

CRDENTIA CORP
Form 4
July 09, 2008

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 *
ComVest Capital, LLC

(Last) (First) (Middle)

ONE NORTH CLEMATIS STREET, SUITE 300

(Street)

WEST PALM BEACH, FL 33401

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
CRDENTIA CORP [CRDT.OB]

3. Date of Earliest Transaction
(Month/Day/Year)
07/07/2008

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)
___ Form filed by One Reporting Person
X 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 Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | | (A) or (D) | Code V Amount (D) Price | | |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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

| 1. Title of Derivative Security | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title Underlying (Instr. 3) |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|--|--|--------------------------------|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|--|--|--------------------------------|

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) On July 7, 2008, the Reporting Person sold to Crdentia Corp. (the "Issuer") and the Issuer redeemed from the Reporting Person a warrant to purchase 8,000,000 shares of Common Stock for an aggregate price of \$2,400,000.

On July 7, 2008, the Issuer and the Reporting Person entered into that certain Amended and Restated Revolving Credit and Term Loan Agreement, pursuant to which the Reporting Person loaned the Issuer an additional \$1,500,000 (which was added to a previously non-convertible \$2,500,000 term note) and received an Amended and Restated Term Note (the "Note") originally convertible into

- (2) 13,333,333 shares of Common Stock of the Issuer and a warrant to purchase 525,000 shares of Common Stock. The Note bears interest at a rate of 12.5% per annum which is capitalized monthly, commencing on July 1, 2008, which interest is then added to the outstanding principal amount of the Note. At the option of the holder, the principle and accrued interest of the Note may be converted into shares of Common Stock at the conversion price.

The Reporting Person is a Delaware limited liability company. The managing member of the Reporting Person is ComVest Capital Management LLC ("Management"). ComVest Group Holdings, LLC ("CGH") is the managing member of Management and Michael Falk ("Falk") is the Chairman and principal member of CGH. Management, CGH and Falk, all of whom maintain offices at the same

- (3) address as the Reporting Person, are filing this Form 4 jointly with the Reporting Person. As of the date hereof, the Reporting Person directly beneficially owns 13,858,333 derivative securities of the issuer. Management, as managing member of the Reporting Person, indirectly beneficially owns such securities. CGH, as the managing member of Management, indirectly beneficially owns such securities. (continued on footnote 4)

Falk, by virtue of his status as Chairman and principal member of CGH, may be deemed to have indirect beneficial ownership of the securities owned by the Reporting Person. However, Falk disclaims any beneficial ownership of such securities, and the filing of this

- (4) Form 4 shall not be deemed an admission that Falk is, for purposes of Section 16 of the Securities Exchange Act or otherwise, the beneficial owner of any securities covered by this Form 4.

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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