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## BASIC AMENDMENT

VANGUARD MEDICAL CONCEPTS, INC.

Certificate of Status	1
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**AMENDED AND RESTATED  
ARTICLES OF INCORPORATION  
OF  
VANGUARD MEDICAL CONCEPTS, INC.**

Pursuant to the provisions of Sections 607.1006 and 607.1007, Florida Statutes, VANGUARD MEDICAL CONCEPTS, INC., does hereby adopt the following Amended and Restated Articles of Incorporation.

The undersigned, president of VANGUARD MEDICAL CONCEPTS, INC., does hereby certify that the board of directors, on September 17 2001, adopted all Amendments provided for herein. The undersigned further certifies that, on September 21, 2001, the shareholders of this Corporation approved the Amendments and the number of votes cast in favor of the Amendments was sufficient for approval.

**ARTICLE I. NAME**

The name of this Corporation shall be: VANGUARD MEDICAL CONCEPTS, INC.

**ARTICLE II. NATURE OF BUSINESS**

The general nature of the business of this Corporation shall be to reprocess medical devices and to engage in any lawful act or activity for which corporations may be organized under the Florida Business Corporation Act.

**ARTICLE III. CAPITAL STOCK**

3.1 **Authorized Capital Stock:** The total number of shares of stock which the Corporation has authority to issue is 13,500,000, consisting of:

- (a) 1,500,000 shares of Class A Preferred Stock, par value \$0.01 per share (the "Class A Preferred"); and
- (b) 12,000,000 shares of Common Stock, par value \$0.01 per share (the "Common Stock").

3.2 Powers, Preferences and Special Rights of the Class A Preferred Stock.

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Prepared by:  
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Clearwater, Florida 33756  
727-461-1818  
FL Bar No. 036152

### 3.2.1 Dividends.

A. General Obligation. When and as declared by the Corporation's Board of Directors and to the extent permitted under the Florida Business Corporation Act, the Corporation shall pay preferential dividends to the holders of the Class A Preferred Stock (the "Class A Preferred") as provided in this Section 3.2.1. Any dividends accruing on the Class A Preferred will be paid in lieu of cash dividends by the issuance of additional shares of Class A Preferred (including fractional shares) having an aggregate Liquidation Value at the time of such payment equal to the amount of the dividend to be paid. If and when any shares are issued under this paragraph 3.2.1A for the payment of accrued dividends, such Class A Shares shall be deemed to be validly issued and outstanding and fully paid and nonassessable. During the three year period commencing on the date of issuance of each share of Class A Preferred (a "Class A Share"), dividends on such Class A Share shall accrue on a daily basis at the rate of 15% per annum of the sum of the Liquidation Value thereof plus all accumulated and unpaid dividends thereon from and including the date of issuance of such Class A Share to and including the first to occur of: (i) the date on which the Liquidation Value of such Class A Share (plus all accrued and unpaid dividends thereon) is paid to the holder thereof in connection with the liquidation of the Corporation or the redemption of such Class A Share by the Corporation, (ii) the date on which such Class A Share is converted into shares of Conversion Stock hereunder, (iii) the third anniversary of the date of issuance of such Class A Share, (iv) September 28, 2004 or (v) the date on which such Class A Share is otherwise acquired by the Corporation. Such dividends shall accrue whether or not they have been declared and whether or not there are profits, surplus or other funds of the Corporation legally available for the payment of dividends. The date on which the Corporation initially issues any Class A Share shall be deemed to be its "date of issuance" regardless of the number of times transfer of such Class A Share is made on the stock records maintained by or for the Corporation and regardless of the number of certificates which may be issued to evidence such Class A Share.

B. Dividend Reference Dates. To the extent not paid on September 28th of each year, beginning September 28, 2002 (the "Dividend Reference Dates"), all dividends which have accrued on each Class A Share outstanding during the one-year period ending upon each such Dividend Reference Date shall be accumulated and shall remain accumulated dividends with respect to such Class A Share until paid to the holder thereof.

C. Distribution of Partial Dividend Payments. Except as otherwise provided herein, if at any time the Corporation pays less than the total amount of dividends then accrued with respect to the Class A Preferred, such payment shall be distributed pro rata among the holders thereof based upon the aggregate accrued but unpaid dividends on the Class A Shares held by each such holder.

