

VALLEY FORGE SCIENTIFIC CORP

Form S-4/A

June 07, 2005

As filed with the Securities and Exchange Commission on June 7, 2005

Registration No. 333-125521

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

**Amendment No. 1**  
**to**  
**Form S-4**  
**REGISTRATION STATEMENT**  
**UNDER**  
**THE SECURITIES ACT OF 1933**

**VALLEY FORGE SCIENTIFIC CORP.**

*(Exact name of registrant as specified in its charter)*

**PENNSYLVANIA**

*(State or other jurisdiction  
of incorporation or organization)*

**3845**

*(Primary Standard Industrial  
Classification Code Number)*

**23-2131580**

*(I.R.S. Employer  
Identification No.)*

**136 Green Tree Road**  
**Suite 100**  
**Oaks, Pennsylvania 19456**  
**(610) 666-7500**

*(Address, including zip code, and telephone number,  
including area code, of registrant's principal executive offices)*

**Jerry L. Malis**  
**President and Chief Executive Officer**  
**Valley Forge Scientific Corp.**  
**136 Green Tree Road**  
**Suite 100**  
**Oaks, Pennsylvania 19456**  
**(610) 666-7500**

*(Name, address, including zip code, and telephone number, including area code, of agent for service)*

*Copies to:*

**Matthew H. Lubart,**  
**Esq.**  
**John F. Cinque, Esq.**  
**Fox Rothschild LLP**  
**997 Lenox Drive,**  
**Building 3**  
**Lawrenceville,**  
**New Jersey**  
**08648**  
**(609) 896-3600**

**Russell U.**  
**Schenkman, Esq.**  
**Schenkman,**  
**Jennings &**  
**Howard, LLC**  
**13 Roszel Road**  
**Princeton, New**  
**Jersey**  
**08540**  
**(609) 452-0110**

**Gregg D. Scheller**  
**President and**  
**Chief Executive**  
**Officer**  
**Synergetics, Inc.**  
**3845 Corporate**  
**Centre Drive**  
**St. Charles,**  
**Missouri**  
**63304**

**Robert E. Guest,**  
**Jr., Esq.**  
**Doster Mickes**  
**James Ullom**  
**Benson & Guest**  
**LLC**  
**17107 Chesterfield**  
**Airport Road**  
**Suite 300**  
**Chesterfield,**

**David W. Braswell,**  
**Esq.**  
**Armstrong**  
**Teasdale LLP**  
**One Metropolitan**  
**Square**  
**Suite 2600**  
**211 North**  
**Broadway**  
**St. Louis, Missouri**

(636) 939-5100

Missouri  
63005  
(636) 532-0042

63102  
(314) 621-5070

**Approximate date of commencement of proposed sale to the public:** As soon as practicable after the effectiveness of this registration statement and the satisfaction of all other conditions under the merger agreement described herein.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

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

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 statement number of the earlier effective registration statement for the same offering.  \_\_\_\_\_

**The registrant hereby amends this registration statement on such date or dates 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 of 1933 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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**Explanatory Note**

This pre-effective Amendment No. 1 is being filed solely to correct a printer error in the formatting and transmission of certain pages in the Registration Statement on Form S-4 (Registration No. 333-125521), filed on June 3, 2005, by Valley Forge Scientific Corp. Except as described above, we have made no other changes to the Registration Statement.

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The information in this joint proxy statement/prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is declared effective. This joint proxy statement/prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer, solicitation or sale is not permitted or would be unlawful before registration or qualification under the securities laws of any such jurisdiction. Any representation to the contrary is a criminal offense.

, 2005

SUBJECT TO COMPLETION, DATED

, 2005

[LOGO]

PROXY STATEMENT/PROSPECTUS  
OF  
VALLEY FORGE SCIENTIFIC CORP.

[LOGO]

PROXY STATEMENT  
OF  
SYNERGETICS, INC.

Dear Shareholders:

We are pleased to report that the boards of directors of Valley Forge Scientific Corp. ( Valley Forge ) and Synergetics, Inc. ( Synergetics ) have approved a merger agreement which provides for the merger of a Valley Forge subsidiary into Synergetics. As a result of the proposed merger, Synergetics will become a wholly-owned subsidiary of Valley Forge. If we complete the proposed merger, the shareholders of Synergetics will become shareholders of Valley Forge and will receive shares of Valley Forge common stock in exchange for their existing Synergetics shares as provided for in the merger agreement. References to the merger agreement contained in this joint proxy statement/prospectus shall be deemed to include the amendments thereto. More information about Valley Forge, Synergetics and the merger is contained in this joint proxy statement/prospectus. **We encourage you to read carefully this joint proxy statement/prospectus, including the section entitled RISK FACTORS beginning on page 23, before voting on any matters to be submitted at the shareholders meetings.**

Valley Forge s common stock is listed on the Boston Stock Exchange under the trading symbol VLF and is traded on the Nasdaq SmallCap Market under the trading symbol VLFG. On [ ], 2005, the last sale price of shares of Valley Forge s common stock on Nasdaq SmallCap Market was \$[ ] per share.

In connection with the merger, Valley Forge is submitting a number of proposals to its shareholders to consider and vote upon, including a proposal to approve the issuance of 15,973,912 shares of Valley Forge common stock to Synergetics shareholders as contemplated by the merger agreement and a proposal to amend and restate the articles of incorporation of Valley Forge as described below. Following the merger, Synergetics shareholders will own approximately 66% of the outstanding Valley Forge shares on a fully diluted basis. In addition, Valley Forge is calling and holding its 2005 annual meeting of shareholders. In connection with the annual meeting, Valley Forge is submitting a number of additional proposals to its shareholders to consider and vote upon that are typically presented at annual meetings of shareholders, including the election of directors and amendments to, and approval of, Valley Forge s stock option and directors plans. Valley Forge is also submitting a proposal to its shareholders to consider and vote upon the reincorporation of Valley Forge as a Delaware corporation. Throughout this joint proxy statement/prospectus, we refer to this merger as the reincorporation merger. The approval of this proposal is a condition to the closing of the merger. Finally, Valley Forge is submitting a proposal to grant discretionary authority to the Valley Forge board of directors to adjourn or postpone the annual meeting to a later date, if necessary, to solicit additional proxies if there are not sufficient votes in favor of the proposals submitted herein. The foregoing proposals are more fully described below and in this joint proxy statement/ prospectus.

After careful consideration, based upon the recommendation of its committee of independent directors, the Valley Forge board of directors approved and adopted the merger agreement, the merger and the other related matters contemplated in connection with the merger, including the issuance of 15,973,912 shares of Valley Forge common stock to Synergetics shareholders. **The Valley Forge board of directors determined that the merger is in the best interests of Valley Forge shareholders and recommends that you vote FOR the proposal to approve the issuance of 15,973,912 shares of Valley Forge common stock to Synergetics shareholders as contemplated by**

**the merger agreement.**

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After careful consideration, the Synergetics board of directors approved and adopted the merger agreement, the merger and the other related matters contemplated in connection with the merger. **The Synergetics board of directors determined that the merger is in the best interests of Synergetics shareholders and recommends that you vote FOR the merger, the merger agreement and the other related matters.**

Valley Forge and Synergetics cannot complete the merger unless the shareholders of Valley Forge approve the issuance of 15,973,912 shares of Valley Forge common stock to Synergetics shareholders and a proposal to amend and restate the articles of incorporation of Valley Forge to (1) increase the number of authorized shares of Valley Forge common stock from 20,000,000 shares to 50,000,000 shares, (2) increase the number of directors on the Valley Forge board of directors to seven and (3) divide the Valley Forge board of directors into three classes, as nearly equal in size as practicable, with three-year staggered terms, and the shareholders of Synergetics approve and adopt the merger agreement and the merger contemplated by the merger agreement. The obligations of Valley Forge and Synergetics to complete the merger are also subject to the satisfaction or waiver of several other conditions to the merger.

In addition to the foregoing proposals, Valley Forge is submitting five additional proposals to its shareholders to consider and vote upon at the annual meeting. First, Valley Forge is proposing to reincorporate under the laws of the State of Delaware through a merger with a wholly-owned subsidiary established solely for such purpose. Valley Forge cannot complete the reincorporation merger without the approval of its shareholders, as more fully described in this joint proxy statement/prospectus. Under the merger agreement, the completion of the reincorporation merger is required in order to complete the merger. If we complete the merger and the reincorporation merger, Valley Forge will be a Delaware corporation. If we complete the merger, but not the reincorporation merger, and the Synergetics board of directors waives this condition to the merger, the merger will proceed and Valley Forge will remain a Pennsylvania corporation. For ease of reference, when we refer to Valley Forge throughout this joint proxy statement/prospectus, we are referring to Valley Forge Scientific Corp. as a Pennsylvania corporation. When we specifically refer to the Delaware successor to Valley Forge Scientific Corp. following the reincorporation merger, or the combined company generally, we will refer to New Synergetics. When we describe information unique to the combined company as a Pennsylvania corporation, in the case that the Valley Forge shareholders do not approve the reincorporation merger, we will refer to the combined company as New Synergetics-Pennsylvania.

Second, Valley Forge is proposing the election of seven directors to its board of directors, subject to the completion of the merger. Valley Forge's new Class A directors will hold office until the next annual meeting of New Synergetics shareholders, Valley Forge's new Class B directors will hold office until the annual meeting of New Synergetics shareholders in 2007 and Valley Forge's New Class C directors will hold office until the annual meeting of shareholders of Synergetics shareholders in 2008. Of the seven nominees for election to the board of directors of Valley Forge, Gregg D. Scheller, Kurt W. Gampp, Jr., Juanita H. Hinshaw and Larry C. Cardinale, if elected, will not join the board of Valley Forge until consummation of the merger. If the merger is not completed, Valley Forge will fill up to two vacancies on the board of directors in accordance with its governing documents and applicable law. Valley Forge has not yet selected the potential board members to fill any such vacancies.

Third, Valley Forge is proposing to amend the Valley Forge Scientific Corp. 2001 Stock Plan, also known as the Valley Forge stock plan, to increase the number of shares issuable upon exercise of options granted under the Valley Forge stock plan from 345,000 shares to 1,345,000 shares.

Fourth, Valley Forge is proposing to adopt the Valley Forge Scientific Corp. 2005 Non-Employee Directors' Stock Option Plan, also known as the Valley Forge directors' plan, to authorize the issuance of up to 200,000 shares of Valley Forge common stock issuable upon exercise of options granted under the Valley Forge directors' plan.

Fifth, Valley Forge is proposing that its shareholders grant discretionary authority to the Valley Forge board of directors to adjourn or postpone the annual meeting to a later date, if necessary, to solicit additional proxies if there are not sufficient votes in favor of the proposals submitted herein. In that event, Valley Forge will ask its shareholders to vote only upon this proposal and not any of the other proposals submitted herein.

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Based upon the recommendation of its committee of independent directors, the Valley Forge board of directors recommends that Valley Forge shareholders vote:

FOR the proposal to approve the issuance of 15,973,912 shares of Valley Forge common stock to Synergetics shareholders as contemplated by the merger agreement;

FOR the proposal to amend and restate the articles of incorporation of Valley Forge;

FOR the proposal to approve the reincorporation merger;

FOR the proposal to elect the seven director nominees to Valley Forge's board of directors;

FOR the proposal to amend the Valley Forge stock plan;

FOR the proposal to adopt the Valley Forge directors' plan; and

FOR the proposal to grant discretionary authority to the Valley Forge board of directors to adjourn or postpone the annual meeting to a later date.

