

REPLIDYNE INC  
Form 4  
July 06, 2006

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**MORGENTHALER PARTNERS  
VII LP**

(Last) (First) (Middle)

50 PUBLIC SQUARE, SUITE 2700

(Street)

CLEVELAND, OH 44113

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**REPLIDYNE INC [RDYN]**

3. Date of Earliest Transaction  
(Month/Day/Year)  
07/03/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
\_X\_ Form filed by One Reporting Person  
\_\_\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| Common Stock                    | 07/03/2006                           |  | C                              | 2,095,057 A   | 2,328,235 (2)   | I  | See Footnote (3)                  |

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

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SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

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| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Underlying Security (Instr. 3 and 4) |                          |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date                                   | Title                    |
| Series A Preferred Stock                   | \$ 0 <sup>(4)</sup>                                    | 07/03/2006                           |  | C                              |   | 2,000,000  | <sup>(4)</sup> <sup>(4)</sup>                     | Common Stock             |
| Series C Preferred Stock                   | \$ 0 <sup>(5)</sup>                                    | 07/03/2006                           |  | C                              |   | 6,400,000  | <sup>(5)</sup> <sup>(5)</sup>                     | Common Stock             |
| Series D Preferred Stock                   | \$ 0 <sup>(6)</sup>                                    | 07/03/2006                           |  | C                              |   | 1,874,163  | <sup>(6)</sup> <sup>(6)</sup>                     | Common Stock             |
| Warrant (right to buy)                     | \$ 1.25  | 07/03/2006                           |  | C                              |   | 80,001   | <sup>(7)</sup> <sup>(7)</sup>                     | Series C Preferred Stock |
| Warrant (right to buy)                     | \$ 6.13 <sup>(8)</sup>                                 | 07/03/2006                           |  | C                              | 16,311  | 06/27/2006   | 06/27/2011  | Common Stock             |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| MORGENTHALER PARTNERS VII LP<br>50 PUBLIC SQUARE, SUITE 2700<br>CLEVELAND, OH 44113 |               | X         |         |       |

## Signatures

/s/ Laura M. Medina,  
Attorney-in-Fact

07/06/2006

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) The Issuer's preferred stock automatically converted into common stock upon the closing of the Issuer's initial public offering.
- (2) Includes 233,178 shares of the Issuer's common stock issued to Morgenthaler Partners VII, L.P. ("MP VII") in satisfaction of accumulated dividends on the Series A Preferred Stock, Series C Preferred Stock and Series D Preferred Stock owned by MP VII.
- (3) The shares are held by MP VII. The managing general partner of MP VII is Morgenthaler Management Partners VII, LLC ("MMP VII"). The members of MMP VII are Ralph E. Christoffersen, Robert C. Bellas, Jr., Greg E. Blonder, James W. Broderick, Daniel J. Farrar, Andrew S. Lanza, Theodore A. Laufik, Paul H. Levine, Gary R. Little, John D. Lutsi, Gary J. Morgenthaler, Robert D. Pavey, G. Gary

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Shaffer, Alfred J.V. Stanley and Peter G. Taft. As such, the members of MMP VII share voting power over the shares held by MP VII. Each member of MMP VII disclaims beneficial ownership of the shares held by MP VII except to the extent of his pecuniary interest therein.

- (4) These securities automatically converted into 407,830 shares of the Issuer's common stock upon the closing of the Issuer's initial public offering. The conversion of the Series A Preferred Stock gives effect to the Issuer's 1-for-4.904 reverse stock split
- (5) These securities automatically converted into 1,305,057 shares of the Issuer's common stock upon the closing of the Issuer's initial public offering. The conversion of the Series C Preferred Stock gives effect to the Issuer's 1-for-4.904 reverse stock split.
- (6) These securities automatically converted into 382,170 shares of the Issuer's common stock upon the closing of the Issuer's initial public offering. The conversion of the Series D Preferred Stock gives effect to the Issuer's 1-for-4.904 reverse stock split.
- (7) The warrants to purchase shares of Series C Preferred Stock automatically converted into warrants to purchase shares of the Issuer's common stock upon the closing of the Issuer's initial public offering.
- (8) The number of shares and exercise price gives effect to the Issuer's 1-for-4.901 reverse stock split.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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