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D. Participating Dividends. In the event that the Corporation declares or pays any dividends upon the Common Stock (whether payable in cash, securities or other property) other than dividends payable solely in shares of Common Stock, the Corporation shall also declare and pay to the holders of the Class A Preferred at the same time that it declares and pays such dividends to the holders of the Common Stock, the dividends which would have been declared and paid with respect to the Common Stock issuable upon conversion of the Class A Preferred had all of the outstanding Class A Preferred been converted immediately prior to the record date for such dividend, or if no record date is fixed, the date as of which the Board of Directors of the Corporation approves such dividend.

3.2.2 Liquidation. Upon any liquidation, dissolution or winding up of the Corporation (whether voluntary or involuntary), each holder of Class A Preferred shall be entitled to be paid, before any distribution or payment is made upon any Junior Securities, an amount in cash equal to the aggregate Liquidation Value of all Class A Shares held by such holder (plus all accrued and unpaid dividends thereon), and the holders of Class A Preferred shall not be entitled to any further payment. If upon any such liquidation, dissolution or winding up of the Corporation the Corporation's assets to be distributed among the holders of the Class A Preferred are insufficient to permit payment to such holders of the aggregate amount which they are entitled to be paid under this Section 3.2.2, then the entire assets available to be distributed to the Corporation's stockholders shall be distributed pro rata among such holders based upon the aggregate Liquidation Value (plus all accrued and unpaid dividends) of the Class A Preferred held by each such holder. Prior to the liquidation, dissolution or winding up of the Corporation, the Corporation shall declare for payment all accrued and unpaid dividends with respect to the Class A Preferred. Not less than 60 days prior to the payment date stated therein, the Corporation shall mail written notice of any such liquidation, dissolution or winding up to each record holder of Class A Preferred, setting forth in reasonable detail the amount of proceeds to be paid with respect to each Class A Share and each share of Common Stock in connection with such liquidation, dissolution or winding up. Neither the consolidation or merger of the Corporation into or with any other entity or entities (whether or not the Corporation is the surviving entity), nor the sale or transfer by the Corporation of all or any part of its assets, nor the reduction of the capital stock of the Corporation nor any other form of recapitalization or reorganization affecting the Corporation shall be deemed to be a liquidation, dissolution or winding up of the Corporation within the meaning of this Section 3.2.2.

3.2.3 Priority of Class A Preferred on Dividends and Redemptions. So long as any Class A Preferred remains outstanding, without the prior written consent of the holders of a majority of the outstanding shares of Class A Preferred, the Corporation shall not, nor shall it permit any Subsidiary to, redeem, purchase or otherwise acquire directly or indirectly any Junior Securities, nor shall the Corporation directly or indirectly pay or declare any dividend or make any distribution upon any Junior Securities; provided that the Corporation may repurchase shares of Common Stock from present or former employees of the Corporation and its Subsidiaries in accordance with the provisions of repurchase agreements approved by the Board.

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### 3.2.4 Redemptions.

#### A. Special Redemptions.

(i) If a Change in Ownership has occurred or the Corporation obtains knowledge that a Change in Ownership is proposed to occur, the Corporation shall give prompt written notice of such Change in Ownership describing in reasonable detail the material terms and date of consummation thereof to each holder of Class A Preferred, but in any event such notice shall not be given later than five days after the occurrence of such Change in Ownership, and the Corporation shall give each holder of Class A Preferred prompt written notice of any material change in the terms or timing of such transaction. The holder or holders of a majority of the Class A Preferred then outstanding may require the Corporation to redeem all or any portion of the Class A Preferred owned by such holder or holders at a price per Share equal to, at the option of each redeeming holder of Class A Preferred, (a) the Liquidation Value thereof (plus all accrued and unpaid dividends thereon), or (b) an amount equal to the number of shares of Conversion Stock then issuable upon conversion of such Share multiplied by the consideration payable with respect to each share of Common Stock in such Change of Ownership, by giving written notice to the Corporation of such election prior to the later of (x) 21 days after receipt of the Corporation's notice and (y) five days prior to the consummation of the Change in Ownership (the "Expiration Date"). The Corporation shall give prompt written notice of any such election to all other holders of Class A Preferred within five days after the receipt thereof, and each such holder shall have until the later of (a) the Expiration Date or (b) ten days after receipt of such second notice to request redemption hereunder (by giving written notice to the Corporation) of all or any portion of the Class A Preferred owned by such holder.