In connection with its special meeting, Synergetics is also proposing that its shareholders grant discretionary authority to the Synergetics board of directors to adjourn or postpone the special meeting to a later date, if necessary, to solicit additional proxies if there are not sufficient votes in favor of the proposal to approve the merger agreement and the merger contemplated therein. In that event, Synergetics will ask its shareholders to vote upon this proposal and not the proposal to approve the merger agreement and merger contemplated therein.

The Synergetics board of directors recommends that you vote FOR the approval of the merger agreement and the merger contemplated therein and the proposal to grant discretionary authority to the Synergetics board of directors to adjourn or postpone the special meeting to a later date.

The proposals are being presented to the Valley Forge shareholders at their annual meeting and to the Synergetics shareholders at a special meeting. The dates, times and places of the meetings are as follows:

For Valley Forge Shareholders:  
[Day] [Date] [Time], local time at  
[Address]

For Synergetics Shareholders:  
[Day] [Date] [Time], local time at  
[Address]

**Your vote is very important.** Whether or not you plan to attend your respective company's shareholders' meeting, please take the time to vote by completing and mailing to your company the enclosed proxy card or, if the option is available to you, by granting your proxy electronically over the Internet or by telephone. If your shares are held in street name you must instruct your broker in order to vote.

Sincerely,

Jerry L. Malis  
President and Chief Executive Officer  
Valley Forge Scientific Corp.

Gregg D. Scheller  
President and Chief Executive Officer  
Synergetics, Inc.

**None of the Securities and Exchange Commission, any state securities regulator or any regulatory authority has approved or disapproved of these transactions or the securities to be issued under this joint proxy statement/prospectus or determined if the disclosure in this joint proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.**

This joint proxy statement/prospectus is dated [ ], 2005, and is being mailed to shareholders of Valley Forge and Synergetics on or about [ ], 2005.





**VALLEY FORGE SCIENTIFIC CORP.**

**136 Green Tree Road**

**Suite 100**

**Oaks, Pennsylvania 19456**

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON [ ], 2005**

TO THE SHAREHOLDERS OF VALLEY FORGE SCIENTIFIC CORP.:

NOTICE IS HEREBY GIVEN that the annual meeting of shareholders of Valley Forge Scientific Corp., a Pennsylvania corporation ( Valley Forge ), will be held on [ ], 2005 at [ ] a.m., local time, at [ ], located at [ ]. At the annual meeting, Valley Forge shareholders will consider and vote upon the following:

(1) A proposal to approve the issuance of 15,973,912 shares of Valley Forge common stock in connection with the merger of Synergetics Acquisition Corporation, a Delaware corporation and a wholly-owned subsidiary of Valley Forge ( MergerSub ), with Synergetics, Inc. ( Synergetics ) pursuant to the Agreement and Plan of Merger, dated May 2, 2005, as amended by Amendment No. 1 to Agreement and Plan of Merger dated June 2, 2005, by and among Valley Forge, MergerSub and Synergetics. Pursuant to the merger agreement, MergerSub will be merged with and into Synergetics and Synergetics will thereby become a wholly-owned subsidiary of Valley Forge;

(2) A proposal to amend and restate the articles of incorporation of Valley Forge, to:

(i) increase the number of authorized shares of Valley Forge common stock from 20,000,000 shares to 50,000,000 shares;

(ii) increase the number of directors on the Valley Forge board of directors to seven; and

(iii) divide the Valley Forge board of directors into three classes, as nearly equal in size as practicable, with three-year staggered terms;

(3) A proposal to approve the reincorporation of Valley Forge under the laws of the State of Delaware through a merger of Valley Forge with VFSC Delaware, Inc., a wholly-owned subsidiary of Valley Forge;

(4) A proposal to elect seven director nominees to the Valley Forge board of directors to serve until their respective successors are elected and qualified, or until the earlier of their death, resignation or removal;

(5) A proposal to amend the Valley Forge Scientific Corp. 2001 Stock Plan, also known as the Valley Forge stock plan, to increase the number of shares issuable upon exercise of options granted under the Valley Forge stock plan from 345,000 shares to 1,345,000 shares;

(6) A proposal to adopt the Valley Forge Scientific Corp. 2005 Non-Employee Directors Stock Option Plan, also known as the Valley Forge directors plan, to authorize the issuance of up to 200,000 shares of Valley Forge common stock issuable upon exercise of options granted under the Valley Forge directors plan;

(7) A proposal to grant discretionary authority to the Valley Forge board of directors to adjourn or postpone the annual meeting to a later date, if necessary, to solicit additional proxies if there are not sufficient votes in favor of the proposals submitted herein; and

(8) Such other business as may properly come before the annual meeting or any postponements or adjournments thereof.

The foregoing items of business are more fully described in the joint proxy statement/prospectus accompanying this notice of annual meeting of shareholders.

Only Valley Forge shareholders of record at the close of business on [ ], 2005 are entitled to notice of and to vote at the annual meeting and any postponements or adjournments thereof.

All Valley Forge shareholders are cordially invited to attend the annual meeting in person. However, to ensure representation at the annual meeting, Valley Forge shareholders are urged to mark, sign, date and return the enclosed proxy card as promptly as possible in the postage-prepaid envelope enclosed for that purpose. Any Valley Forge shareholder attending the annual meeting may vote in person even if such shareholder previously returned a proxy card for the annual meeting by giving written notice to the Secretary of Valley Forge.

BY ORDER OF THE BOARD OF DIRECTORS,  
Marguerite Ritchie  
Secretary

Oaks, Pennsylvania  
[ ], 2005

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**SYNERGETICS, INC.**  
**3845 Corporate Centre Drive**  
**St. Charles, Missouri 63304**

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**  
**TO BE HELD ON [                                  ], 2005**

To the Shareholders of Synergetics, Inc.:

A special meeting of the shareholders of Synergetics, Inc. ( Synergetics ) will be held at [                                  ], located at [                                  ], on [                                  ], 2005 at [                                  ] a.m., local time, to consider and vote upon the following:

(1) A proposal to approve the Agreement and Plan of Merger, dated May 2, 2005, as amended by Amendment No. 1 to Agreement and Plan of Merger dated June 2, 2005, by and among Valley Forge Scientific Corp. ( Valley Forge ), Synergetics Acquisition Corporation, a Delaware corporation and a wholly-owned subsidiary of Valley Forge ( MergerSub ), and Synergetics, and the merger of MergerSub with and into Synergetics. As a result of the merger, Synergetics will become a wholly-owned subsidiary of Valley Forge and holders of Synergetics common stock will receive an aggregate of 15,973,912 shares of Valley Forge common stock as more fully described in the accompanying joint proxy statement/prospectus;

(2) A proposal to grant discretionary authority to the Synergetics board of directors to adjourn or postpone the special meeting to a later date, if necessary, to solicit additional proxies if there are not sufficient votes in favor of the proposal to approve the merger agreement and the merger contemplated therein; and

(3) Any other business as may properly come before the special meeting or any adjournment or postponement thereof.

The record date for the special meeting is the close of business on [                                  ], 2005. Only Synergetics shareholders of record at that time are entitled to notice of and to vote at the special meeting or any adjournment or postponement thereof. To approve the merger agreement and the merger contemplated therein, the holders of at least two-thirds of all the outstanding shares of Synergetics common stock must vote in favor of the merger agreement and the merger.

The attached joint proxy statement/prospectus contains more detailed information regarding the merger and the merger agreement and includes a copy of the merger agreement.

**Your vote is very important. Even if you expect to attend the special meeting, please complete, sign, and date the enclosed proxy card and return it promptly in the enclosed postage-paid envelope. If no instructions are indicated on your proxy card, your shares will be voted FOR the merger. If you do not return your proxy card or vote in person, the effect is a vote AGAINST the merger.** You can revoke your proxy at any time before it is exercised by giving written notice to the secretary of Synergetics, or filing another proxy or attending the special meeting and voting in person.

If the merger agreement is approved and the merger is consummated, you will be sent a letter of transmittal with instructions for surrendering your certificates representing shares of Synergetics common stock. Please do not send your share certificates until you receive these materials.

**BY ORDER OF THE BOARD OF DIRECTORS,**  
**Kurt W. Gampp, Jr.**  
Secretary

St. Charles, Missouri  
[                                  ], 2005

**HOW TO OBTAIN ADDITIONAL INFORMATION**

This joint proxy statement/prospectus incorporates important business and financial information about Valley Forge from other documents filed with the SEC that are not included in or delivered with this joint proxy statement/prospectus. For a list of the documents that Valley Forge has filed with the SEC and that have been incorporated into this joint proxy statement/prospectus, please see the section captioned WHERE YOU CAN FIND MORE INFORMATION. These documents are available to you without charge upon your written or oral request. You can obtain the documents incorporated by reference in this joint proxy statement/prospectus by requesting them in writing or by telephone at the address and telephone below:

Valley Forge Scientific Corp.  
136 Green Tree Road, Suite 100  
Oaks, Pennsylvania 19456  
Telephone: (610) 666-7500  
Facsimile: (610) 666-7565  
Attn: Investor Relations

**To obtain documents in time for the annual meeting, your request must be received by [                          ], 2005.**

**IMPORTANT NOTE**

In deciding how to vote on the matters described in this joint proxy statement/prospectus, you should rely only on the information contained or incorporated by reference in this joint proxy/prospectus. Neither Valley Forge nor Synergetics has authorized any person to provide you with any information that is different from what is contained in this joint proxy statement/prospectus.

The information contained in this joint proxy statement/prospectus speaks only as of the date indicated on the cover of this joint proxy statement/prospectus unless the information specifically indicates that another date applies.

In addition, if you have any questions about the matters described in this joint proxy statement/prospectus, you may contact:

Valley Forge Scientific Corp.  
136 Green Tree Road, Suite 100  
Oaks, Pennsylvania 19456  
Telephone: (610) 666-7500  
Facsimile: (610) 666-7565  
Attn: Investor Relations

Synergetics, Inc.  
3845 Corporate Centre Drive  
St. Charles, Missouri 63304  
Telephone: (636) 939-5100  
Facsimile: (636) 939-6885  
Attn: Pamela G. Boone, Chief Financial Officer

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ANNEXES

Annex A Agreement and Plan of Merger, as amended

Annex B Proposed Amended and Restated Articles of Incorporation of Valley Forge

Annex C Valley Forge Scientific Corp. 2001 Stock Plan

Annex D Valley Forge Scientific Corp. 2005 Non-Employee Directors Stock Option Plan

Annex E Fairness Opinion of Wildwood Capital LLC

Annex F Section 351.455 of the General Business and Corporations Law of Missouri

Annex G Agreement and Plan of Reincorporation Merger

Annex H Proposed Certificate of Incorporation of Synergetics, Inc. (a Delaware Corporation)

Annex I Proposed Bylaws of Synergetics, Inc. (a Delaware Corporation)

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## QUESTIONS AND ANSWERS ABOUT THE PROPOSED MERGER

*The following are some questions that you, as a shareholder of Valley Forge or Synergetics, may have regarding the merger and the other matters being considered at the respective shareholder meetings of Valley Forge and Synergetics and brief answers to those questions. Valley Forge and Synergetics urge you to read carefully the remainder of this joint proxy statement/prospectus because the information in this section does not provide all the information that might be important to you with respect to the merger and the other matters being considered at their respective shareholders' meetings. Additional important information is also contained in the annexes to and the documents incorporated by reference into this joint proxy statement/prospectus.*

### **Q. Why am I receiving this joint proxy statement/prospectus?**

A. On May 2, 2005, Valley Forge and Synergetics entered into a merger agreement under which Synergetics will merge with a newly formed subsidiary of Valley Forge and thereby become a wholly-owned subsidiary of Valley Forge. A copy of the merger agreement, as amended, is attached to this joint proxy statement/prospectus as Annex A. The merger has received all requisite corporate approvals of the boards of Valley Forge and Synergetics, and is expected to be completed on [ ], 2005 or as soon thereafter as practicable. If we complete the merger, Valley Forge will issue an aggregate of 15,973,912 shares of Valley Forge common stock to Synergetics shareholders, other than those Synergetics shareholders who have properly exercised their dissenters' rights. Valley Forge and Synergetics cannot complete the merger unless Valley Forge shareholders approve the issuance of shares of Valley Forge common stock in the merger and the Synergetics shareholders adopt and approve the merger agreement, the merger, and the other matters contemplated in the merger agreement. The Valley Forge board of directors is soliciting your proxy to vote FOR the Valley Forge proposal to approve the issuance of 15,973,912 shares of Valley Forge common stock to the Synergetics shareholders as contemplated by the merger agreement. The Synergetics board of directors is soliciting your proxy to vote FOR the Synergetics proposal to adopt and approve the merger agreement, the merger and the other matters contemplated in the merger agreement. This joint proxy statement/prospectus describes Valley Forge, Synergetics and the merger so that you may make an informed decision with respect to this merger proposal.

