository enabling the efficient and effective distribution of temperature sensitive allogeneic cell-based therapies without the expense, inconvenience, and potential costly failure of an on-sight, cryopreservation device.

Personalized Medicine and Cell-based Immunotherapy Solution, designed for autologous therapies. In this solution our Cryoport Express® Shipper serves as an enabling technology for the safe transportation of manufactured autologous cellular-based immunotherapy market by providing a comprehensive logistics solution for the verified chain of custody and condition transport from, (a) the collection of the patient's cells in a hospital setting, to (b) a central processing facility where they are manufactured into a personalized medicine, to (c) the safe, cryogenically preserved return of these irreplaceable cells to a point-of-care treatment facility. If required, the Cryoport Express® Shipper can then serve as a temporary freezer/repository to allow the efficient distribution of this personalized medicine to the patient when and where the medical provider needs it most without the expense, inconvenience, and potential costly failure of an on-sight, cryopreservation device.

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Competitive Advantages

With our first-to-market cryogenic logistics solutions for the life sciences industry, we have established a unique lead over potential competitors. Furthermore, we are not aware of a company that offers comparable solutions and has the same capabilities Cryoport has as a global provider of advanced, validated cryogenic logistics solutions. As a solutions company working with our tools in packaging, information technology, and cryogenic logistics, we address our growing \$1.7 billion cryogenic logistics market in innovative and creative ways.

The majority of our competition utilizes old technologies. In fact, most of our market still uses dry ice and liquid nitrogen. In the case of dry ice the technology does not deliver cryogenic temperatures and, consequently, this medium allows cells to degrade, sometimes beyond any utility. When biology was less developed, dry ice was believed to be acceptable and was readily available.

Liquid nitrogen, on the other hand, while effective, is bulky, expensive and has special handling requirements. Both dry ice and liquid nitrogen are classified hazardous by shipping companies and regulatory authorities. In addition to being ineffective and/or classified as dangerous goods, they are inefficient when compared to Cryoport solutions. Conversely, Cryoport's solutions are classified as non-hazardous.

Having been validated and qualified as a solutions provider for hundreds of life sciences companies and institutions, Cryoport has logged over 20,000 shipments to over 80 countries with hundreds of life sciences materials. We also have experienced that once life sciences companies start utilizing our advanced cryogenic logistics solutions, we experience minimal client attrition.

While we look at companies such as Thermo Fisher Scientific, AmerisourceBergen Corporation and Marken as potential competitors, some of these companies are also our customers.

We think our competitive position is further enhanced by our respective powered by Cryoport partnership agreements with FedEx, DHL and UPS, who collectively, account for approximately 85% of world's air freight and who, individually, have been expanding their offerings of cold chain logistics solutions to the life sciences industry. In short, we are the cryogenic solution for each of them, employing our packaging, our software and our logistics expertise.

The challenge for our seasoned, professional management team is to maintain what we believe to be a four year lead in the marketplace. In other words, we think it would take a serious potential competitor, at least, four years to build out the competencies that we possess and the knowledge we have of the marketplace.

In addition to our intellectual property consisting of three issued U.S. patents, one pending U.S. patent application, and one U.S. provisional patent application and our lead as the first to market mover, we think our biggest competitive advantage is our speed to market with new solutions and our sensitivity to anticipate and react to market needs. Our solutions are comprehensive and it is in our DNA to maintain our market lead by employing the best people in the industry as well as our current and new technologies to maintain that lead.

Given today's environmental concerns, we also consider the fact that we are green to be a competitive advantage. Our packaging materials are recyclable and the key components are reusable. The fact that the inner and outer shells of our shippers are made of aircraft-grade aluminum makes these components recyclable as well. We take our responsibility

toward the environment seriously.

Strategic Logistics Alliances

We have sought to establish strategic alliances as a method of marketing our solutions to the life sciences industry. We have focused our efforts on leading companies in the logistics services industry as well as participants in the life sciences industry. In connection with our alliances with providers of shipping services, we refer to their offerings as *powered by CryoportSM* to reflect our solutions being integrated into our alliance partner's services.

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Cryoport now serves and supports the three largest integrators in the world, responsible for over 85% of worldwide airfreight, with its advanced cryogenic logistics solutions for life sciences. We operate with each independently and confidentially in support of their respective market and sales strategies. We maintain our independent partnerships with strict confidentiality guidelines within the Company. These agreements represent a significant validation of our solutions and the way we conduct our business.

FedEx. In January 2013, we entered into a master agreement with Federal Express Corporation (FedEx) (the FedEx Agreement) renewing these services and providing FedEx with a non-exclusive license and right to use a customized version of our Cryoport™ for the management of shipments made by FedEx customers. Under our FedEx Agreement, we provide frozen shipping logistics services through the combination of our purpose-built proprietary technologies and turnkey management processes. FedEx markets and sells Cryoport's services for frozen temperature-controlled cold chain transportation as its FedEx® Deep Frozen Shipping Solution on a non-exclusive basis and at its sole expense. During fiscal year 2013, the Company worked closely with FedEx to further align its sales efforts and accelerate penetration within FedEx's life sciences customer base through improved processes, sales incentives, joint customer calls and more frequent communication at the sales and executive level. In addition, FedEx has developed a FedEx branded version of the Cryoport™ software platform, which is *powered by Cryoport™* for use by its customers, giving them access to the full capabilities of our cloud-based logistics management software platform.

DHL. In June 2014, we entered into a master agreement with LifeConEx, a part of DHL Global Forwarding (DHL). DHL has now enhanced its cold chain logistics offerings to its life sciences and healthcare customers with Cryoport's validated cryogenic solutions. DHL added 15 additional certified Life Sciences stations in the second quarter of 2014 bringing its Thermonet network to 60 stations in operation. This expanded network offers Cryoport's cryogenic solutions under the DHL brands as *powered by Cryoport™*. In addition, DHL's customers have direct access to our cloud-based order entry and tracking portal to order Cryoport Express® Solutions and receive preferred DHL shipping rates and discounts. Our proprietary logistics management operating platform, the Cryoport™, is integrated with DHL's tracking and billing systems to provide DHL life sciences and healthcare customers with a seamless way of accessing critical information regarding shipments of biological material worldwide.

UPS. In October 2014, we added United Parcel Services, Inc. (UPS) as our third major distributor by entering into an agreement with UPS Oasis Supply Corporation, a part of UPS, whereby UPS will offer our validated and comprehensive cryogenic solutions to its life sciences and healthcare customers on a global basis. Over the course of rolling out our new relationship with UPS, UPS customers will have direct access to our cloud-based order entry and tracking portal to order Cryoport Express® Solutions and gain access to UPS's broad array of domestic and international shipping and logistics solutions at competitive prices. Our proprietary logistics management operating platform, the Cryoport™, is integrated with UPS's tracking and billing systems to provide UPS life sciences and healthcare customers with a seamless way of accessing critical information regarding shipments of biological material worldwide.

These agreements with the three largest integrators in the world, controlling more than 85% of the world's air shipments, represent a significant validation of our solutions and the way we conduct our business.

Cryoport's Positioning in the Life Sciences Industry

Life sciences technologies are expected to have a significant impact on global society over the next 25 years. In the United States alone, the life sciences industry is made up of 6,000 identifiable establishments. However, the industry is growing globally in a way where research and manufacturing pipelines span across the globe, which increases the need to mitigate logistics risk.

The total cold chain logistics market has historically grown 70% faster per annum than the total logistics market. For 2011, global cold chain logistics transportation costs were reported to be \$7.2 billion; about \$1.5 billion within the cryogenic range of requirements. By 2017, transportation cost alone, for global life sciences cold chain logistics, is forecasted to grow to \$9.3 billion, a 41% increase, and twice the growth of the overall market.

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In addition, with the recent advancements in the development of biologics and cell-based therapies, scientists, intermediaries, and manufacturers require the means for cryogenically transporting their work. Temperatures must be maintained below the glass point (generally, minus 136°C) while shipping these therapies to ensure that the shipped specimens are not subject to degradation that could impact its characteristics and efficacy.

While we estimate that our solutions currently offer comprehensive and technology-based monitoring and tracking for a potential of six to seven million deep frozen shipments globally on an annual basis, we also believe that with investment in our services, adaptations of our solutions can be applied to a large portion of an additional fifty-five to sixty million annual shipments requiring ambient (between 20° and 25°C), chilled (between 2° and 8°C) or frozen (minus 10°C or less) temperatures.