Upon receipt of such election(s), the Corporation shall be obligated to redeem the aggregate number of Class A Shares specified therein on the occurrence of the Change in Ownership. If any proposed Change in Ownership does not occur, all requests for redemption in connection therewith shall be automatically rescinded, or if there has been a material change in the terms or the timing of the transaction, any holder of Class A Preferred may rescind such holder's request for redemption by giving written notice of such rescission to the Corporation.

The term "Change in Ownership" means any sale, transfer or issuance or series of sales, transfers and/or issuances of Common Stock by the Corporation or any holders thereof which results in any Person or group of Persons (as the term "group" is used under the Securities Exchange Act of 1934), other than the holders of Common Stock and Class A Preferred as of the date of the consummation of the transactions contemplated in the Purchase Agreement, owning more than 50% of the Common Stock outstanding at the time of such sale, transfer or issuance or series of sales, transfers and/or issuances.

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(ii) If a Fundamental Change is proposed to occur, the Corporation shall give written notice of such Fundamental Change describing in reasonable detail the material terms and date of consummation thereof to each holder of Class A Preferred not more than 45 days nor less than 20 days prior to the consummation of such Fundamental Change, and the Corporation shall give each holder of Class A Preferred prompt written notice of any material change in the terms or timing of such transaction. The holder or holders of a majority of the Class A Preferred then outstanding may require the Corporation to redeem all or any portion of the Class A Preferred owned by such holder or holders at a price per Class A Share equal to, at the option of each redeeming holder of Class A Preferred, (a) the Liquidation Value thereof (plus all accrued and unpaid dividends thereon), or (b) an amount equal to the number of shares of Conversion Stock then issuable upon conversion of such Class A Share multiplied by the consideration payable with respect to each share of Common Stock in such Fundamental Change, by giving written notice to the Corporation of such election prior to the later of (x) ten days prior to the consummation of the Fundamental Change or (y) ten days after receipt of notice from the Corporation. The Corporation shall give prompt written notice of such election to all other holders of Class A Preferred (but in any event within seven days prior to the consummation of the Fundamental Change), and each such holder shall have until five days after the receipt of such notice to request redemption (by written notice given to the Corporation) of all or any portion of the Class A Preferred owned by such holder.

Upon receipt of such election(s), the Corporation shall be obligated to redeem the aggregate number of Class A Shares specified therein upon the consummation of such Fundamental Change. If any proposed Fundamental Change does not occur, all requests for redemption in connection therewith shall be automatically rescinded, or if there has been a material change in the terms or the timing of the transaction, any holder of Class A Preferred may rescind such holder's request for redemption by delivering written notice thereof to the Corporation prior to the consummation of the transaction.

The term "Fundamental Change" means (a) any sale or transfer of more than 50% of the assets of the Corporation and its Subsidiaries on a consolidated basis (measured either by book value in accordance with generally accepted accounting principles consistently applied or by fair market value determined in the reasonable good faith judgment of the Corporation's Board of Directors) in any transaction or series of transactions (other than sales in the ordinary course of business) and (b) any merger or consolidation to which the Corporation is a party, except for a merger in which the Corporation is the surviving corporation, the terms of the Class A Preferred are not changed and the Class A Preferred is not exchanged for cash, securities or other property, and after giving effect to such merger, the holders of the Corporation's outstanding shares of stock possessing a majority of the voting power (under ordinary circumstances) to elect a majority of the Corporation's Board of Directors immediately prior to the merger shall continue to own the Corporation's outstanding capital stock possessing the voting power (under ordinary circumstances) to elect a majority of the Corporation's Board of Directors.