In addition, Valley Forge and Synergetics cannot complete the merger unless Valley Forge shareholders approve the proposal to amend and restate the articles of incorporation of Valley Forge to (1) increase the number of authorized shares of Valley Forge common stock from 20,000,000 shares to 50,000,000 shares, (2) increase the number of directors on the Valley Forge board of directors to seven and (3) divide the Valley Forge board of directors into three classes, as nearly equal in size as practicable, with three-year staggered terms. Valley Forge cannot amend and restate its articles of incorporation without the approval of its shareholders, as more fully described in this joint proxy statement/prospectus.

Valley Forge is also taking this opportunity to call and hold its 2005 annual meeting of shareholders. At the annual meeting, Valley Forge is submitting five additional proposals for the consideration and approval of its shareholders.

First, Valley Forge is proposing to reincorporate under the laws of the State of Delaware through a merger with a wholly-owned subsidiary established solely for such purpose. Valley Forge cannot complete the reincorporation merger without the approval of its shareholders, as more fully described in this joint proxy statement/prospectus. Under the terms of the merger agreement, the reincorporation of Valley Forge is required to complete the merger. If Valley Forge shareholders approve the issuance of shares of Valley Forge common stock to Synergetics shareholders as contemplated by the merger agreement, but not the reincorporation merger, the Synergetics board of directors must waive this condition in order for the merger to proceed, in which case Valley Forge will remain a Pennsylvania corporation.

Second, Valley Forge is proposing the election of seven directors to its board of directors. Valley Forge's new Class A directors will hold office until the next annual meeting of New Synergetics shareholders, Valley Forge's new Class B directors will hold office until the annual meeting of New Synergetics shareholders in 2007, and Valley Forge's new Class C directors will hold office until the annual meeting of New Synergetics shareholders in 2008. Of the seven nominees for election to the board of directors of Valley Forge, Gregg D. Scheller, Kurt W. Gampp, Jr., Juanita H. Hinshaw and Larry C. Cardinale, if elected, will not join the board of Valley Forge until consummation of the merger. If the merger is not completed, Valley Forge will fill up to two vacancies on the board of directors in accordance with its governing documents and applicable law.

Third, Valley Forge is proposing to amend the Valley Forge stock plan to increase the number of shares issuable upon exercise of options granted under the Valley Forge stock plan from 345,000 shares to 1,345,000 shares.

Fourth, Valley Forge is proposing to adopt the Valley Forge directors' plan to authorize the issuance of up to 200,000 shares of Valley Forge common stock issuable upon exercise of options granted under the Valley Forge directors' plan.

Fifth, Valley Forge is proposing that its shareholders grant discretionary authority to the Valley Forge board of directors to adjourn or postpone the annual meeting to a later date, if necessary, to solicit additional proxies if there are not sufficient votes in favor of the proposals submitted herein.

**Q. Why are Valley Forge and Synergetics proposing the merger?**

- A. The boards of directors of Valley Forge and Synergetics believe that by combining the complementary, non-overlapping product lines and distribution networks of the two companies, New Synergetics can generate improved long-term operating and financial results and establish a stronger competitive position in the industry. The boards further believe that the combination of Synergetics' unique capabilities in design and manufacture of microsurgical hand instruments and Valley Forge's unique capabilities in bipolar electrosurgical generators will provide New Synergetics with the ability to broaden the markets for products of both entities and increase the penetration in existing markets. To review the reasons for the merger as well as the negative factors considered by the Valley Forge and Synergetics boards of directors in greater detail, see **THE MERGER** Joint Reasons for the Merger beginning on page 46, **THE MERGER** Additional Valley Forge Reasons for the Merger beginning on page 47 and **THE MERGER** Additional Synergetics Reasons for the Merger beginning on page 53. We encourage you to read this joint proxy statement/prospectus carefully, including the section entitled **RISK FACTORS** beginning on page 23, for a discussion of risks associated with the merger and New Synergetics.

**Q. What will happen in the merger?**

- A. In the merger, Synergetics Acquisition Corporation, a wholly-owned subsidiary of Valley Forge, will merge with Synergetics, with Synergetics surviving as a wholly-owned subsidiary of Valley Forge.

**Q. What will Synergetics shareholders be entitled to receive pursuant to the merger?**

- A. Upon completion of the merger, Synergetics shareholders will receive an aggregate of 15,973,912 shares of Valley Forge common stock. Synergetics shareholders will receive cash in lieu of any fractional shares of Valley Forge common stock that would otherwise be issued pursuant to the merger. Upon consummation of the merger, Synergetics shareholders would own approximately 66% of Valley Forge's common stock on a fully diluted basis immediately after the proposed merger.

Until the completion of the merger, the trading price of Valley Forge common stock could fluctuate. Because Synergetics shareholders will receive a fixed number of shares of Valley Forge common stock in the merger, the value of Valley Forge common stock they will receive could fluctuate as well.



Therefore, Synergetics shareholders will not know the precise overall economic value of the merger consideration they will receive until the closing date of the merger.

**Q. How will Synergetics shareholders be affected by the merger?**

A. If the merger is completed, Synergetics shareholders will receive an aggregate of 15,973,912 shares of Valley Forge common stock and will own approximately 66% of the fully diluted shares of common stock of the combined company immediately after the merger. Synergetics' contribution to the combined company's earnings as a percent of total pro forma earnings giving effect to the merger is significantly greater than its percentage ownership of the combined company. The impact of this dilution to Synergetics shareholders following completion of the merger will depend partially on whether the combined company will be able to increase earnings to make up for this dilution.

**Q. Will Synergetics shareholders be able to trade the Valley Forge common stock that they receive pursuant to the merger agreement?**

A. Yes. Valley Forge common stock is listed on the Boston Stock Exchange under the trading symbol VLF and traded on the over-the-counter market on the Nasdaq SmallCap Market under the trading symbol VLFG. Pending approval of the Nasdaq initial listing application, all shares of Valley Forge common stock that Synergetics shareholders receive pursuant to the merger will be freely transferable unless a shareholder is deemed an affiliate of Synergetics or if such Valley Forge common stock is subject to contractual transfer restrictions. If you are an affiliate of Synergetics, you will be required to comply with the applicable restrictions of Rule 145 under the Securities Act of 1933 ( Securities Act ) in order to resell the Valley Forge common stock you receive in the merger. In addition, certain affiliates of Valley Forge and Synergetics will be subject to certain contractual transfer restrictions pursuant to a shareholders' agreement to be entered into among such affiliates and New Synergetics.

**Q. How will Valley Forge shareholders be affected by the merger and issuance of Valley Forge common stock in the merger?**

A. After the merger, Valley Forge shareholders will continue to own their existing shares of Valley Forge common stock. Accordingly, Valley Forge shareholders will hold the same number of shares of Valley Forge common stock that they held immediately before the merger. However, because Valley Forge will be issuing new shares of Valley Forge common stock to Synergetics shareholders in the merger, each outstanding share of Valley Forge common stock immediately before the merger will represent a smaller percentage of the total number of shares of Valley Forge common stock outstanding after the merger. Valley Forge shareholders before the merger will hold approximately 34% of the fully diluted shares of Valley Forge common stock immediately following the merger.

**Q. When is the merger expected to be completed?**

A. We expect that the merger will be completed about [ ], 2005 or as soon thereafter as practicable. The completion of the merger is subject to closing conditions and approvals described in the merger agreement.

**Q. What are Valley Forge shareholders voting on?**

A. Valley Forge shareholders are voting on a proposal to approve the issuance of 15,973,912 shares of Valley Forge common stock to Synergetics shareholders as contemplated by the merger agreement. **Approval of this proposal by the Valley Forge shareholders is a condition of the effectiveness of the merger.**

Valley Forge shareholders are also voting on a proposal to amend and restate the articles of incorporation of Valley Forge to (1) increase the number of authorized shares of Valley Forge common stock from 20,000,000 shares to 50,000,000 shares, (2) increase the number of directors on

the Valley Forge board of directors to seven and (3) divide the Valley Forge board of directors into three classes, as nearly equal in size as practicable, with three-year staggered terms. **Approval of this proposal is a condition to the effectiveness of the merger.** A copy of the proposed articles of incorporation are attached to this joint proxy statement/prospectus as Annex B.

In addition, Valley Forge shareholders are voting on a proposal to approve the reincorporation of Valley Forge under the laws of the State of Delaware through a merger of Valley Forge and VFSC Delaware, Inc., a wholly-owned subsidiary of Valley Forge. **Approval of this proposal is a condition to the effectiveness of the merger, but is waivable by the Synergetics board of directors.** Under the terms of the merger agreement, the reincorporation of Valley Forge is required to complete the merger. If shareholders approve the merger, but not the reincorporation merger, the Synergetics board of directors must waive this condition in order for the merger to proceed, in which case Valley Forge will remain a Pennsylvania corporation.

Valley Forge shareholders are also voting on a proposal to elect the seven director nominees to the Valley Forge board of directors to serve until their respective successors are elected and qualified, or until the earlier of their death, resignation or removal. **Approval of this proposal is a condition to the effectiveness of the merger.**

Valley Forge shareholders are also voting on a proposal to amend the Valley Forge stock plan to increase the number of shares issuable upon exercise of options granted under the Valley Forge stock plan from 345,000 shares to 1,345,000 shares. A copy of the Valley Forge stock plan is attached to this joint proxy statement/prospectus as Annex C.

Valley Forge shareholders are also voting on a proposal to adopt the Valley Forge directors' plan to authorize the issuance of up to 200,000 shares of Valley Forge common stock issuable upon exercise of options granted under the Valley Forge directors' plan. A copy of the Valley Forge directors' plan is attached to this joint proxy statement/prospectus as Annex D.

Valley Forge shareholders are also voting on a proposal to grant discretionary authority to the Valley Forge board of directors to adjourn or postpone the annual meeting to a later date, if necessary, to solicit additional proxies if there are not sufficient votes in favor of the proposals submitted herein.