Cryoport's clients include companies and institutions that require reliable cryogenic logistics solutions such as therapy developers for personalized medicine, bio-pharmaceuticals, research, contract research organizations, diagnostic laboratories, contract manufacturers, cord blood repositories, vaccine manufacturers, animal husbandry related companies, and in-vitro fertilization clinics.

Life Sciences Agreements

Zoetis. In December 2012, we signed an agreement with Pfizer Inc. relating to Zoetis Inc. (formerly the animal health business unit of Pfizer Inc.) pursuant to which we were engaged to manage frozen shipments of a key poultry vaccine.

Under this arrangement, Cryoport provides on-site logistics personnel and its logistics management operating platform, the Cryoport™ to manage shipments from the Zoetis manufacturing site in the United States to domestic customers as well as various international distribution centers. As part of our logistics management services, Cryoport is constantly analyzing logistics data and processes to further introduce economies and reliability throughout the network, ensuring products arrive at their destinations in specified conditions, on-time and with the optimum utilization of resources. The Company manages Zoetis' total fleet of dewar flask shippers used for this purpose, including liquid nitrogen shippers. In July 2013 the agreement was amended to expand Cryoport's scope to manage all logistics of Zoetis' key frozen poultry vaccine to all Zoetis' international distribution centers as well as all domestic shipments. In October 2013, the agreement was further amended to further expand Cryoport's role to include the logistics management for a second poultry vaccine.

Liventa Biosciences. In February 2014, we entered into a services agreement with Liventa Bioscience, Inc. (Liventa), a privately-held, commercial stage biotechnology company focused on cell-based, advanced biologics in the orthopedic industry. Under this agreement, Liventa will use Cryoport's Regenerative Medicine Point-of-Care Repository Solution for the logistics of its cell-based therapies requiring cryogenic temperatures and also provide Cryoport Express® Solutions to other biologics suppliers within the orthopedic arena. The agreement combines Cryoport's proprietary, purpose-built cold chain logistics solutions for cell-based and advanced biologic tissue forms with Liventa's distribution capability to orthopedic care providers. The implementation of Cryoport's Regenerative Medicine Point-of-Care Repository Solution will eliminate the risks of degradation and also eliminate the need for expensive onsite cryogenic freezers for storage of cell-based orthopedic therapies. The agreement has an initial three-year term and may be renewed for consecutive three-year terms, unless earlier terminated by either party. Liventa also agreed to certain performance criteria and the issuance of 150,000 shares of its common stock to Cryoport in exchange for the exclusive right to offer, market and promote Cryoport Express® Solutions for cellular-based therapies requiring cryogenic temperatures for use in the orthopedic arena in the United States.

Corporate History and Structure

The Company was originally incorporated under the name G.T.5-Limited (GT5) on May 25, 1990 as a Nevada Corporation. Upon completion of a Share Exchange Agreement, on March 15, 2005 the Company changed its name to Cryoport, Inc. and acquired all of the issued and outstanding shares of Cryoport Systems, Inc. Cryoport Systems, Inc. remains the operating company under Cryoport, Inc. At that time Cryoport Systems, Inc. was focused on developing the Cryoport Express® Shipper. Over time the Company has transitioned from being a development company to providing global cold chain logistics solutions to the biotechnology and life sciences industries.

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Since 2011, we have validated, perfected and expanded the features of the Cryoport Express® logistics solutions and have now managed shipments of the Cryoport Express® Shippers through its Cryoportal™ into and out of more than 80 countries with more than 20,000 shipments, handling a vast array of different biological products and specimens.

During fiscal year 2012, the Company completed the external validation of its Cryoport Express Standard Shipper to ISTA 7E standards and introduced the Cryoport Express® High Volume Shipper in response to customer demand. The Company also set up its European distribution depot in Holland to better serve its customer base and support sales efforts in Europe.

During fiscal year 2013, the Company elected Jerrell Shelton as President and CEO, realigned its sales team, and introduced a solutions sales and operating strategy. In addition, and as part of its global expansion plans, the Company set up its Asian distribution depot in Singapore.

Since the beginning of fiscal year 2014, the Company's Board of Directors (Board) has added certain members to better align the experience and competencies of the directors with the Company's strategic direction. In March 2013, Richard G. Rathmann, a fund manager, investor, and advisor to life science companies over the past 20 years, was appointed to the Board. In September 2013, Mr. Rathmann was elected Chairman of the Board. Also in September 2013, Mr. Edward Zecchini, an executive with more than thirty years of experience in the healthcare and information technology industries was appointed to the Board. In June 2014, Dr. Ramkumar Mandalam was appointed to the Board. Dr. Mandalam has more than twenty years of experience in the development of biologics and is currently the President and Chief Executive Officer of Cellerant Therapeutics, Inc., a clinical-stage biotechnology company. Most recently, in January 2015, Richard Berman was appointed to the Board. Mr. Berman's business career consists of more than 35 years of venture capital, management and merger and acquisitions experience. The Company's remaining Board member, Jerrell Shelton, the President and Chief Executive Officer of Cryoport, joined the Board in October 2012. The Company's five person Board has four independent Board members, as determined by NASDAQ Rule 5605(a)(2) and the related rules of the Securities and Exchange Commission.

Recent Developments

Reverse Stock Split. On May 19, 2015, the Company effected a 12-to-1 reverse stock split in order to increase the stock price to a level that will enable it to apply for listing on the NASDAQ Capital Market or other national stock exchange. No fractional shares of our common stock were issued as a result of the reverse stock split. In the event the reverse stock split left a stockholder with a fraction of a share, the number of shares due to the stockholder were rounded up to the nearest whole share.

Listing on the NASDAQ Capital Market. In connection with the filing of the registration statement of which this prospectus forms a part, we applied for listing of our common stock and warrants on the NASDAQ Capital Market. After the consummation of this offering, we believe that we will satisfy the listing requirements and expect that our common stock and warrants will be listed on the NASDAQ Capital Market.

Service Marks, Trademarks and Trade Names

We own, have rights to, or have applied for the service marks and trade names that we use in conjunction with our business, including Cryoport (both alone and with a design logo) and Cryoport Express® (both alone and with a design logo). All other trademarks and trade names appearing in this prospectus are the property of their respective

holders.

Our principal executive offices are located on 20382 Barents Sea Circle, Lake Forest, California 92630. The telephone number of our principal executive offices is 1.949.470.2300, and our main corporate website is *www.cryoport.com*. The information on, or that can be accessed through, our website (*www.cryoport.com*) is not part of this prospectus.

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THE OFFERING

Securities offered

1,953,125 shares of common stock and warrants to purchase 1,953,125 shares of common stock.⁽¹⁾

Common stock outstanding prior to the offering

5,025,577 shares of common stock⁽²⁾

Common stock to be outstanding after the offering

8,759,726 shares of common stock⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾

Warrants to be outstanding immediately prior to offering

5,717,566⁽⁷⁾

Warrants to be outstanding immediately after this offering

9,529,840⁽⁷⁾⁽⁸⁾⁽⁹⁾⁽¹⁰⁾

Use of proceeds

We expect the net proceeds to us from this offering will be approximately \$13,600,000 after deducting the underwriting discount and estimated offering expenses (assuming the representative of the underwriters does not exercise its option to cover over-allotments). We intend to use those net proceeds primarily for working capital purposes to support our anticipated operations and development plans. See Use of Proceeds for more information.

Over-allotment option

We have granted the underwriters an option for a period of 45 days to purchase up to an additional 292,969 shares of common stock and/or warrants to purchase 292,969 shares of our common stock, to cover over-allotments, if any.

Description of warrants

The warrants are exercisable at an exercise price of \$8.45 per share of common stock. The warrants are exercisable upon issuance and expire five years after the date of issuance. See Description of the Warrants below for more information.

OTCQB symbol

Our common stock is currently traded on the OTCQB under the symbol CYRXD.

Proposed NASDAQ Capital Market symbol for our Common Stock and Warrants

[CYRX] and [*]

Risk factors

Investing in our securities involves a high degree of risk. You should carefully read and consider the information set forth under the heading Risk Factors beginning on page 10 of this prospectus and all other information in this prospectus before investing in our securities.

Based on an assumed offering price of \$7.67 per share of common stock and \$0.01 per warrant to purchase one share of common stock, the sum of which was the last reported sale price of our common stock on May 8, 2015.

⁽¹⁾The actual number of shares of common stock and warrants we will offer will be determined based on the actual public offering price.