**Q: What vote of Valley Forge shareholders is required to approve the foregoing proposals?**

A: Each of the proposals to (1) approve the issuance of shares of Valley Forge common stock to Synergetics shareholders as contemplated by the merger agreement, (2) amend and restate the articles of incorporation of Valley Forge, (3) approve the reincorporation merger, (4) amend the Valley Forge stock plan, (5) adopt the Valley Forge directors' plan and (6) grant discretionary authority to the Valley Forge board of directors to adjourn or postpone the annual meeting to a later date requires the affirmative vote of the holders of a majority of the shares of Valley Forge common stock represented and voting at the annual meeting, provided a quorum is present. A quorum is established by the presence of holders, in person or by proxy, of a majority of the issued and outstanding shares of Valley Forge common stock entitled to vote at the annual meeting.

The seven nominees receiving the highest number of votes will be elected as directors of Valley Forge.

**Q: How does the Valley Forge Board of Directors recommend that Valley Forge shareholders vote?**

A: Based upon the recommendation of its independent committee of directors, the Valley Forge board of directors believes that the merger is advisable, and fair to and in the best interests of Valley Forge and its shareholders and recommends that Valley Forge shareholders vote FOR the proposal to issue the shares of Valley Forge common stock to Synergetics shareholders as contemplated by the merger agreement.

The Valley Forge board of directors also recommends that Valley Forge shareholders vote FOR the proposal to amend and restate the Valley Forge articles of incorporation to increase the number of authorized shares of Valley Forge common stock, increase the number of directors on the Valley Forge board of directors to seven and divide the Valley Forge board of directors into three classes, as nearly equal in size as practicable, with three-year staggered terms, FOR the proposal to approve the reincorporation of Valley Forge under the laws of the State of Delaware, FOR the proposal to elect the seven director nominees to the Valley Forge board of directors, FOR the proposal to amend the Valley Forge stock plan to increase the number of shares issuable under the Valley Forge stock plan to 1,345,000 shares, FOR the proposal to adopt the Valley Forge directors plan to authorize the issuance of up to 200,000 shares of Valley Forge common stock issuable upon exercise of the options granted under the Valley Forge directors plan and FOR the proposal to grant discretionary authority to the Valley Forge board of directors to adjourn or postpone the annual meeting to a later date.

For a more complete description of the recommendations of the Valley Forge board of directors, see THE VALLEY FORGE ANNUAL MEETING Recommendation of the Valley Forge Board of Directors beginning at page 34.

**Q: How do the Valley Forge directors and executive officers intend to vote on the merger?**

A: Certain of the Valley Forge directors, executive officers and greater than 5% shareholders have entered into a voting agreement with Valley Forge and Synergetics pursuant to which they have agreed to vote all of their respective shares of Valley Forge common stock in favor of Valley Forge's proposal to approve the issuance of 15,973,912 shares of Valley Forge common stock as contemplated by the merger agreement. At the close of business on May 2, 2005, the date of the merger agreement, such directors, executive officers and greater than 5% shareholders of Valley Forge and their affiliates beneficially owned and were entitled to vote 2,694,893 shares of Valley Forge common stock, collectively representing approximately 34% of the shares of Valley Forge common stock outstanding on that date. As of the record date for the Valley Forge annual meeting, such directors, executive officers and greater than 5% shareholders of Valley Forge and their affiliates beneficially owned and were entitled to vote [ ] shares of Valley Forge common stock, collectively representing approximately [ ]% of the shares of Valley Forge common stock outstanding on that date.

**Q: Do any of the Valley Forge directors and executive officers have any special interests in the merger?**

A: In considering the recommendation of the Valley Forge board of directors with respect to the issuance of shares of Valley Forge common stock in the merger, you should be aware that members of the Valley Forge board of directors and Valley Forge executive officers have interests in the merger that may be different than, or in addition to, the interests of Valley Forge shareholders generally. These interests include:

the appointment of two current directors of Valley Forge as directors of New Synergetics upon completion of the merger, and the appointment of Jerry L. Malis of Valley Forge as an executive officer of New Synergetics upon completion of the merger;

the execution of a three-year employment agreement between Jerry L. Malis and New Synergetics, providing for, among other things, the receipt of severance payments if Mr. Malis were to be terminated without cause by New Synergetics or if he were to resign for good reason;

a payment of \$4,157,504 payable over approximately six years to Dr. Leonard I. Malis upon the exercise of an option previously granted to Valley Forge to purchase the Malis® trademark, which payment will be evidenced by a promissory note secured by a security interest in the trademark and certain patents; and

the continued indemnification of, and provision of directors and officers insurance coverage to, current directors and officers of Valley Forge following the merger.

The Valley Forge board of directors was aware of these interests and considered them, among other matters, in making its recommendation that the Valley Forge shareholders approve the issuance of shares of Valley Forge common stock to Synergetics shareholders as contemplated by the merger agreement and the other proposals submitted herein.

**Q: What are Synergetics shareholders voting on?**

A: Synergetics shareholders are voting on a proposal to approve and adopt the merger agreement and the merger contemplated by the merger agreement. **Approval of this proposal by Synergetics shareholders is a condition to the effectiveness of the merger.**

Synergetics shareholders are also voting on a proposal to grant discretionary authority to the Synergetics board of directors to adjourn or postpone the special meeting to a later date, if necessary, to solicit additional proxies if there are not sufficient votes in favor of the proposal to approve the merger agreement and the merger contemplated therein.

**Q: What vote of Synergetics shareholders is required to approve and adopt the merger agreement and the merger contemplated by the merger agreement?**

A: The affirmative vote of the holders of two-thirds of the issued and outstanding shares of Synergetics common stock is required to approve and adopt the merger agreement and the merger contemplated by the merger agreement.

The affirmative vote of the holders of a majority of the shares of Synergetics common stock entitled to vote and represented at the special meeting, in person or by proxy, is required to approve the proposal to grant discretionary authority to the Synergetics board of directors to adjourn or postpone the special meeting to a later date.

**Q: How does the Synergetics Board of Directors recommend that Synergetics shareholders vote?**

A: The Synergetics board of directors recommends that Synergetics shareholders vote FOR the proposal to approve and adopt the merger agreement and the merger contemplated by the merger agreement and FOR the proposal to grant discretionary authority to the Synergetics board of directors to adjourn or postpone the special meeting to a later date. The Synergetics board of directors has determined that the merger agreement and the merger contemplated by the merger agreement are advisable and in the best interests of Synergetics and its shareholders. Accordingly, the Synergetics board of directors has approved the merger agreement and the merger contemplated by the merger agreement. For a more complete description of the recommendation of the Synergetics board of directors, see THE SYNERGETICS SPECIAL MEETING Recommendation of the Synergetics Board of Directors beginning on page 41.

**Q: How do the Synergetics directors and executive officers intend to vote on the merger?**

A: All of the directors of Synergetics and certain of their affiliates have entered into a voting agreement with Valley Forge and Synergetics pursuant to which they have agreed to vote all of their respective shares of Synergetics common stock in favor of Synergetics proposal to approve the merger agreement and the merger.

At the close of business on May 2, 2005, the date of the merger agreement, such directors and their affiliates beneficially owned and were entitled to vote 650,088 shares of Synergetics common stock, collectively representing approximately 19% of the shares of Synergetics common stock outstanding on that date. As of the record date for the Synergetics special meeting, such directors and their affiliates beneficially owned and were entitled to vote [ ] shares of Synergetics common stock,

collectively representing approximately [ ]% of the shares of Synergetics common stock outstanding on that date.

**Q: Do any of the Synergetics directors and executive officers have any special interests in the merger?**

A: In considering the recommendation of the Synergetics board of directors with respect to the merger agreement and the merger, you should be aware that members of the Synergetics board of directors and Synergetics executive officers have interests in the Synergetics merger that may be different than, or in addition to, the interests of Synergetics shareholders generally. These interests include:

the appointment of two current directors of Synergetics as directors of New Synergetics upon completion of the merger, and the appointment of certain executive officers of Synergetics as executive officers of New Synergetics upon completion of the merger;

the execution of three-year employment agreements between New Synergetics and each of Gregg D. Scheller and Kurt W. Gampp, Jr., providing for, among other things, the receipt of severance payments if Mr. Scheller or Mr. Gampp, as the case may be, were to be terminated without cause by New Synergetics or if Mr. Scheller or Mr. Gampp, as the case may be, were to resign for good reason; and

the continued indemnification of, and provision of directors and officers insurance coverage to, current directors and officers of Synergetics following the merger.

The Synergetics board of directors was aware of these interests and considered them, among other matters, in making its recommendation that the Synergetics shareholders approve the merger agreement and the merger contemplated therein and the grant of discretionary authority to the Synergetics board of directors to adjourn or postpone the special meeting to a later date.

**Q: Who will be on the New Synergetics board of directors if we complete the merger?**

A: If Valley Forge and Synergetics complete the merger, subject to the approval of the Valley Forge shareholders, the seven director nominees set forth in this joint proxy statement/prospectus will be the members of the New Synergetics board of directors.

In addition, the New Synergetics organizational documents will provide for a classified board of directors consisting of three classes, as nearly equal in size as practicable, with three-year staggered terms. Class A directors will be comprised of Juanita H. Hinshaw and Robert H. Dick. Class B directors will be comprised of Larry C. Cardinale and [ ]. Class C directors will be comprised of Gregg D. Scheller, Kurt W. Gampp, Jr. and Jerry L. Malis. Class A directors will serve for an initial term of one year and for three-year terms thereafter, if re-elected. Class B directors will serve for an initial term of two years and three-year terms thereafter, if re-elected. Class C directors will serve for an initial term of three years and three-year terms thereafter, if re-elected.

Of the seven nominees for election to the board of directors of Valley Forge, Gregg D. Scheller, Kurt W. Gampp, Jr., Juanita H. Hinshaw and Larry C. Cardinale, if elected, will not join the board of Valley Forge until consummation of the merger. If the merger is not completed, Valley Forge will fill up to two vacancies on the board of directors in accordance with its governing documents and applicable law. Valley Forge has not yet selected the potential board members to fill any such vacancies.

**Q: What will happen if I abstain from voting or fail to vote?**

A: An abstention occurs when a shareholder attends a meeting, either in person or by proxy, but abstains from voting. An abstention or the failure of a Valley Forge shareholder to vote does not constitute a vote cast for purposes of any of the proposals submitted to the Valley Forge shareholders at the annual meeting.

Accordingly, an abstention or failure to vote has no effect on the votes related to any of the proposals submitted herein.

An abstention or the failure of a Synergetics shareholder to vote will have the same effect as voting AGAINST the proposal to approve and adopt the merger agreement and the merger contemplated by the merger agreement and the proposal to grant discretionary authority to the Synergetics board of directors to adjourn or postpone the special meeting to a later date.

**Q: Can I change my vote after I have delivered my proxy?**

A: Yes. If you are a holder of record, you can change your vote at any time before your proxy is voted at the applicable shareholders meeting. You can do this using any of the following methods:  
timely delivery by mail of a valid, subsequently-dated proxy;

delivery to the Secretary of your company before or at the applicable shareholders meeting of written notice revoking your proxy or of your intention to vote by ballot at the applicable shareholders meeting; or

submitting a vote by ballot at the applicable shareholders meeting.

If you have instructed a street name holder to vote your shares, you must follow the street name holder's directions in order to change those instructions.

**Q: What should I do if I receive more than one set of voting materials for my company's shareholders meeting?**

A: You may receive more than one set of voting materials for your company's shareholders meeting, including multiple copies of this joint proxy statement/prospectus and multiple proxy cards or voting instruction forms. For example, if you hold your shares in more than one brokerage account, you will receive a separate voting instruction form for each brokerage account in which you hold shares. If you are a holder of record and your shares are registered in more than one name or variations thereof, you will receive more than one proxy card. Please complete, sign, date and return each proxy card and voting instruction form that you receive.

**Q: Am I entitled to dissenters' rights?**

A: Under Missouri law, holders of Synergetics common stock have the right to dissent from the merger and demand payment in cash of the fair value of the shares of Synergetics held by the dissenting shareholder in lieu of the merger consideration. This right is commonly known as a dissenters' right. If the dissenting shareholder and surviving corporation do not agree on a fair value of the shares, a court of proper jurisdiction will determine the fair value of the shares upon the dissenting shareholder's petition, which could be more than, less than or equal to the value of the merger consideration. To exercise dissenters' rights, Synergetics shareholders must strictly follow the procedures prescribed by Section 351.455 of the General and Business Corporations Law of Missouri (the GBCLM). These procedures are summarized under the section entitled THE MERGER Dissenters' Rights beginning on page 60. In addition, the text of Section 351.455 of the GBCLM is attached as Annex F to this joint proxy statement/prospectus. The information in this joint proxy statement/prospectus is being provided to you to assist you in determining whether to exercise your dissenters' rights in connection with the merger. You should carefully read and consider the information included in this joint proxy statement/prospectus before making a decision. Any Synergetics shareholder wishing to exercise dissenters' rights is urged to consult with legal counsel before attempting to exercise those rights.

Holders of Valley Forge common stock are not entitled to dissenters' rights in connection with the issuance of Valley Forge common stock in the merger.

Neither Valley Forge shareholders nor Synergetics shareholders will have dissenters' rights in connection with the reincorporation merger.

**Q: Are there risks I should consider in deciding whether to vote for the merger?**

A: Yes. In evaluating the merger, you should carefully consider the factors discussed in the section entitled "RISK FACTORS" on page 23.

**Q: What do I need to do now?**

A: After carefully reading and considering the information contained in this joint proxy statement/prospectus, please fill out, date and sign your proxy card. Then, mail your signed proxy card in the enclosed postage-prepaid envelope as soon as possible so that your shares may be represented at the respective shareholders' meetings. If you do not include instructions on how to vote your properly signed proxy card, your shares will be voted "FOR" the approval of the proposals set forth in this joint proxy statement/prospectus.

**Q: What are the tax consequences to me of the merger?**

A: Synergetics shareholders should generally not recognize any gain or loss upon the receipt of the Valley Forge common stock in the merger under Section 368(a)(1)(A) and (a)(2)(E) of the Internal Revenue Code of 1986, as amended (the "Code"), except with respect to cash received in lieu of fractional shares. No gain or loss will be recognized by Synergetics, Valley Forge or Valley Forge shareholders as a result of the merger. Please read carefully the discussion in "THE MERGER - Material Federal Income Tax Consequences" beginning on page 57.

**Q: Should I send in my stock certificates now?**

A: No. American Stock Transfer & Trust Company, as exchange agent for this transaction, will send you written instructions on how to exchange your stock certificates as soon as practicable upon completion of the merger. You will be entitled to the rights of a Valley Forge shareholder upon consummation of the merger, even if you have not exchanged your stock certificates.

**Q: How do the rights of Valley Forge shareholders compare to those of Synergetics shareholders?**

A: The rights of Valley Forge shareholders are governed by Pennsylvania law and by Valley Forge's articles of incorporation and bylaws, while the rights of Synergetics shareholders are governed by Missouri law and Synergetics' certificate of incorporation and bylaws. If the reincorporation merger is approved, the rights of the shareholders of Valley Forge (or New Synergetics) will be governed by Delaware law and Valley Forge's (or New Synergetics') certificate of incorporation and bylaws. If the reincorporation merger is not approved, the rights of the shareholders of New Synergetics-Pennsylvania will be governed by Pennsylvania law and Valley Forge's existing articles of incorporation and bylaws, as may be amended in accordance with Valley Forge proposal two submitted herein. For a summary of significant differences between the rights of Valley Forge shareholders and Synergetics shareholders, see "COMPARISON OF RIGHTS OF HOLDERS AND CORPORATE GOVERNANCE MATTERS" beginning on page 135.

**Q: Why is Valley Forge proposing the reincorporation merger?**

A: The Valley Forge board of directors has determined that it is prudent to reincorporate under the laws of the State of Delaware because it is important for Valley Forge to be able to draw upon well-established principles of corporate governance in making legal and business decisions. The prominence and predictability of Delaware corporate law provides a reliable foundation on which our governance decisions can be based, and Valley Forge believes that its shareholders will benefit from the responsiveness of Delaware corporate law to their needs and the needs of the corporation they own.

**Q: What will I receive in the reincorporation merger?**

A: If Valley Forge completes the reincorporation merger, each share of Valley Forge common stock will be automatically converted into one share of VFSC Delaware, Inc., which is currently a wholly-owned subsidiary of Valley Forge, incorporated under the laws of the State of Delaware.

**Q: What are the United States federal income tax consequences of the reincorporation merger to me?**

A: The reincorporation merger will constitute a reorganization within the meaning of Section 368(a)(1)(F) of the Code. As a result, you will not recognize any gain or loss for United States federal income tax purposes as a result of the reincorporation merger.

**Q: When does Valley Forge expect to complete the reincorporation merger?**

A: If Valley Forge's shareholders approve the reincorporation merger, Valley Forge will complete the reincorporation merger on or about the time of completing the merger. If Valley Forge shareholders approve the reincorporation merger, but do not approve the issuance of shares of Valley Forge common stock to Synergetics shareholders as contemplated by the merger agreement, Valley Forge will complete the reincorporation as soon as practicable following the Valley Forge annual meeting.

**Q: Will the parties proceed with the merger if the Valley Forge shareholders do not approve the reincorporation merger?**

A: Under the terms of the merger agreement, the reincorporation of Valley Forge is required to complete the merger. If Valley Forge's shareholders approve the issuance of shares of Valley Forge common stock to Synergetics shareholders as contemplated by the merger agreement, but not the reincorporation merger, and the Synergetics shareholders approve the merger, the Synergetics board of directors must waive this condition in order for the merger to proceed, in which case Valley Forge will remain a Pennsylvania corporation.

**Q: Whom should I contact if I have questions about the merger?**

A: If you are a Synergetics shareholder and have questions about the merger, you should contact:

SYNERGETICS, INC.  
3845 Corporate Centre Drive  
St. Charles, Missouri 63304  
Phone Number: (636) 939-5100  
Attn: Pamela G. Boone, Chief Financial Officer

If you are a Valley Forge shareholder and have questions about the merger, you should contact:

VALLEY FORGE SCIENTIFIC CORP.  
136 Green Tree Road  
Suite 100  
Oaks, Pennsylvania 19456  
Phone Number: (610) 666-7500  
Attn: Investor Relations



## SUMMARY

*This summary highlights selected information from this joint proxy statement/prospectus and may not contain all of the information that is important to you. You should read carefully this joint proxy statement/prospectus and the description of your dissenters' rights as a Synergetics shareholder under Missouri law set forth in Annex F. In addition, we encourage you to read the information incorporated by reference into this joint proxy statement/prospectus, which includes important business and financial information about Valley Forge that has been filed with the SEC. You may obtain the information incorporated by reference into this joint proxy statement/prospectus without charge by following the instructions in the section of this joint proxy statement/prospectus entitled WHERE YOU CAN FIND MORE INFORMATION beginning on page 175. We have included page references parenthetically to direct you to more complete descriptions of the topics in this summary.*

### **The Companies**

#### ***Valley Forge***

Valley Forge Scientific Corp.  
136 Green Tree Road  
Suite 100  
Oaks, Pennsylvania 19456  
(610) 666-7500

Valley Forge, incorporated in Pennsylvania in March 1980, is a medical device company that develops, manufactures and sells medical devices for use in surgery and other healthcare applications. Valley Forge's core business is the sale of bipolar electrosurgical generators and other generators, based on its proprietary DualWave™ technology, and complementary instrumentation and disposable products.

Valley Forge's current line of bipolar electrosurgical products is used in neurosurgery and spine surgery and in dental applications. Valley Forge also recently commenced selling a lesion generator for the percutaneous treatment of pain.

For over 20 years, Valley Forge has had worldwide exclusive distribution agreements with Codman & Shurtleff, Inc. (Codman), a subsidiary of Johnson & Johnson, Inc., to market its bipolar electrosurgical systems and other products in the neurocranial and neurospinal fields. On October 15, 2004, Valley Forge entered into a new agreement with Codman defining their business relationship from October 1, 2004 to December 31, 2005. This agreement was amended effective March 1, 2005. On May 6, 2005, in accordance with the terms of the agreement, Valley Forge notified Codman that, effective July 15, 2005, Codman would be a nonexclusive worldwide distributor of Valley Forge's existing products in the fields of neurocranial and neurospinal surgery until December 31, 2005. Through July 15, 2005, Codman will continue to be the exclusive worldwide distributor of Valley Forge's products in those fields.

Valley Forge's website address is [www.vlfg.com](http://www.vlfg.com). The information on Valley Forge's website is not a part of this prospectus.

#### ***Synergetics***

Synergetics, Inc.  
3845 Corporate Centre Drive  
St. Charles, Missouri 63304  
(636) 939-5100

Synergetics, incorporated in Missouri in August 1991, is a medical device and distribution company that designs, manufactures and markets precision engineered microsurgical instruments for use in vitreoretinal surgery and neurosurgical applications. Vitreoretinal surgery is generally surgery performed on the most rearward portion of the eye surrounding the retina. Synergetics also develops and manufactures a

specialized line of ophthalmic products as well as a complementary line of precision crafted neurosurgical instruments, capital equipment and disposables.

Synergetics has developed its own in-house marketing and distribution capabilities, as well as a network of approximately 40 third-party distributors servicing approximately 70 countries.

Synergetics website address is [www.synergeticsusa.com](http://www.synergeticsusa.com). The information on Synergetics website is not a part of this prospectus.

## **The Merger**

### ***Merger Consideration***

On May 2, 2005, Valley Forge and Synergetics entered into a merger agreement under which a newly formed subsidiary of Valley Forge will merge with Synergetics and as a result, Synergetics will become a wholly-owned subsidiary of Valley Forge. The merger agreement was amended on June 2, 2005. A copy of the merger agreement, as amended, is included as Annex A to this joint proxy statement/prospectus. We encourage you to carefully read the merger agreement in its entirety because it is the legal document that governs the merger.

Pursuant to the merger, Synergetics shareholders will be entitled to receive an aggregate of 15,973,912 shares of Valley Forge common stock. Such shareholders will be entitled to receive cash for any fractional share of Valley Forge common stock that they would otherwise receive pursuant to the merger. Until the completion of the merger, the trading price of Valley Forge common stock could fluctuate. Because Synergetics shareholders will receive a fixed number of shares of Valley Forge common stock in the merger, the value of Valley Forge common stock such shareholders will receive could fluctuate as well. Therefore, Synergetics shareholders will not know the precise overall economic value of the merger consideration they will receive until the closing date of the merger.

At the completion of the merger, each outstanding option to purchase Synergetics common stock will be assumed by Valley Forge and converted into options to acquire Valley Forge common stock. Pursuant to the terms of the Synergetics Incentive Stock Option Plan, 18,500 options of the 37,500 options to purchase shares of Synergetics common stock assumed by Valley Forge will be vested at the completion of the merger.