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(2) Based upon the total number of issued and outstanding shares as of May 8, 2015, but does not include, as of that date:

5,717,566 shares of common stock reserved for issuance upon the exercise of outstanding warrants with a weighted average exercise price of \$7.12 per share;

2,250,816 shares of common stock reserved for issuance upon the exercise of outstanding stock options with a weighted average exercise price of \$5.24 per share; and

55,504 shares of common stock available for future grant under our 2009 Stock Incentive Plan and the 2011 Stock Incentive Plan.

(3) Includes 1,781,024 shares of common stock that will be issued upon the mandatory conversion of 454,750 shares of our Class A Preferred Stock and 425,445 shares of our Class B Preferred Stock that will occur upon the closing of this offering.

(4) Does not include 1,953,125 shares of common stock issuable upon the exercise of the warrants to be issued in connection with this offering.

(5) Does not include 585,938 shares of common stock (including the shares of common stock underlying the warrants included as part of the shares of common stock and/or warrants) that comprise the shares of common stock and/or warrants that may be purchased by the underwriters representative upon the exercise of its 45-day option to cover over-allotments, if any, and 78,125 shares of common stock that may be issued to Aegis Capital Corp. upon exercise of the warrant we will issue to them (representing 4% of the shares of common stock included in the shares of common stock and warrants sold by us in this offering, excluding the over-allotment option).

(6) Does not include up to 158,049 shares of common stock and 158,049 shares of common stock issuable upon the exercise of warrants that may be issued upon the voluntary conversion of certain promissory notes as a result of this offering.

(7) Includes outstanding warrants to purchase up to 5,717,566 shares of our common stock with a weighted average exercise price of \$7.12 per share.

(8) Includes 1,781,024 shares of common stock issuable upon the exercise of warrants that will be issued upon the mandatory conversion of 454,750 shares of our Class A Preferred Stock and 425,445 shares of our Class B Preferred Stock that will occur upon the closing of this offering.

(9) Includes the warrant we will issue to Aegis Capital Corp. to purchase 78,125 shares of common stock (representing 4% of the shares of common stock included in the shares of common stock and warrants sold by us in this offering, excluding the over-allotment option), but does not include warrants to purchase 292,969 shares of common stock that may be purchased by the underwriters representative pursuant to the over-allotment option.

(10) Does not include up to 158,049 warrants that may be issued upon the voluntary conversion of certain promissory notes as a result of this offering.

Except as otherwise indicated, all information in the prospectus assumes no exercise by the underwriters of their over-allotment option.

TABLE OF CONTENTS**SUMMARY FINANCIAL INFORMATION**

In the table below we provide you with historical consolidated financial data for the fiscal years ended March 31, 2015 and 2014, derived from our audited consolidated financial statements included elsewhere in this prospectus. Historical results are not necessarily indicative of the results that may be expected for any future period. When you read this historical selected financial data, it is important that you read along with it the appropriate historical consolidated financial statements and related notes and Management's Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this prospectus.

Consolidated Statements of Operations Data:	Years Ended	
	March 31, 2015	2014
	In thousands, except per share data	
Revenues	\$ 3,935	\$ 2,660
Cost of revenues	2,766	2,223
Gross margin	1,169	437
Selling, general and administrative	6,409	5,106
Research and development	353	409
Loss from operations	(5,593)	(5,078)
Debt conversion expense		(13,714)
Interest expense	(1,428)	(784)
Change in fair value of derivatives		21
Other expense, net	(4)	(8)
Loss before provision for income taxes	(7,025)	(19,563)
Provision for income taxes	(2)	(2)
Net loss	(7,027)	(19,565)
Preferred stock beneficial conversion charge	(4,864)	
Undeclared cumulative preferred dividends	(306)	
Net loss attributable to common stockholders	\$ (12,197)	\$ (19,565)
Net loss per share attributable to common stockholders basic and diluted	\$ (2.44)	\$ (4.81)

Consolidated Balance Sheets Data:	March 31,	
	2015	2014
	In thousands	
Cash and cash equivalents	\$ 1,405	\$ 370
Working capital (deficit)	(835)	(2,903)
Total assets	2,607	1,710
Convertible notes and accrued interest, net		1,622
Long term obligations, less current portion	26	
Total stockholders' equity (deficit)	(416)	(2,304)

TABLE OF CONTENTS**RISK FACTORS**

An investment in shares of our common stock and warrants involves a high degree of risk. Before making an investment decision, you should carefully consider all of the risks described in this prospectus. If any of the risks discussed in this prospectus actually occur, our business, financial condition, and results of operations could be materially and adversely affected. If this were to happen, the price of our shares of common stock and warrants could decline significantly and you may lose all or a part of your investment. Our forward-looking statements in this prospectus are subject to the following risks and uncertainties. Our actual results could differ materially from those anticipated by our forward-looking statements as a result of the risk factors below. See Forward-Looking Statements.

Risks Related to Our Financial Condition**We have incurred significant losses to date and may continue to incur losses.**

We have incurred net losses in each fiscal year since we commenced operations. The following table represents net losses incurred for each of our last two fiscal years:

	Net Loss
Fiscal Year Ended March 31, 2015	\$ 7,026,900
Fiscal Year Ended March 31, 2014	\$ 19,565,400

Our fiscal year ended March 31, 2014 loss of \$19,565,400 included a non-cash loss of \$13,713,800 as a result of an induced debt conversion expense as described in Management's Discussion and Analysis of Financial Condition and Results of Operations under the Results of Operations for Fiscal 2015 Compared to Fiscal 2014 section. As of March 31, 2015, we had an accumulated deficit of \$97.8 million. In order to achieve and sustain revenue growth in the future, we must significantly expand our market presence and revenues from existing and new customers. We may continue to incur losses in the future and may never generate revenues sufficient to become profitable or to sustain profitability. Continuing losses may impair our ability to raise the additional capital required to continue and expand our operations.

Our auditors have expressed doubt about our ability to continue as a going concern.

The Report of Independent Registered Public Accounting Firm on our March 31, 2015 consolidated financial statements includes an explanatory paragraph stating that the recurring losses and negative cash flows from operations since inception, and the fact that management has estimated that cash on hand at March 31, 2015, and including proceeds from the issuance of Class B Convertible Preferred Stock received subsequent to March 31, 2015, will only be sufficient to allow the company to continue its operations into the third quarter of fiscal 2016, raise substantial doubt about our ability to continue as a going concern. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. If we are unable to raise sufficient capital from this offering combined with our cash and cash equivalents balance currently on hand, to enable us to continue as a going concern for the foreseeable future, we will not be able to obtain approval of our NASDAQ listing application.

If we are unable to obtain additional funding, we may have to reduce or discontinue our business operations.

As of May 8, 2015, we had cash and cash equivalents of \$2.1 million. Therefore, our ability to continue and expand our operations is highly dependent on the amount of cash and cash equivalents on hand combined with our ability to raise additional capital to fund future operations.

We anticipate, based on currently proposed plans and assumptions relating to our ability to market and sell our products, that our cash on hand and the proceeds from this offering, together with projected cash flows, will satisfy our operational and capital requirements for the next 18 to 24 months. There are a number of uncertainties associated with our financial projections that could reduce or delay our future projected revenues and cash-inflows, including, but not limited to, our ability to increase our customer base and revenues. If our projected revenues and cash-inflows are reduced or delayed, we may not have sufficient capital to operate through the next 18 to 24 months unless we raise more capital. Additionally, if we are unable to realize satisfactory revenue in the near future, we will be required to seek additional financing to continue our operations beyond that period. We will also require additional financing to expand into other

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markets and further develop and market our products. Except for the shares of common stock and warrants to be offered in this offering, we have no current arrangements with respect to any additional financing. Consequently, there can be no assurance that any additional financing on commercially reasonable terms, or at all, will be available when needed. The inability to obtain additional capital may reduce our ability to continue to conduct business operations. Any additional equity financing may involve substantial dilution to our then existing stockholders. The uncertainties surrounding our future cash inflows have raised substantial doubt regarding our ability to continue as a going concern.

Risks Related to Our Business

Our agreements with global providers of shipping services may not result in a significant increase in our revenues or cash flow, soon or in the future.

We believe that establishing strategic alliances with global providers (integrators) of logistics and of shipping services, such as our agreements with FedEx, DHL, and UPS can drive growth in our revenues, but there is no certainty to this view. We are seeking to establish similar arrangements with other providers of international shipping services. We anticipate all such alliances will enable us to provide seamless, end-to-end shipping solutions to customers of our respective alliance partners and allow us to leverage the established relationships with those customers, but there is no guarantee this will happen.