For ease of reference, when we refer to Valley Forge throughout this joint proxy statement/prospectus, we are referring to Valley Forge Scientific Corp. as a Pennsylvania corporation. When we specifically refer to the Delaware successor to Valley Forge Scientific Corp. following the reincorporation merger for which approval of the Valley Forge shareholders is being solicited, or the combined company generally, we will refer to New Synergetics. When we describe information unique to the combined company as a Pennsylvania corporation, in the case that the Valley Forge shareholders do not approve the reincorporation merger, and the Synergetics board waives such condition to the merger, we will refer to the combined company as New Synergetics-Pennsylvania.

### ***Vote Required (see pages 35 and 40)***

The affirmative vote of the holders of a majority of the shares of Valley Forge common stock represented and voting at the annual meeting is required to approve the proposal to issue the shares of Valley Forge common stock to the Synergetics shareholders as contemplated by the merger agreement, provided a quorum is present. As of [ ], 2005, the record date for the annual meeting, directors and executive officers of Valley Forge and their respective affiliates were entitled to vote [ ] shares of Valley Forge common stock, collectively representing [ ]% of the shares of Valley Forge common stock outstanding on that date.

The affirmative vote of the holders of two-thirds of the shares of Synergetics common stock entitled to vote at the Synergetics special meeting is required to approve and adopt the merger agreement and the merger contemplated by the merger agreement. As of [ ], 2005, the record date for the

Synergetics special meeting, directors and executive officers of Synergetics and their respective affiliates were entitled to vote [ ] shares of Synergetics common stock, collectively representing [ ]% of the shares of Synergetics common stock outstanding on that date.

***Ownership of Valley Forge Following the Merger (see page 62)***

Synergetics shareholders will receive an aggregate of 15,973,912 shares of Valley Forge common stock pursuant to the merger, or approximately 66% of the fully diluted total number of shares of Valley Forge common stock outstanding following the merger, based on the number of shares of Valley Forge common stock outstanding on May 2, 2005.

***Valley Forge Board of Directors after the Merger (see page 69)***

Upon the completion of the merger, the Valley Forge board of directors will be increased to seven members. Subject to the approval of Valley Forge shareholders, the directors of Valley Forge after the merger will be as follows: (i) Juanita H. Hinshaw and Robert H. Dick will serve as Class A directors until the next annual meeting of New Synergetics shareholders; (ii) Larry C. Cardinale and [ ] will serve as Class B directors until the annual meeting of New Synergetics shareholders in 2007; and Jerry L. Malis, President and Chief Executive Officer of Valley Forge, Gregg D. Scheller, President and Chief Executive Officer of Synergetics, and Kurt W. Gampp, Jr., Chief Operating Officer of Synergetics, will serve as Class C directors until the annual meeting of New Synergetics shareholders in 2008.

Of the seven nominees for election to the board of directors of Valley Forge, Gregg D. Scheller, Kurt W. Gampp, Jr., Juanita H. Hinshaw and Larry C. Cardinale, if elected, will not join the board of Valley Forge until consummation of the merger.

***Interests of Valley Forge Directors and Executive Officers in the Merger (see page 55)***

Certain directors and Jerry L. Malis, President and Chief Executive Officer of Valley Forge, have interests in the merger as directors or executive officers that are different from, or in addition to, those of Valley Forge shareholders generally. If Valley Forge completes the merger, certain indemnification arrangements for current directors and executive officers of Valley Forge will be continued and it is anticipated that certain directors and Mr. Malis will be retained as directors and an executive officer of New Synergetics. In addition, Mr. Malis will enter into a three-year employment agreement with New Synergetics and Dr. Leonard I. Malis will receive \$4,157,504 over a period of approximately six years in connection with the exercise of an option granted to Valley Forge to purchase the Malis® trademark, which payment will be evidenced by a promissory note secured by a security interest in the trademark and certain patents. It is a condition to the completion of the merger that Valley Forge exercises this option before the closing.

***Interests of Synergetics Directors and Executive Officers in the Merger (see page 55)***

Certain directors and executive officers of Synergetics have interests in the merger as directors or executive officers that are different from, or in addition to, those of Synergetics shareholders generally. If Synergetics completes the merger, certain indemnification arrangements for current directors and executive officers of Synergetics will be continued, and it is anticipated that certain directors and executive officers of Synergetics will be retained as directors and executive officers of New Synergetics. In addition, Gregg D. Scheller and Kurt W. Gampp, Jr. will enter into three-year employment agreements with New Synergetics.

***Material Federal Income Tax Consequences (see page 57)***

We have structured the merger so that, in general, no gain or loss will be recognized by Synergetics shareholders for United States federal income tax purposes on the exchange of shares of Synergetics common stock for shares of Valley Forge common stock under Section 368(a)(1)(A) and (a)(2)(E) of the Code. Synergetics shareholders, however, will recognize gain for United States federal income tax

purposes on any cash received in lieu of fractional shares. Synergetics must receive a legal opinion to this effect as a condition to the closing of the merger. The legal opinion will not opine on the effect of the reincorporation merger of Valley Forge under Section 368(a)(1)(F) of the Code and will specifically except out any effect that the reincorporation merger will have on the merger under Section 368(a)(1)(A) and (a)(2)(E) of the Code.

Tax matters are very complicated, and the tax consequences of the merger to Synergetics shareholders will depend on the facts of their own situations. Synergetics shareholders should read carefully the discussion in the section entitled **THE MERGER** Material United States Federal Income Tax Considerations beginning on page 57 and to consult their own tax advisors for a full understanding of the specific tax consequences of the merger to them.

***Accounting Treatment (see page 59)***

The transaction described in this joint proxy statement/ prospectus will be accounted for as a purchase, as that term is used under generally accepted accounting principles, commonly referred to as GAAP, for accounting and financial reporting purposes. Valley Forge will be treated as the acquired corporation for these purposes. Valley Forge's assets, liabilities and other items will be adjusted to their fair value with fair value of the acquired corporation determined based on the quoted market price of Valley Forge's common stock for a reasonable period before and after the date that the terms of the acquisition were agreed to and announced and combined with the historical carrying values of the assets and liabilities of Synergetics. Applicable income tax effects of these adjustments will be included as a component of the combined company's deferred tax asset or liability. Goodwill and intangible assets that have indefinite useful lives resulting from this transaction will be reported as long-term assets subject to annual impairment reviews.

***Regulatory Approvals (see page 59)***

Other than the filing of a certificate of merger under Delaware law and Missouri law with respect to the merger, Valley Forge and Synergetics do not believe that any additional material government filings are required with respect to the merger.

***Dissenters' Rights (see page 60)***

Under Missouri law, Synergetics shareholders who dissent from the merger and comply with the procedural requirements of Section 351.455 of the GBCLM, more fully described under the section entitled **THE MERGER** Dissenters' Rights beginning on page 60, may demand payment in cash of the fair value of their shares of Synergetics common stock in lieu of the merger consideration. These rights are commonly known as dissenters' rights. If the dissenting shareholder and surviving corporation do not agree on a fair value of the shares, a court of proper jurisdiction will determine the fair value upon the dissenting shareholder's petition, which could be more than, less than or equal to the value of the merger consideration. Dissenting shareholders lose their dissenters' rights if they fail to follow all of the procedures required by Section 351.455 of the GBCLM. In addition to reviewing the information on page 60 concerning these rights, shareholders wishing to exercise their dissenters' rights should read Section 351.455 of the GBCLM, attached as Annex F, and are urged to consult with legal counsel before exercising their rights.

***Conditions to Completion of the Merger (see page 70)***

A number of conditions must be satisfied before the merger will be completed. These include among others: the approval of the issuance of shares of Valley Forge common stock to the Synergetics shareholders as contemplated by the merger agreement by the Valley Forge shareholders, and the approval and adoption of the merger agreement and the merger contemplated by the merger agreement by the Synergetics shareholders;

the SEC must have declared this registration statement effective;

the absence of any legal restraints or prohibitions preventing the completion of the merger;

the continued authorization for listing on the Nasdaq SmallCap Market of the shares of Valley Forge common stock to be issued in the merger;

the delivery to Synergetics of a tax opinion of legal counsel to the effect that the merger will qualify as a reorganization within the meaning of Section 368(a)(1)(A) and (a)(2)(E) of the Code;

the nominees for the Valley Forge board of directors as set forth in this joint proxy statement/prospectus shall have been properly elected by the Valley Forge shareholders;

the representations and warranties of each party contained in the merger agreement being true and correct, except to the extent that breaches of these representations and warranties would not result in a material adverse effect on the representing party;

the performance or compliance in all material respects of each party with all agreements and covenants contained in the merger agreement at the completion of the merger; and

the absence of events or developments since the date of the merger agreement that would reasonably be expected to have a material adverse effect with respect to either party.

Each of Valley Forge, MergerSub and Synergetics may waive certain of the conditions to the performance of its respective obligations under the merger agreement and complete the merger even though one or more of these conditions has not been met. Neither Valley Forge nor Synergetics can give any assurance that all of the conditions to the merger will be either satisfied or waived or that the merger will occur.

***Termination of the Merger Agreement (see page 73)***

Under the circumstances specified in the merger agreement, either Valley Forge or Synergetics may terminate the merger agreement. Subject to the limitations set forth in the merger agreement, the circumstances generally include if: there is mutual written consent of Valley Forge and Synergetics;

the merger is not completed by September 30, 2005, provided that neither party may terminate the merger agreement if its breach precluded the consummation of the merger;

the required approval of the shareholders of each of Valley Forge and Synergetics has not been obtained at their respective shareholders meetings;

the other party materially breaches its representations or warranties in the merger agreement;

the other party fails to satisfy any of the conditions specified in the merger agreement by September 30, 2005; or

the other party fails to perform or comply with any material covenant or agreement contained in the merger agreement and such failure is not cured within 30 days after receiving written notice of such failure.

***Break-Up Fee (see page 73)***

If, under certain limited circumstances specified in the merger agreement, either Valley Forge or Synergetics desires to terminate the merger agreement, the other party may be required to pay the terminating party a break-up fee of \$1,000,000.



***Valley Forge Common Stock is Freely Transferable by Non-Affiliates (see page 60)***

Valley Forge common stock issued in the merger will be freely transferable by Synergetics shareholders immediately following the merger unless a shareholder is deemed to be an affiliate of Synergetics under applicable federal securities laws. Generally, affiliates include directors, executive officers and persons holding more than 10% of Synergetics outstanding stock. In addition, certain affiliates of Synergetics will be subject to contractual transfer restrictions as provided in the shareholders agreement.

***Reasons for the Merger (see page 46)***

The boards of directors of Valley Forge and Synergetics believe that by combining the complementary, non-overlapping product lines and distribution networks of the two companies, New Synergetics can generate improved long-term operating and financial results and establish a stronger competitive position in the industry. The boards further believe that the combination of Synergetics unique capabilities in design and manufacture of microsurgical hand instruments and Valley Forge's unique capabilities in medical electronics will provide New Synergetics with the ability to broaden the markets for products of both entities and increase the penetration in existing markets. Each of the boards of directors of Valley Forge and Synergetics has identified additional potential mutual benefits of the merger that they believe will contribute to the success of New Synergetics. These potential benefits include principally the following:

the merger's resultant combined technologies, including technology bases in power generation, bipolar delivery systems, waveform technology, finely machined hand tools, illumination systems and lasers, will open access to applications in other surgical and microsurgical fields;

the combination of research and development teams will provide a greater depth of experience, knowledge and resources and will lessen our dependence on outside sources; and

the creation of a larger sales and service organization worldwide, including our distribution partners, the expansion of the companies' dedicated sales teams and a higher profile with customers, presenting greater opportunities for marketing the products of New Synergetics.