In January 2013, we entered into an agreement with FedEx, renewing FedEx's right to, on a non-exclusive basis, promote, market and sell transportation of our shippers and our related value-added goods and services and providing FedEx with a non-exclusive license and right to use a customized version of our Cryoport™ software platform for the management of shipments made by FedEx customers. In June 2014, we added DHL as our second major distribution partner, whereby DHL can offer our validated and comprehensive cryogenic solutions to its life sciences and healthcare customers on a global basis. In October 2014, we entered into an agreement with UPS related to our participation in UPS's efforts to expand its provision of cryogenic shipping services to the life sciences industry.

Because our agreements with FedEx, DHL, and UPS do not contain any requirement that they use a minimum level of our services, there can be no assurance of any significant increase in our revenues or cash flows as a result of these strategic alliances.

Our agreements with providers of vaccines and stem cell-based therapies may not result in a significant increase in our revenues or cash flow.

We believe that establishing strategic relationships with manufacturers and distributors of treatments for animals and humans, such as our agreements with Zoetis, Inc. and Liventa Bioscience, Inc., can drive growth in our revenues.

In December 2012, we entered an agreement with what became Zoetis, Inc. (in January 2013, Pfizer spun off its animal health business into Zoetis, Inc., a public company) pursuant to which we were engaged to manage frozen shipments of a key poultry vaccine from Zoetis's production site in the United States. Over time, Zoetis has further expanded our role in providing them assistance in managing their cryogenic distribution of their vaccines and has become our largest customer.

In February 2014, we entered into an agreement with Liventa Bioscience, Inc. (Liventa) to act as its exclusive provider of cryogenic logistics of stem cell based therapies for orthopedic applications based on meeting minimum performance requirements over specified time periods. Liventa intends to distribute its own line of therapies and to act

as a distributor of other therapies to orthopedic health care providers that require controlled cryogenic temperatures. There is no assurance if or when Liventa will begin significant use of our services.

While we anticipate growth in shipments by Zoetis under our management and that Liventa will be successful in its efforts to distribute cell based biologic materials to the orthopedic market, there can be no assurance of any significant increase in our revenues or cash flows as a result of these important alliances.

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We will have difficulty increasing our revenues if we experience delays, difficulties or unanticipated costs in establishing the sales, distribution and marketing capabilities necessary to successfully commercialize our solutions.

We plan to improve our sales, distribution, and marketing capabilities in the Americas, Europe, and Asia. It will be expensive and time-consuming for us to develop our global marketing and sales network and thus we intend to rely on our strategic alliances with FedEx, DHL, and UPS. We further intend to seek to enter into additional strategic alliances with international providers of shipping services to incorporate use of our solutions in their service offerings. We may not be able to provide adequate incentive to our sales force or to establish and maintain favorable distribution and marketing collaborations with others to promote our solutions. In addition, any third party with whom we have established a marketing and distribution relationship may not devote sufficient time to the marketing and sales of our solutions, thereby exposing us to potential expenses in exiting such distribution agreements. We, and any of our alliance partners, must also market our services in compliance with federal, state, local and international laws relating to the provision of incentives and inducements. Violation of these laws can result in substantial penalties. Therefore, if we are unable to successfully motivate and expand our marketing and sales force and further develop our sales and marketing capabilities, or if our alliance partners fail to promote our solutions, we will have difficulty increasing our revenues and the revenue may not off-set the additional expense of expansion.

Our ability to grow and compete in our industry will be hampered if we are unable to retain the continued service of our key professionals or to identify, hire and retain additional qualified professionals.

A critical factor to our business is our ability to attract and retain qualified professionals including key employees and consultants. We are continually at risk of losing current professionals or being unable to hire additional professionals as needed. If we are unable to attract new qualified employees, our ability to grow will be adversely affected. If we are unable to retain current employees or strategic consultants, our financial condition and ability to maintain operations may be adversely affected.

Sustainable future revenue growth is dependent on new solutions and services.

Our future revenue streams depend to a large degree on our ability to bring new solutions and services to an evolving market on a timely basis. We must continue to make investments in research and development in order to continue to develop new solutions and services, enhance existing solutions and services, and achieve market acceptance of such solutions and services. We may incur problems in introducing new solutions and services.

The adoption cycle of our target customers tends to be very lengthy, which continues to adversely affect our ability to increase revenues quickly.

We offer our solutions primarily to companies in the life sciences industry. These companies operate within a heavily regulated environment and as such, changing vendors and distribution practices typically requires a number of steps, which may include the audit of our facilities, review of our procedures, qualifying us as a vendor, and performing test shipments. This process can take several months or longer to complete, involving multiple levels of approval, prior to a company fully adopting our Cryoport Express® Solutions. Moreover, the logistics management of many companies is decentralized, adding to the time needed to effect adaptation of our solutions. In addition, any such adoption may be

We will have difficulty increasing our revenues if we experience delays, difficulties or unanticipated costs in establishing

on a gradual basis, such that the customer progressively ramps up use of our Cryoport Express® Solutions following adoption. The slow adoption process continues to adversely affect our ability to increase revenues.

The loss of key members of our executive management team could adversely affect our business.

Our success in implementing our business strategy depends largely on the skills, experience and performance of key members of our executive management team and others in key management positions. The collective efforts of each of these persons working as a team will be critical to us as we continue to develop our technologies, tests and research and development and sales programs. As a result of the difficulty in locating qualified new management, the loss or incapacity of existing members of our executive management team could adversely affect our operations. If we were to lose one or more of these key

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employees, we could experience difficulties in finding qualified successors, competing effectively, developing our technologies and implementing our business strategy. We do not maintain key person insurance on any of our employees.

Our solutions and services may contain errors or defects, which could result in damage to our reputation, lost revenues, diverted development resources and increased service costs and litigation.

Our solutions and services must meet stringent requirements and we must develop our services and solutions quickly to keep pace with the rapidly changing market. Solutions as sophisticated as ours could contain undetected errors or defects, especially when first introduced or when new equipment or versions of our software are released. If our solutions are not free from errors or defects, we may incur an injury to our reputation, lost revenues, diverted development resources, increased customer service and support costs, and litigation. The costs incurred in correcting any product errors or defects may be substantial and could adversely affect our business, results of operations and financial condition.

If we were sued for product liability, we could face substantial liabilities that exceed our resources.

The marketing, sale and use of our products could lead to the filing of product liability claims were someone to allege that our products failed to perform as designed. A product liability claim could result in substantial damages and be costly and time-consuming for us to defend.

Although we believe that our existing insurance is adequate, our insurers may fail to defend us or our insurance may not fully protect us from the financial impact of defending against product liability claims. Any product liability claim brought against us, with or without merit, could increase our insurance rates or prevent us from securing insurance coverage in the future. Additionally, any product liability lawsuit could damage our reputation, or cause current clinical partners and collaborators to terminate existing agreements and potential clinical partners to seek other partners, cause customers to terminate their relationship with us and potential customers to seek alternative solutions, any of which could impact our results of operations.

If we experience manufacturing delays, interruptions in production, or delays in procurement of shippers manufactured by third parties, then we may experience customer dissatisfaction and our reputation could suffer.

If we fail to produce enough shippers at our own manufacturing facility or at a third party manufacturing facility, or if we fail to complete our shipper recycling processes as planned, we may be unable to deliver shippers to our customers on a timely basis, which could lead to customer dissatisfaction and could harm our reputation and ability to compete. We currently acquire various component parts for our shippers from various independent manufacturers in the United States. We would likely experience significant delays or cessation in producing our shippers if a labor strike, natural disaster or other supply disruption were to occur at any of our main suppliers. If we are unable to procure a component from one of our manufacturers, we may be required to enter into arrangements with one or more alternative manufacturing companies, which may cause delays in producing our shippers. In addition, because we depend (in part) on third party manufacturers, our profit margins may be lower, which will make it more difficult for us to achieve profitability. To date, we have not experienced any material delay that has adversely impacted our operations. As our business develops, it becomes more likely that such problems could arise.

The loss of key members of our executive management team could adversely affect our business.

We expect to base our equipment and inventory purchasing decisions on our forecasts of customers demand, and if our forecasts are inaccurate, our operating results could be materially harmed.