Valley Forge and Synergetics have each identified additional reasons for the merger, which are discussed below. See THE MERGER Joint Reasons for the Merger, THE MERGER Additional Valley Forge Reasons for the Merger and THE MERGER Additional Synergetics Reasons for the Merger.

***Opinion of Valley Forge Financial Advisor (see page 49)***

Valley Forge's financial advisor delivered to the Valley Forge board of directors an opinion that, based upon and subject to the considerations and assumptions contained in the opinion, the consideration to be paid to Synergetics shareholders pursuant to the merger transaction is fair from a financial point of view to the Valley Forge shareholders. The opinion is attached to this joint proxy statement/prospectus as Annex E. The opinion was provided for the information and assistance of the Valley Forge board of directors in connection with its consideration of the merger and is not a recommendation as to how any holder of Valley Forge common stock should vote.

***Summary Selected Historical Financial Data of Valley Forge***

The following tables summarize Valley Forge's consolidated financial data. The statement of operations data for the years ended September 30, 2004, 2003 and 2002 and the balance sheet data as of September 30, 2004 and 2003 have been derived from audited consolidated financial statements included elsewhere in this joint proxy statement/prospectus. The consolidated statement of operations for the years ended September 30, 2001 and 2000 and the balance sheet data as of September 30, 2002, 2001 and 2000 have been derived from audited consolidated financial statements that are not included in this joint proxy statement/prospectus, but are available upon request. The financial data at March 31, 2005 and for the six

months ended March 31, 2005 and 2004 are derived from unaudited consolidated financial statements included elsewhere in this joint proxy statement/prospectus and, in the opinion of Valley Forge's management, include all necessary adjustments for a fair presentation of those data in conformity with GAAP. The historical results are not necessarily indicative of the results of operations to be expected in the future. Results for the six-month period ended March 31, 2005 may not be indicative of the results for the full fiscal year or for any other future period. You should read the summary consolidated financial data together with the consolidated financial statements and related notes of Valley Forge and the other financial information of Valley Forge included in this joint proxy statement/prospectus and incorporated by reference in this joint proxy statement/prospectus, as well as VALLEY FORGE MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS beginning on page 117.

	Fiscal Year-Ended September 30,					Six Months Ended March 31,	
	2004	2003	2002	2001	2000	2005	2004
(In thousands, except per share data)							
<b>Statements of Operations Data:</b>							
Net sales	\$ 4,756	\$ 4,474	\$ 5,022	\$ 5,263	\$ 4,398	\$ 3,228	\$ 2,332
Cost of sales	2,316	2,265	2,463	2,692	2,443	1,483	1,067
Gross profit	2,440	2,209	2,559	2,571	1,955	1,746	1,265
Income (loss) from operations	178	155	632	486	(111)	376	135
Net income (loss)	111	109	381	330	(54)	139	81
Earnings (loss) per common share from continuing operations:							
Basic	\$ 0.01	\$ 0.01	\$ 0.05	\$ 0.04	\$ (0.01)	\$ 0.02	\$ 0.01
Diluted	\$ 0.01	\$ 0.01	\$ 0.05	\$ 0.04	\$ (0.01)	\$ 0.02	\$ 0.01

	September 30,					March 31,
	2004	2003	2002	2001	2000	2005
(In thousands)						
<b>Balance Sheets Data:</b>						
Cash and cash equivalents	\$ 2,323	\$ 2,306	\$ 2,544	\$ 1,501	\$ 965	\$ 2,647
Current assets	3,977	3,777	3,982	3,517	3,094	4,500
Total assets	4,523	4,374	4,570	4,171	3,852	5,061
Current liabilities	258	216	353	283	182	657
Long-term liabilities	16	20	14	19	21	15
Retained earnings (deficit)	721	609	501	120	(210)	860
Stockholders' equity	4,249	4,138	4,202	3,869	3,649	4,388

**Summary Selected Historical Financial Data of Synergetics**

The following tables summarize Synergetics' consolidated financial data. The statements of income data for the years ended July 31, 2004, 2003 and 2002 and the balance sheets data as of July 31, 2004 and 2003 have been derived from audited consolidated financial statements included elsewhere in this joint proxy statement/prospectus. The consolidated statements of income for the years ended July 31, 2001 and 2000 and the balance sheets data as of July 31, 2002, 2001 and 2000 have been derived from audited consolidated financial statements that are not included



in this joint proxy statement/ prospectus. The financial data at January 31, 2005 and for the six months ended January 31, 2005 and 2004 are derived from unaudited condensed consolidated financial statements included elsewhere in this joint proxy statement/ prospectus and, in the opinion of Synergetics management, include all necessary adjustments for a fair presentation of those data in conformity with GAAP. The historical results are not necessarily indicative of the results of operations to be expected in the future. Results for the six-month period ended

January 31, 2005 may not be indicative of the results for the full fiscal year or for any other future period. You should read the summary consolidated financial data together with the audited consolidated financial statements, unaudited condensed consolidated financial statements and related notes thereto of Synergetics appearing elsewhere in this prospectus, as well as SYNERGETICS MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS beginning on page 93 and the other financial information of Synergetics included elsewhere in this joint proxy statement/ prospectus.

	Fiscal Year-Ended July 31,					Six Months Ended January 31,	
	2004	2003	2002	2001	2000	2005	2004
(In thousands except per share data)							
<b>Statements of Income Data:</b>							
Net sales	\$ 16,887	\$ 13,017	\$ 10,447	\$ 8,315	\$ 7,103	\$ 10,322	\$ 7,524
Cost of sales	6,514	4,483	3,609	3,853	3,097	3,675	3,240
Gross profit	10,373	8,534	6,838	4,462	4,007	6,646	4,284
Income from operations	1,690	1,866	1,572	251	925	1,348	557
Net income	1,094	1,091	1,004	113	583	795	338
Earnings per common share:							
Basic	\$ 0.32	\$ 0.32	\$ 0.31			\$ 0.23	\$ 0.10
Diluted	\$ 0.32	\$ 0.32	\$ 0.31			\$ 0.23	\$ 0.10

	July 31,					January 31,
	2004	2003	2002	2001	2000	2005
(In thousands)						
<b>Balance Sheets Data:</b>						
Cash and cash equivalents	\$ 1,540	\$ 1,049	\$ 943	\$ 1,249	\$ 1,659	\$ 817
Current assets	9,563	7,709	5,920	4,980	4,695	10,637
Total assets	14,474	12,254	7,724	6,144	6,326	15,567
Current liabilities	2,862	1,687	1,396	1,724	788	2,719
Long-term liabilities	3,113	3,251	254	234	1,353	3,554
Retained earnings	3,944	2,851	1,760	756	644	4,739
Stockholders' equity	8,499	7,316	6,074	4,185	4,184	9,294

#### Selected Unaudited Consolidated Pro Forma Combined Financial Data

The following selected unaudited pro forma financial information is presented for illustrative purposes only and is not necessarily indicative of (i) results of operations and financial position that would have been achieved if Valley Forge and Synergetics had been merged or (ii) the future operations of the combined company. The following table should be relied on only for the limited purpose of presenting what the results of operations and financial position of the combined businesses of Valley Forge and Synergetics might have looked like had the merger taken place at an earlier date. For a discussion of the assumptions and adjustments made in the preparation of the pro forma financial information presented in this joint proxy/prospectus statement, see the section captioned UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS beginning on page 76. The selected unaudited pro forma condensed combined financial data should be read in conjunction with the consolidated financial statements of Valley Forge and Synergetics and other information filed by Valley Forge and Synergetics with the SEC included elsewhere

in, and incorporated by reference into, this joint

proxy statement/ prospectus. See WHERE YOU CAN FIND MORE INFORMATION beginning on page 175.

The following selected unaudited pro forma condensed combined financial data for the statement of income dates gives effect to the merger as if it had occurred as of the beginning of the periods presented. The selected unaudited pro forma condensed combined financial data for the balance sheet gives effect to the merger as if it had occurred as of the balance sheet dates presented.

<b>Six Months Periods Ended</b>	<b>Years Ended</b>
<b>January 31, 2005 and March 31, 2005</b>	<b>July 31, 2004 and September 30, 2004</b>

(In thousands, except per share data)

**Statements of Income Data:**

Income from operations	\$ 1,666	\$ 1,636
Earnings per common share from continuing operations		
Basic	\$ 0.03	\$ 0.04
Diluted	\$ 0.03	\$ 0.04

**January 31,  
2005 and  
March 31, 2005**

(In thousands)

**Balance Sheet Data:**

Current assets	\$ 15,187
Total assets	39,822
Current liabilities	3,786
Long-term liabilities	8,369
Shareholders' equity	27,667

**Comparative Per Share Data**

The following table presents net income and book value per share data for Valley Forge and Synergetics on (i) a historical basis and (ii) a pro forma combined basis per share of Valley Forge common stock, giving effect to the merger.

The following information should be read in conjunction with (i) the historical consolidated financial statements and related notes of Valley Forge and Synergetics included elsewhere in, and incorporated by reference into, this joint proxy/prospectus statement and (ii) the unaudited pro forma condensed combined financial statements and the accompanying notes in the section captioned UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS beginning on page 76. The pro forma financial information is presented for illustrative purposes only and is not necessarily indicative of the results of operations that would have resulted if the merger had been completed as of the assumed dates or of the results that will be achieved in the future. The annual periods referred to below are fiscal year ended July 31, 2004 for Synergetics and fiscal year ended September 30, 2004 for Valley



Forge. The interim periods referred to below are six months ended January 31, 2005 for Synergetics and six months ended March 31, 2005 for Valley Forge.

	Historical Synergetics	Historical Valley Forge	Pro Forma Combined	Pro Forma Equivalent of One Synergetics Share(1)
Earnings per common share				
Basic:				
Annual periods	\$ 0.32	\$ 0.01	\$ 0.04	\$ 0.18
Interim periods	0.23	0.02	0.03	0.14
Earnings per common share				
Diluted:				
Annual periods	\$ 0.32	\$ 0.01	\$ 0.04	\$ 0.18
Interim periods	0.23	0.02	0.03	0.14
Book value of equity per common share:				
End of annual periods	\$ 2.43	\$ 0.54	\$ 1.12	\$ 5.15
End of interim periods	2.66	0.55	1.16	5.34
Dividends declared per common share:				
Annual periods	\$	\$	\$	
Interim periods				
Weighted average outstanding common shares Basic:				
Annual periods	3,401,184	7,913,712	23,887,624	
Interim periods	3,412,614	7,913,712	23,887,624	
Weighted average outstanding common shares Diluted:				
Annual periods	3,413,866	7,976,833	23,950,745	
Interim periods	3,425,295	7,967,048	23,940,960	

(1) The pro forma equivalent of Synergetics share amounts were calculated by applying the exchange ratio of approximately 4.6 to the pro forma combined net earnings and book value per share assuming the issuance of 15,973,912 shares of Valley Forge common stock.

#### Market Price and Dividend Information

Valley Forge common stock is listed on the Boston Stock Exchange under the trading symbol VLF and traded on the over-the-counter market on the Nasdaq SmallCap Market under the trading symbol VLFG. On May 2, 2005, the last full trading day before the public announcement of the proposed merger, the last reported sale price of one share of Valley Forge common stock, as reported on Nasdaq, was \$1.87. On [ ], 2005, the last day for which information was available before the date of this joint proxy statement/ prospectus, the last reported sale price of one share of Valley Forge common stock, as reported on Nasdaq, was \$[ ]. Synergetics is unable to provide information with respect to the market price of shares of Synergetics common stock, and the equivalent per share market prices of Valley Forge common stock have been omitted, because there is no trading market for shares of Synergetics common stock.

Valley Forge has not paid dividends to date and does not anticipate paying any dividends on its common stock in the foreseeable future. Synergetics has never paid a cash dividend on its common stock.

### **SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This joint proxy statement/ prospectus contains and incorporates by reference forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations, business strategies, competitive positions, growth opportunities for existing products and plans and objectives of management of Valley Forge and Synergetics, as well as the market for Valley Forge common stock and other matters. Statements in this joint proxy statement/ prospectus that are not historical facts are hereby identified as forward-looking statements for the purpose of the safe harbor provided by Section 21E of the Exchange Act and Section 27A of the Securities Act. These forward-looking statements, including those relating to the future business prospects, revenues and income of Valley Forge and Synergetics, wherever they occur in this joint proxy statement/ prospectus, are necessarily estimates reflecting the judgment of the management of Valley Forge and Synergetics and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. These forward-looking statements should, therefore, be considered in light of various important factors, including those contained or incorporated by reference in this joint proxy statement/ prospectus.

Words such as estimate, project, plan, intend, expect, believe and similar expressions are intended to identify forward-looking statements. These forward-looking statements are found at various places throughout this joint proxy statement/ prospectus and the other documents incorporated by reference, including the Annual Report on Form 10-K for the year ended September 30, 2004 of Valley Forge. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this joint proxy statement/ prospectus. The forward-looking statements included in this joint proxy statement/ prospectus are made only as of the date hereof. Except as required under United States federal securities laws and the rules and regulations of the SEC, we do not undertake any obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this joint proxy statement/ prospectus or to reflect the occurrence of unanticipated events.

The risks, uncertainties and assumptions that are involved in these forward-looking statements include those risks and uncertainties described in **RISK FACTORS** beginning on page 23 of this joint proxy statement/ prospectus. Those risks are representative of the risks, uncertainties and assumptions that could cause actual outcomes and results to differ materially from what is expressed or forecast in forward-looking statements.

In addition to the risk factors identified elsewhere, important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include, without limitation: the effects of local and national economic, credit and capital market conditions on the economy in general, and on the medical device industry in particular, and the effects of foreign exchange rates and interest rates;

the ability to obtain the approvals of each company's shareholders, to obtain or meet the closing conditions in the merger agreement, and to otherwise complete the merger in a timely manner;

the ability to timely and cost-effectively integrate the operations and management of Valley Forge and Synergetics;

the ability to realize the synergies and other perceived advantages resulting from the merger;

the ability to retain and attract key personnel both before and after the merger;

the ability of each company to successfully execute its business strategies;

the extent and timing of market acceptance of new products or product indications;

the ability of each company to procure, maintain, enforce and defend its patents and proprietary rights;





changes in laws, including increased tax rates, regulations or accounting standards, third-party relations and approvals, and decisions of courts, regulators and governmental bodies;

the ability of the combined company to continue to increase customer loyalty;

the ability to recoup costs of capital investments through higher revenues;

environmental restrictions, soil and water conditions, weather and other hazards, site access matters and building permit issues;

the effects of environmental and structural building conditions relating to our properties;

acts of war or terrorism incidents; and

the effects of operating and market competition.

## RISK FACTORS

*In determining whether to vote for approval of the issuance of shares of Valley Forge common stock to Synergetics shareholders as contemplated by the merger agreement (including the related Valley Forge proposals described in this joint proxy statement/prospectus), in the case of Valley Forge shareholders, or for approval and adoption of the merger agreement and the merger contemplated by the merger agreement or whether to exercise dissenters' rights in connection with the merger, in the case of Synergetics shareholders, you should consider carefully the matters described below and the other information included and incorporated by reference in this joint proxy statement/prospectus, including the risk factors and other considerations set forth in the reports and documents filed by Valley Forge with the SEC. See INFORMATION INCORPORATED BY REFERENCE on page 175.*

### **Risks Relating to the Merger**

***The issuance of shares of Valley Forge common stock to Synergetics shareholders in the merger will cause a significant reduction in the relative percentage interest of current Synergetics' shareholders in earnings of the combined company relative to the comparable earnings of Synergetics as of the date of the merger agreement.***

If the merger is completed, an aggregate of 15,973,912 shares of Valley Forge common stock will be issued to Synergetics shareholders. Current Valley Forge shareholders will own, in the aggregate, approximately 34% of the fully diluted shares of common stock of the combined company immediately after the merger, and the current Synergetics shareholders will own, in the aggregate, approximately 66% of the fully diluted shares of common stock of the combined company immediately after the merger. Synergetics' contribution to the combined company's earnings as a percentage of total pro forma earnings giving effect to the merger will be substantially greater than the aggregate percentage interest of the Synergetics shareholders in the combined company's outstanding shares following the merger. The long-term effect of this dilution to Synergetics shareholders following completion of the merger will be dependent, in part, on whether New Synergetics will be able to increase earnings beyond the level of the combined historical earnings of Valley Forge and Synergetics.

***The number of shares of Valley Forge common stock to be received by Synergetics shareholders in the merger is fixed and will not be adjusted in the event of any change in stock price.***

Upon completion of the merger, the outstanding shares of Synergetics common stock will be converted into the right to receive an aggregate of 15,973,912 shares of Valley Forge common stock. The market value of Valley Forge common stock has varied since Valley Forge and Synergetics entered into the merger agreement and will continue to vary in the future due to changes in the business, operations or prospects of Valley Forge and Synergetics, market assessments of the merger, market and economic considerations and other factors. There will be no adjustment to the number of shares of Valley Forge common stock to be issued to Synergetics shareholders to reflect changes in the market price of Valley Forge common stock, changes in the operations of Valley Forge or Synergetics following the execution of the merger agreement or any other changes, except for any adjustment that may be necessary to reflect the effect of any stock split or other recapitalization of Valley Forge common stock or Synergetics common stock. The dollar value of Valley Forge common stock that Synergetics shareholders will receive upon completion of the merger will depend on the market value of Valley Forge common stock at the time of completion of the merger, which may be different from, and lower than, the closing price of Valley Forge common stock as of the date of this joint proxy statement/prospectus.

***The issuance of shares of Valley Forge common stock to Synergetics shareholders in the merger will substantially reduce the percentage interests of Valley Forge shareholders.***

If the merger is completed, an aggregate of 15,973,912 shares of Valley Forge common stock will be issued to Synergetics shareholders and, upon exercise of assumed options, up to 172,267 shares will be issued to holders of assumed options. Based on the number of shares of Valley Forge common stock

outstanding as of the date of the merger agreement, Synergetics shareholders will own, in the aggregate, approximately 66% of the fully diluted shares of Valley Forge common stock immediately after the merger. The issuance of approximately up to 16,146,180 shares of Valley Forge common stock to Synergetics shareholders and holders of assumed options will cause a significant reduction in the relative percentage interest of current Valley Forge shareholders in the total outstanding shares of Valley Forge common stock. Consequently, current Valley Forge shareholders may be able to exercise less influence over the management and policies of the combined company than they presently exercise over the management and policies of Valley Forge.

***Before the closing of the merger Valley Forge will be required to submit an initial listing application to Nasdaq and meet, on a post-merger basis, all initial inclusion criteria on the Nasdaq SmallCap Market.***

Valley Forge's common stock is currently traded on the Nasdaq SmallCap Market. Nasdaq has advised Valley Forge that it considers the proposed merger with Synergetics to be a Reverse Merger under Nasdaq's Marketplace Rules. Based on this conclusion, Nasdaq has advised Valley Forge that before the closing of the merger Valley Forge will be required to submit an initial listing application to Nasdaq and after the merger it will be required to meet all initial inclusion criteria on the Nasdaq SmallCap Market. Nasdaq has advised Valley Forge that failure to satisfy these requirements after the closing of the merger will result in a delisting of Valley Forge's common stock from the Nasdaq SmallCap Market. The criteria for initial inclusion of the post-merger Valley Forge common stock includes, among other things:

a closing bid price of at least \$4.00 per share;

Valley Forge's satisfaction after the merger of either \$5 million stockholders' equity, \$50 million market value of listed securities, or \$750,000 net income from continuing operations; and

satisfaction of all independent director and committee requirements.

Valley Forge expects to be able to meet the criteria for initial inclusion, but cannot guarantee that it will be able to do so. If Valley Forge does not satisfy these initial listing criteria, then Valley Forge's common stock will be delisted from the Nasdaq SmallCap Market, which would result in less liquidity for the New Synergetics shareholders following the merger and could negatively impact investors' perceptions of New Synergetics in the financial markets.

***If Valley Forge and Synergetics are not successful in integrating their organizations, the anticipated benefits of the transaction may not be realized.***

If Valley Forge, Synergetics and the shareholders of the combined company are to realize the anticipated benefits of the transaction, the operations of Valley Forge and Synergetics must be integrated efficiently. The combination of two independent companies is a complex, costly and time-consuming process. This process may disrupt the business of either or both of the companies and may not result in all of the benefits expected by Valley Forge or Synergetics. Neither can assure you that the integration of operations and management will be successful or that the anticipated benefits of the merger will be fully realized. Further, Valley Forge cannot guarantee that the Synergetics shareholders will achieve greater value through their ownership of Valley Forge common stock than they would have achieved as shareholders of Synergetics as a separate entity.

The difficulties of combining the operations of the companies include, among others:

developing a strategic vision for New Synergetics, communicating it to the market and executing on this strategic vision;

rapidly and successfully integrating Valley Forge's products into the existing Synergetics' distribution channels while simultaneously launching the new generation Valley Forge multifunctional bipolar electrosurgical generator;

coordinating and harmonizing research and development activities to accelerate introduction of new products and technologies, and to react more quickly to market conditions, all at a reduced cost;



preserving customer, distribution, reseller, manufacturing, supplier, marketing and other important relationships of both Valley Forge and Synergetics and resolving any potential conflicts that may arise;

coordinating sales and marketing functions, particularly in the neurosurgery market;

retaining and attracting key employees;

managing the diversion of management's attention from ongoing business concerns;

consolidating operations, including rationalizing corporate information technology and administrative infrastructures; and

coordinating geographically separate organizations.

As a result of these integration efforts, New Synergetics may incur substantial costs, and its revenues and the value of its common stock may decrease.

***If the proposed merger is not completed, Valley Forge and Synergetics will have incurred substantial costs that may adversely affect Valley Forge's and Synergetics' financial results and operations and the value of Valley Forge's common stock.***

Valley Forge and Synergetics have incurred and will incur substantial costs in connection with the proposed merger. These costs are primarily associated with the fees of attorneys, accountants, printers and Valley Forge's financial advisor. In addition, Valley Forge and Synergetics have each diverted significant management resources in an effort to complete the merger and are each subject to restrictions contained in the merger agreement on the conduct of their businesses. If the merger is not completed, Valley Forge and Synergetics will have received little or no benefit to offset these substantial costs. Also, if the merger is not completed under certain circumstances specified in the merger agreement, Valley Forge or Synergetics may be required to pay the other a break-up fee of \$1,000,000.

In addition, if the merger is not completed, Valley Forge and Synergetics may experience negative reactions from the financial markets and Valley Forge's and Synergetics' collaborative partners, customers and employees. Each of these