As our customer base increases, we expect to need to purchase additional equipment and inventory. Our forecasts will be based on multiple assumptions, each of which may cause our estimates to be inaccurate, affecting our ability to provide products to our customers. When demand for our products increases significantly, we may not be able to meet demand on a timely basis, and we may need to expend a significant amount of time working with our customers to allocate limited supply and maintain positive customer relations, or we may incur additional costs in order to rush the manufacture and delivery of additional products. If we underestimate customers demand, we may forego revenue opportunities, lose market share and damage our customer relationships. Conversely, if we overestimate customer demand, we may purchase more equipment and inventory than we are able to use or sell at any given time or at all. As a result of our

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failure properly to estimate demand for our products, we could have excess or obsolete equipment and/or inventory, resulting in a decline in the value of our equipment and/or inventory, which would increase our costs of revenues and reduce our liquidity. Our failure to accurately manage our equipment purchases and inventory relative to demand would adversely affect our operating results.

If we experience delays or interruption in shipping due to factors outside of our control, such disruption could lead to customer dissatisfaction and harm our reputation.

We rely on third party shipment and carrier services to transport our shippers containing biological material. These third party operations could be subject to natural disasters, adverse weather conditions, other business disruptions, and carrier error, which could cause delays in the delivery of our shippers, which in turn could cause serious harm to the biological material being shipped. As a result, any prolonged delay in shipment, whether due to technical difficulties, power failures, break-ins, destruction or damage to carrier facilities as a result of a natural disaster, fire, or any other reason, could result in damage to the contents of the shipper. If we are unable to cause the delivery of our shippers in a timely matter and without damage, this could also harm our operating results and our reputation, even if we are not at fault.

Our solutions and services may expose us to liability in excess of our current insurance coverage.

Our solutions and services involve significant risks of liability, which may substantially exceed the revenues we derive from them. We cannot predict the magnitude of these potential liabilities. We currently maintain general liability insurance, with coverage in the amount of \$1 million per occurrence, subject to a \$2 million annual limitation, and product liability insurance with a \$1 million annual coverage limitation. Claims may be made against us that exceed these limits.

Our liability policy is an occurrence based policy. Thus, our policy was complete when we purchased it and following cancellation of the policy, it will continue to provide coverage for future claims based on conduct that took place during the policy term. Our insurance coverage, however, may not protect us against all liability because our policies typically have various exceptions to the claims covered and also require us to assume some costs of the claim, even though a portion of the claim may be covered. In addition, if we expand into new markets, we may not be aware of the need for, or be able to obtain insurance coverage for such activities or, if insurance is obtained, the dollar amount of any liabilities incurred could exceed our insurance coverage. A partially or completely uninsured claim, if successful and of significant magnitude, could have a material adverse effect on our business, financial condition and results of operations.

If we use biological and hazardous materials in a manner that causes injury, we could be liable for damages.

Our customers may ship potentially harmful biological materials in our dewars. We cannot eliminate the risk of accidental contamination or injury to employees or third parties from the use, storage, handling or disposal of these materials. In the event of contamination or injury, we could be held liable for any resulting damages, and any liability could exceed our resources or any applicable insurance coverage we may have. Additionally, we are subject to, on an ongoing basis, federal, state and local laws and regulations governing the use, storage, handling and disposal of these materials and specified waste products. In the event of an accident, we could be held liable for damages.

If we experience delays or interruption in shipping due to factors outside of our control, such disruption could lead to

If we cannot compete effectively, we will lose business.

Our services and solutions are positioned to be competitive in the life sciences cold-chain logistics market. While there are technological and marketing barriers to entry, we cannot guarantee that the barriers we are capable of producing will be sufficient to defend the market share we wish to gain against current and future competitors. Our principal competitive considerations in our market include:

financial resources to allocate to proper marketing and an appropriate sales effort,
acceptance of our solutions model,
acceptance of our solutions including per use fee structures and other charges for services,
keeping up technologically with ongoing development of enhanced features and benefits,
reductions in the delivery costs of competitors' solutions,

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the ability to develop and maintain and expand strategic alliances,
establishing our brand name,
our ability to deliver our solutions to our customers when requested,
our timing of introductions of new solutions and services, and

financial resources to support working capital needs and required capital investments in infrastructure.

Current and prospective competitors have substantially greater resources, more customers, longer operating histories, greater name recognition and more established relationships in the industry. As a result, these competitors may be able to develop and expand their networks and product offerings more quickly, devote greater resources to the marketing and sale of their solutions and adopt more aggressive pricing policies. In addition, these competitors have entered and will likely continue to enter into business relationships to provide additional solutions competitive to those we provide or plan to provide.

We may acquire other businesses, products or technologies in order to remain competitive in our market and our business could be adversely affected as a result of any of these future acquisitions.

We may make acquisitions of complementary businesses, products or technologies. If we identify any appropriate acquisition candidates, we may not be successful in negotiating acceptable terms of the acquisition, financing the acquisition, or integrating the acquired business, products or technologies into our existing business and operations. Further, completing an acquisition and integrating an acquired business will significantly divert management time and resources. The diversion of management attention and any difficulties encountered in the transition and integration process could harm our business. If we consummate any significant acquisitions using stock or other securities as consideration, our shareholders' equity could be significantly diluted. If we make any significant acquisitions using cash consideration, we may be required to use a substantial portion of our available cash. Acquisition financing may not be available on favorable terms, if at all. In addition, we may be required to amortize significant amounts of other intangible assets in connection with future acquisitions, which would harm our operating results and financial condition.

If we successfully develop products and/or services, but those products and/or services do not achieve and maintain market acceptance, our business will not be profitable.

The degree of acceptance of our Cryoport Express® Solutions or any future products or services by our current target markets, and any other markets to which we attempt to sell our products and services, and our profitability and growth will depend on a number of factors including, among others:

our shippers' ability to perform and preserve the integrity of the materials shipped,
relative convenience and ease of use of our shipper and/or Cryoport™,
availability of alternative products,
pricing and cost effectiveness,
effectiveness of our or our collaborators' sales and marketing strategy, and
the adoption cycles of our targeted customers.

If any products or services we may develop do not achieve market acceptance, then we may not generate sufficient revenue to achieve or maintain profitability.

We may acquire other businesses, products or technologies in order to remain competitive in our market and our business

In addition, even if our products and services achieve market acceptance, we may not be able to maintain that market acceptance over time if new products or services are introduced that are more favorably received than our products and services, are more cost effective, or render our products obsolete. Although we are not aware of any other treatments or methods currently being developed that would directly compete with the methods we employ, there can be no assurance that future developments in technology will not make our technology non-competitive or obsolete, or significantly reduce our operating margins or the demand for our offerings, or otherwise negatively impact our ability to be profitable.

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We may not be able to compete with our competitors in the industry because many of them have greater resources than we do.

We expect to continue to experience significant and increasing levels of competition in the future. In addition, there may be other companies which are currently developing competitive products and services or which may in the future develop technologies and products that are comparable, superior or less costly than our own. For example, some cryogenic equipment manufacturers with greater resources currently have solutions for storing and transporting cryogenic liquid and gases and may develop storage solutions that compete with our products. Additionally, some specialty couriers with greater resources currently provide dry ice transportation and may develop other products in the future, both of which compete with our products. A competitor that has greater resources than us may be able to bring its product to market faster than we can and offer its product at a lower price than us to establish market share. We may not be able to successfully compete with a competitor that has greater resources and such competition may adversely affect our business.

Intellectual Property Risks Associated with Our Business

Our success depends, in part, on our ability to obtain patent protection for our solutions and business model, preserve our trade secrets, and operate without infringing the proprietary rights of others.

Our policy is to seek to protect our proprietary position by, among other methods, filing United States patent applications related to our technology, inventions and improvements that are important to the development of our business. We have three issued U.S. patents, one pending U.S. patent application, and one recently filed U.S. provisional patent application, all relating to various aspects of our solutions and services. Our patents or patent application may be challenged, invalidated or circumvented in the future or the rights granted may not provide a competitive advantage. We intend to vigorously protect and defend our intellectual property. Costly and time-consuming litigation brought by us may be necessary to enforce our patents and to protect our trade secrets and know-how, or to determine the enforceability, scope and validity of the proprietary rights of others.

We also rely upon trade secrets, technical know-how and continuing technological innovation to develop and maintain our competitive position. In the past our employees, consultants, advisors and suppliers have not always executed confidentiality agreements and inventions assignment and work for hire agreements in connection with their employment, consulting, or advisory relationships. Consequently, we may not have adequate remedies available to us to protect our intellectual property should one of these parties attempt to use our trade secrets or refuse to assign any rights he or she may have in any intellectual property he or she developed for us. Additionally, our competitors may independently develop substantially equivalent proprietary information and techniques or otherwise gain access to our proprietary technology, or we may not be able to meaningfully protect our rights in unpatented proprietary technology.

While we are not aware of any third party that is infringing any of our patents or trademarks nor do we believe that we are infringing on the patents or trademarks of any other person or organization, we cannot guarantee that our current and potential competitors and other third parties have not filed (or in the future will not file) patent applications for (or have not received or in the future will not receive) patents or obtain additional proprietary rights that will prevent, limit or interfere with our ability to make, use or sell our solutions either in the United States or internationally. Additionally, we may face assertions of claims by holders of patents alleging that we are infringing upon their patent rights, which claims may be without merit, but may nonetheless result in our incurring substantial costs of defense.

We may not be able to compete with our competitors in the industry because many of them have greater resources

We are dependent on a third party for the continued development and maintenance of our Cryoport™ software.

Our proprietary Cryoport™ is a logistics platform software used by our customers, business partners and client care team to automate the entry of orders, prepare customs documentation and facilitate status and location monitoring of shipped orders while in transit. The continued development of the Cryoport™ platform is contracted with an outside software development company. If this developer becomes unable or unwilling to continue work on scheduled projects, and an alternative software development company cannot be secured, we may not be able to implement needed enhancements to the system. Furthermore, if we terminate our agreement with our current software developer and cannot reach an agreement or fail to fulfill

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an agreement for the termination, it is possible we could lose our license to use this software. Failure to proceed with enhancements or the loss of our license for the system would adversely affect our ability to generate new business and serve existing customers, resulting in a reduction in revenue.

Our customers could also become the target of litigation relating to the patent and other intellectual property rights of others.

Any litigation relating to the intellectual property rights of others could trigger technical support and indemnification obligations in licenses or customer agreements that we may enter into. These obligations could result in substantial expenses, including the payment by us of costs and damages relating to claims of intellectual property infringement. In addition to the time and expense required for us to provide support or indemnification to our customers, any such litigation could disrupt the businesses of our customers, which in turn could hurt our relationships with such customers and cause the sale of our products to decrease. No assurance can be given that claims for indemnification will not be made, or that if made, such claims would not have a material adverse effect on our business, operating results or financial conditions.

Our Cryoport™ software platform may be subject to intentional disruption that could adversely impact our reputation and future revenues.

We have implemented our Cryoport™ software platform which is used by our customers and business partners to automate the entry of orders, prepare customs documentation and facilitate status and location monitoring of shipped orders while in transit. Although we believe we have sufficient controls in place to prevent intentional disruptions, we could be a target of cyber-attacks specifically designed to impede the performance of the Cryoport™ software platform. Similarly, experienced computer programmers may attempt to penetrate our Cryoport™ software platform in an effort to search for and misappropriate proprietary or confidential information or cause interruptions of our services. Because the techniques used by such computer programmers to access or sabotage networks change frequently and may not be recognized until launched against a target, we may be unable to anticipate these techniques. Our activities could be adversely affected and our reputation, brand and future sales could be harmed if such intentionally disruptive efforts were successful.

Regulatory Risks Relating to Our Business

Complying with certain regulations that apply to shipments using our solutions can limit our activities and increase our cost of operations.

Shipments using our solutions and services are subject to various regulations in the various countries in which we operate. For example, shipments using our solutions may be required to comply with the shipping requirements promulgated by the Centers for Disease Control (CDC), the Occupational Safety and Health Organization (OSHA), the Department of Transportation (DOT) as well as rules established by the IATA and the ICAO. Additionally, our data logger may be subject to regulation and certification by the Food and Drug Administration (FDA), Federal Communications Commission (FCC), and the Federal Aviation Administration (FAA). We will need to ensure that our solutions and services comply with relevant rules and regulations to make our solutions and services marketable, and in some cases compliance is difficult to determine. Significant changes in such regulations could require costly changes to our solutions and services or prevent use of our shippers for an extended period of time while we seek to comply with changed regulations. If we are unable to comply with any of these rules or regulations or fail to obtain any required approvals, our ability to market our solutions and services may be adversely affected. In addition, even if

Our customers could also become the target of litigation relating to the patent and other intellectual property rights of

we are able to comply with these rules and regulations, compliance can result in increased costs. In either event, our financial results and condition may be adversely affected. We depend on our business partners and unrelated and frequently unknown third party agents in foreign countries to act on our behalf to complete the importation process and to make delivery of our shippers to the final user. The failure of these third parties to perform their duties could result in damage to the contents of the shipper resulting in customer dissatisfaction or liability to us, even if we are not at fault.

TABLE OF CONTENTS**Risks Relating to Our Current Financing Arrangements****Certain of our existing stockholders own and have the right to acquire a substantial number of shares of common stock.**

As of May 8, 2015, our directors, executive officers and beneficial owners of 5% or more of our outstanding common stock beneficially owned 1,195,648 shares of common stock (without regard to beneficial ownership limitations contained in certain warrants) assuming their exercise of all outstanding warrants and options that are exercisable within 60 days of May 8, 2015 or approximately 19.9% of our outstanding common stock. Of these shares of common stock, 287,469 shares, or approximately 5.4% of our common stock, will be beneficially owned by Cranshire Capital Master Fund. As such, the concentration of beneficial ownership of our common stock may have the effect of delaying or preventing a change in control of Cryoport and may adversely affect the voting or other rights of other holders of our common stock.

The sale of substantial shares of our common stock may depress our stock price.

As of May 8, 2015, there were 5,025,577 shares of our common stock outstanding. Substantially all of these shares of common stock are eligible for trading in the public market. The market price of our common stock may decline if our stockholders sell a large number of shares of our common stock in the public market, or the market perceives that such sales may occur. We could also issue up to 8,993,495 shares of our common stock including shares to be issued upon the exercise of outstanding warrants and options or reserved for future issuance under our stock incentive plans as of March 31, 2015, as further described in the following table:

	Number of Shares of Common Stock Issuable or Reserved for Issuance
Common stock issuable upon conversion of outstanding preferred stock	1,541,148
Common stock issuable upon exercise of outstanding warrants	5,475,806
Common stock issuable upon exercise of outstanding options or reserved for future incentive awards under our stock incentive plans	1,976,541
Total	8,993,495

Of the total preferred stock, options and warrants outstanding as of March 31, 2015, preferred stock, options and warrants exercisable for an aggregate of 2,397,712 shares of common stock would be considered dilutive to the value of our stockholders' interests in Cryoport because we would receive upon exercise of such options and warrants an amount per share that is less than the market price of our common stock on March 31, 2015.

If equity research analysts do not publish research or reports about our business or if they issue unfavorable commentary or downgrade our common stock and warrants, the price of our common stock and warrants could

decline.

The trading market for our common stock and warrants relies in part on the research and reports that equity research analysts publish about us and our business. We do not control these analysts. The price of our common stock and warrants could decline if one or more equity analyst downgrades our stock or if analysts downgrade our stock or issue other unfavorable commentary or cease publishing reports about us or our business.

We have not paid dividends on our common stock in the past and do not expect to pay dividends in the foreseeable future. Any return on investment may be limited to the value of our common stock.

We have never paid cash dividends on our common stock and do not anticipate paying cash dividends in the foreseeable future. The payment of dividends on our common stock will depend on our earnings, financial condition and other business and economic factors affecting us at such time as the Board of Directors may consider the payment of any such dividends. If we do not pay dividends, our common stock may be less valuable because a return on your investment will only occur if the price of our common stock appreciates.

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We need additional capital, and the sale of additional shares of common stock or other equity securities could result in additional dilution to our stockholders.

Our current cash and cash equivalents and anticipated cash flow from operations are insufficient to meet our cash needs. We require additional cash resources to fund our operations and may require additional funds in the future due to changed business conditions or other future developments, including any investments or acquisitions we may decide to pursue. The sale of additional equity securities, or debt securities convertible into equity securities, could result in additional dilution to our stockholders. The incurrence of indebtedness would result in increased debt service obligations and could result in operating and financing covenants that would restrict our operations.

Our Articles of Incorporation allow our Board of Directors to issue up to 2,500,000 shares of blank check preferred stock.

Our Articles of Incorporation allows our Board of Directors to issue up to 2,500,000 shares of blank check preferred stock, without action by our stockholders. We have designated 800,000 shares as Class A Preferred Stock, of which 454,750 shares are issued and outstanding at May 8, 2015 and 585,000 shares as Class B Preferred Stock, of which 425,445 shares are issued and outstanding as of May 8, 2015. Accordingly, the Board of Directors will have discretion to issue up to 1,115,000 shares on terms determined by them. Without limiting the foregoing, (i) such shares of preferred stock could have liquidation rights that are senior to the liquidation preference applicable to our common stock and Preferred Stock, (ii) such shares of preferred stock could have voting or conversion rights, which could adversely affect the voting power of the holders of our common stock and Preferred Stock and (iii) the ownership interest of holders of our common stock will be diluted following the issuance of any such shares of preferred stock. In addition the issuance of such shares of blank check preferred stock could have the effect of discouraging, delaying or preventing a change of control of our Company.

Provisions in our bylaws and Nevada law might discourage, delay or prevent a change of control of our Company or changes in our management and, as a result, may depress the trading price of our common stock.

Provisions of our bylaws and Nevada law may discourage, delay or prevent a merger, acquisition or other change in control that stockholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares of our common stock. The relevant bylaw provisions may also prevent or frustrate attempts by our stockholders to replace or remove our management. These provisions include advance notice requirements for stockholder proposals and nominations, and the ability of our Board of Directors to make, alter or repeal our bylaws.

Absent approval of our Board of Directors, our bylaws may only be amended or repealed by the affirmative vote of the holders of at least a majority of our outstanding shares of capital stock entitled to vote.

In addition, Section 78.438 of the Nevada Revised Statutes prohibits a publicly-held Nevada corporation from engaging in a business combination with an interested stockholder (generally defined as a person which together with its affiliates owns, or within the last three years has owned, 10% of our voting stock, for a period of two years after the date of the transaction in which the person became an interested stockholder) unless the business combination is approved in a prescribed manner.

We have not paid dividends on our common stock in the past and do not expect to pay dividends in the foreseeable future.

The existence of the foregoing provisions and other potential anti-takeover measures could limit the price that investors might be willing to pay in the future for shares of our common stock. They could also deter potential acquirers of our Company, thereby reducing the likelihood that you could receive a premium for your common stock in an acquisition.

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Even though we are not incorporated in California, we may become subject to a number of provisions of the California General Corporation Law.

Section 2115(b) of the California Corporations Code imposes certain requirements of California corporate law on corporations organized outside California that, in general, are doing more than 50% of their business in California and have more than 50% of their outstanding voting securities held of record by persons residing in California. While we are not currently subject to Section 2115(b), we may become subject to it in the future.

The following summarizes some of the principal differences which would apply if we become subject to Section 2115(b).

Under both Nevada and California law, cumulative voting for the election of directors is permitted. However, under Nevada law, cumulative voting must be expressly authorized in the Articles of Incorporation and our Amended and Restated Articles of Incorporation do not authorize cumulative voting. If we become subject to Section 2115(b), we may be required to permit cumulative voting if any stockholder properly requests to cumulate his or her votes.

Under Nevada law, the stockholders may remove directors by the vote of two-thirds of the voting power of the issued and outstanding stock entitled to vote. However, California law permits the removal of directors by the vote of only a majority of the outstanding shares entitled to vote. If we become subject to Section 2115(b), the removal of a director may be accomplished by a majority vote, rather than a vote of two-thirds, of the stockholders entitled to vote.

Under California law, the corporation must take certain steps to be allowed to provide for greater indemnification of its officers and directors than is provided in the California Corporation Code. If we become subject to Section 2115(b), our ability to indemnify our officers and directors, to the extent permitted in our Articles of Incorporation, Bylaws and under Nevada law, may be limited by California law.

Nevada law permits distributions to stockholders as long as, after the distribution, (i) the corporation would be able to pay its debts as they become due and (ii) the corporation's total assets are at least equal to its liabilities and preferential dissolution obligations. Under California law, distributions may be made to stockholders as long as the corporation would be able to pay its debts as they mature and either (i) the corporation's retained earnings equal or exceed the amount of the proposed distributions, or (ii) after the distributions, the corporation's tangible assets are at least 125% of its liabilities and the corporation's current assets are at least equal to its current liabilities (or, 125% of its current liabilities if the corporation's average operating income for the two most recently completed fiscal years was less than the average of the interest expense of the corporation for those fiscal years). If we become subject to Section 2115(b), we will have to satisfy more stringent financial requirements to be able to pay dividends to our stockholders. Additionally, stockholders may be liable to the corporation if we pay dividends in violation of California law.

California law permits a corporation to provide supermajority vote provisions in its Articles of Incorporation, which would require specific actions to obtain greater than a majority of the votes, but not more than 66 2/3 percent. Nevada law does not permit supermajority vote provisions. If we become subject to Section 2115(b), it is possible that our stockholders would vote to amend our Articles of Incorporation and require a supermajority vote for us to take specific actions.

Under California law, in a disposition of substantially of all the corporation's assets, if the acquiring party is in control of or under common control with the disposing corporation, the principal terms of the sale must be approved by 90 percent of the stockholders. Although Nevada law does contain certain rules governing interested stockholder business combinations, it does not require similar stockholder approval. If we become subject to Section 2115(b), we may have

Even though we are not incorporated in California, we may become subject to a number of provisions of the California

to obtain the vote of a greater percentage of the stockholders to approve a sale of our assets to a party that is in control of, or under common control with, us.

California law places certain additional approval rights in connection with a merger if all of the shares of each class or series of a corporation are not treated equally or if the surviving or parent party to a merger represents more than 50 percent of the voting power of the other corporation prior to the merger. Nevada law does not require such approval. If we become subject to Section 2115(b), we may have to obtain the vote of a

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greater percentage of the stockholders to approve a merger that treats shares of a class or series differently or where a surviving or parent party to the merger represents more than 50% of the voting power of the other corporation prior to the merger.

California law requires the vote of each class to approve a reorganization or a conversion of a corporation into another entity. Nevada law does not require a separate vote for each class. If we become subject to Section 2115(b), we may have to obtain the approval of each class if we desire to reorganize or convert into another type of entity.

California law provides greater dissenters' rights to stockholders than Nevada law. If we become subject to Section 2115(b), more stockholders may be entitled to dissenters' rights, which may limit our ability to merge with another entity or reorganize.

Our stock is deemed to be penny stock.

In connection with the filing of the registration statement of which this prospectus forms a part, we applied for listing of our common stock and warrants on the NASDAQ Capital Market. After the consummation of this offering, we believe that we will satisfy the listing requirements and expect that our common stock and warrants will be listed on the NASDAQ Capital Market. Such listing, however, is not guaranteed. If such listing is not approved, our stock and warrants will be traded on the OTCQB, operated by the OTC Markets Group, Inc., and will be subject to the penny stock rules adopted pursuant to Section 15(g) of the Securities Exchange Act of 1934, as amended (the Exchange Act). The penny stock rules apply to companies not listed on a national exchange whose common stock trades at less than \$5.00 per share or which have tangible net worth of less than \$5,000,000 (\$2,000,000 if the company has been operating for three or more years). Such rules require, among other things, that brokers who trade penny stock to persons other than established customers complete certain documentation, make suitability inquiries of investors and provide investors with certain information concerning trading in the security, including a risk disclosure document and quote information under certain circumstances. Penny stocks sold in violation of the applicable rules may entitle the buyer of the stock to rescind the sale and receive a full refund from the broker.

Many brokers have decided not to trade penny stock because of the requirements of the penny stock rules and, as a result, the number of broker-dealers willing to act as market makers in such securities is limited. In the event that we remain subject to the penny stock rules for any significant period, there may develop an adverse impact on the market, if any, for our securities. Because our securities are subject to the penny stock rules, investors will find it more difficult to dispose of our securities. Further, for companies whose securities are traded on the OTCQB, it is more difficult: (i) to obtain accurate quotations, (ii) to obtain coverage for significant news events because major wire services, such as the Dow Jones News Service, generally do not publish press releases about such companies, and (iii) to obtain needed capital.

If we fail to maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results, and current and potential stockholders may lose confidence in our financial reporting.

We are required by the SEC to establish and maintain adequate internal control over financial reporting that provides reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles. We are likewise required, on a quarterly basis, to evaluate the effectiveness of our internal controls and to disclose any changes and material weaknesses in those internal

controls.

Any failure to maintain such internal controls in the future could adversely impact our ability to report our financial results on a timely and accurate basis. If our financial statements are not accurate, investors may not have a complete understanding of our operations. Likewise, if our financial statements are not filed on a timely basis as required by the SEC and the OTCQB, we could face severe consequences from those authorities. In either case, there could result a material adverse effect on our business. Inferior internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our stock.

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Our publicly-filed SEC reports are reviewed by the SEC from time to time and any significant changes required as a result of any such review may result in material liability to us and have a material adverse impact on the trading price of our common stock.

The reports of publicly-traded companies are subject to review by the SEC from time to time for the purpose of assisting companies in complying with applicable disclosure requirements and to enhance the overall effectiveness of companies' public filings, and reviews of such reports are now required at least every three years under the Sarbanes-Oxley Act of 2002. SEC reviews may be initiated at any time, and we could be required to modify or reformulate information contained in prior filings as a result of an SEC review. Any modification or reformulation of information contained in such reports could be significant and could result in material liability to us and have a material adverse impact on the trading price of our common stock.

The requirements of being a U.S. public company may strain our resources and divert management's attention.

As a U.S. public company, we are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Act, certain listing requirements, and other applicable securities rules and regulations. Compliance with these rules and regulations will increase our legal and financial compliance costs, make some activities more difficult, time-consuming, or costly, and increase demand on our systems and resources. The Exchange Act requires, among other things, that we file annual and current reports with respect to our business and operating results.

As a result of disclosure of information in this prospectus and in filings required of a public company, our business and financial condition is more visible, which we believe may result in threatened or actual litigation, including by competitors and other third parties. If such claims are successful, our business and operating results could be harmed, and even if the claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, could divert resources of our management and harm our business and operating results.

Risks Relating Principally to This Offering and Our Capital Structure

We have broad discretion in the use of the net proceeds from this offering and may not use them effectively.

We cannot specify with certainty all of our potential uses for the estimated \$13,600,000 in net proceeds we will receive from this offering. Our management will have broad discretion in the application of the net proceeds. Accordingly, you will have to rely upon the judgment of our management with respect to the use of the proceeds, with only limited information concerning management's specific intentions. Our management may spend a portion or all of the net proceeds from this offering in ways that our stockholders may not desire or that may not yield a favorable return. The failure by our management to apply these funds effectively could harm our business. Pending its use, we may invest the net proceeds from this offering in a manner that does not produce income or that loses value.

An active market for our common stock and warrants may not develop or be maintained, which could limit your ability to sell your common stock and/or warrants.

Prior to this offering, there has been a limited public market for our common stock and no market for our warrants and the public offering price may bear no relationship to the price at which our common stock and warrants will trade after this offering. There can be no assurance that an active public market for our common stock or warrants will develop or be sustained after this offering or how liquid that market might become. As a result, investors may not be able to sell their common stock or warrants at or above the public offering price or at the time that they would like to sell.

Our stock and warrant price may be volatile.

The market price of our common stock and warrants is likely to be highly volatile and could fluctuate widely in price in response to various factors, many of which are beyond our control, including, but not limited to:

technological innovations or new products and services by us or our competitors,
additions or departures of key personnel,

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sales of our common stock,
our ability to integrate operations, technology, products and services,
our ability to execute our business plan,
operating results below expectations,
loss of any strategic relationship,
industry developments,

economic and other external factors, and
period-to-period fluctuations in our financial results.

You may consider any one of these factors to be material. The price of common stock and warrants may fluctuate widely as a result of any of the above listed factors. In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of our common stock and warrants.

A significant portion of our total outstanding shares of common stock may be sold into the public market in the near future, which could cause the market price of our common stock and warrants to drop significantly, even if our business is doing well.

Sales of a substantial number of shares of our common stock in the public market could occur at any time. These sales, or the market perception that the holders of a large number of shares of common stock intend to sell shares of common stock, could reduce the market price of our common stock and warrants. After this offering, we will have up to 8,759,726 shares of common stock outstanding based on the number of shares of common stock outstanding as of May 8, 2015. This amount includes the 1,953,125 shares of common stock that we are selling in this offering, which may be resold in the public market immediately and 1,781,024 shares of common stock that will be issued upon the mandatory conversion of Class A and Class B preferred stock. The remaining 5,025,577 shares of common stock, or 57% of our outstanding shares of common stock after this offering, will be able to be sold immediately, subject to any applicable volume limitations under federal securities laws, or within 90 days after the date of this prospectus, subject to extension in specified instances, due to lock-up agreements between certain holders of some of these shares of common stock and the underwriters (as described in Underwriting and Plan of Distribution). However, the underwriters can waive the provisions of these lock-up agreements and allow these stockholders to sell their shares of common stock at any time.

The recently effected 12-to-1 reverse stock split could adversely affect the liquidity of our common stock and market capitalization.

The Board of Directors effected a 12-to-1 reverse stock split in order to increase the stock price to a level that will enable it to apply for listing on the NASDAQ Capital Market or other national stock exchange.

A reverse stock split is often viewed negatively by the market and, consequently, can lead to a decrease in our overall market capitalization. If the per share market price does not increase proportionately as a result of the reverse split, then the value of our company as measured by our market capitalization will be reduced, perhaps significantly. This also significantly reduces the number of shares of our common stock that are outstanding, and the liquidity of our common stock could be adversely affected and you may find it more difficult to purchase or sell shares of our common stock.

A significant portion of our total outstanding shares of common stock may be sold into the public market in the near

If you purchase shares of common stock in this offering, you will suffer immediate dilution of your investment.

The public offering price per share of our common stock will be substantially higher than the net tangible book value per share of our common stock immediately after the offering. At the assumed public offering price of \$7.67 per share, purchasers of our common stock will incur immediate dilution of \$6.19 per

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share in the net tangible book value of their purchased shares. Conversely, the shares of our common stock that our existing stockholders currently own will receive an increase in net tangible book value per share. See Dilution.

You may be diluted by exercises of outstanding options and warrants and conversions of outstanding convertible promissory notes.

As of May 8, 2015, we had outstanding options to purchase an aggregate of 2,250,816 shares of our common stock at a weighted average exercise price of \$5.24 per share, warrants to purchase an aggregate of 5,717,566 shares of our common stock at a weighted average exercise price of \$7.12 per share and convertible promissory notes convertible at a twenty percent (20%) discount to the price per share of the securities issued by the Company in this public offering. The exercise of such outstanding options and warrants and the conversion of such outstanding convertible promissory notes will result in further dilution of your investment. In addition, you may experience additional dilution if we issue common stock in the future. As a result of this dilution, you may receive significantly less in net tangible book value than the full purchase price you paid for the shares in the event of liquidation.

There is no guarantee that our shares of common stock or warrants will be listed on the NASDAQ Capital Market.

In connection with the filing of the registration statement of which this prospectus forms a part, we applied for listing of our common stock and warrants on the NASDAQ Capital Market. After the consummation of this offering, we believe that we will satisfy the listing requirements and expect that our common stock and warrants will be listed on the NASDAQ Capital Market. Such listing, however, is not guaranteed. If such listing is approved, there can be no assurance any broker will be interested in trading our stock. Therefore, it may be difficult to sell your shares of common stock if you desire or need to sell them. Our lead underwriter, Aegis Capital Corp., is not obligated to make a market in our securities, and even if they make a market, they can discontinue market making at any time without notice. Neither we nor the underwriters can provide any assurance that an active and liquid trading market in our securities will develop or, if developed, that such market will continue.

If our common stock and warrants are approved for listing on the NASDAQ Capital Market, there is no guarantee that we will be able to maintain such listing for any period of time by perpetually satisfying NASDAQ's continued listing requirements.

Because we do not anticipate paying any cash dividends on our capital stock in the foreseeable future, capital appreciation, if any, will be your sole source of gain.

We have not historically, and do not anticipate paying future dividends on our capital stock. We currently intend to retain all of our future earnings, as applicable, to finance the growth and development of our business. In addition, the terms of any future debt agreements may preclude us from paying dividends. As a result, capital appreciation, if any, of our common stock will be your sole source of gain for the foreseeable future.

Reports published by securities or industry analysts, including projections in those reports that exceed our actual results, could adversely affect our common stock price and trading volume.

You may be diluted by exercises of outstanding options and warrants and conversions of outstanding convertible pr

Securities research analysts, including those affiliated with our underwriters, may establish and publish their own periodic projections for our business. These projections may vary widely from one another and may not accurately predict the results we actually achieve. Our stock price may decline if our actual results do not match securities research analysts' projections. Similarly, if one or more of the analysts who writes reports on us downgrades our stock or publishes inaccurate or unfavorable research about our business, our stock price could decline. If one or more of these analysts ceases coverage of our company or fails to publish reports on us regularly, our stock price or trading volume could decline. While we expect securities research analyst coverage, if no securities or industry analysts begin to cover us, the trading price for our stock and the trading volume could be adversely affected.