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B. Dividends After Redemption Date. No Class A Share shall be entitled to any dividends accruing after the date on which the Liquidation Value of such Class A Share (plus all accrued and unpaid dividends thereon) is paid to the holder of such Class A Share. On such date, all rights of the holder of such Class A Share shall cease, and such Class A Share shall no longer be deemed to be issued and outstanding.

3.2.5 Voting Rights. In addition to any voting rights provided by law, the holders of the Class A Preferred shall have the following voting rights:

A. RoundTable. So long as (i) RoundTable Healthcare Partners, L.P., a Delaware limited partnership, or its successors or assigns (collectively, "RoundTable"), is the single largest beneficial owner of Common Stock of the Corporation (for this purpose, considering all shares of Class A Preferred as if they were converted to Common Stock) and (ii) the aggregate holdings of RoundTable represent at least 25% of the outstanding Common Stock of the Corporation (for this purpose, considering all shares of Class A Preferred as if they were converted to Common Stock), the holders of the Class A Preferred shall, except as provided in Article V, be entitled to vote on all matters submitted to the stockholders for a vote together with the holders of the Common Stock voting together as a single class with each share of Common Stock entitled to one vote per share and each Share of Class A Preferred entitled to three votes for each share of Common Stock issuable upon conversion of the Class A Preferred as of the record date for such vote or, if no record date is specified, as of the date of such vote.

B. General. After October 5, 2001 and following such time as either of the conditions set forth in clause (i) or clause (ii) of the first sentence of Section 3.2.5A is not met, the holders of the Class A Preferred shall be entitled to vote on all matters submitted to the stockholders for a vote together with the holders of the Common Stock voting together as a single class with each share of Common Stock entitled to one vote per share and each share of Class A Preferred entitled to one vote for each share of Common Stock issuable upon conversion of the Class A Preferred as of the record date for such vote or, if no record date is specified, as of the date of such vote.

### 3.2.6 Conversion.

#### A. Conversion Procedure.

(i) At any time and from time to time, any holder of Class A Preferred may convert all or any portion of the Class A Preferred (including any fraction of a Class A Share) held by such holder into a number of shares of Conversion Stock computed by multiplying the number of Class A Shares to be converted by \$7.00 and dividing the result by the Conversion Price then in effect.

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(ii) Except as otherwise provided herein, each conversion of Class A Preferred shall be deemed to have been effected as of the close of business on the date on which the certificate or certificates representing the Class A Preferred to be converted have been surrendered for conversion at the principal office of the Corporation. At the time any such conversion has been effected, the rights of the holder of the Class A Shares converted as a holder of Class A Preferred shall cease and the Person or Persons in whose name or names any certificate or certificates for shares of Conversion Stock are to be issued upon such conversion shall be deemed to have become the holder or holders of record of the shares of Conversion Stock represented thereby.

(iii) The conversion rights of any Class A Share subject to redemption hereunder shall terminate on the Redemption Date for such Class A Share unless the Corporation has failed to pay to the holder thereof the Liquidation Value of such Class A Share (plus all accrued and unpaid dividends thereon).

(iv) Notwithstanding any other provision hereof, if a conversion of Class A Preferred is to be made in connection with a Public Offering, a Change in Ownership, a Fundamental Change or other transaction affecting the Corporation, the conversion of any shares of Class A Preferred may, at the election of the holder thereof, be conditioned upon the consummation of such transaction, in which case such conversion shall not be deemed to be effective until such transaction has been consummated.

(v) As soon as possible after a conversion has been effected (but in any event within five business days in the case of subparagraph (a) below), the Corporation shall deliver to the converting holder:

(a) a certificate or certificates representing the number of shares of Conversion Stock issuable by reason of such conversion in such name or names and such denomination or denominations as the converting holder has specified;

(b) payment in an amount equal to all accrued dividends with respect to each Class A Share converted which have not been paid prior thereto, which payment shall be in the form provided herein; and

(c) a certificate representing any shares of Class A Preferred which were represented by the certificate or certificates delivered to the Corporation in connection with such conversion but which were not converted.

(vi) If for any reason the Corporation is unable to pay any portion of the accrued and unpaid dividends on Class A Preferred being converted, such dividends may, at the converting holder's option, be converted into an additional number of shares of Conversion Stock determined by dividing the amount of the unpaid dividends to be applied for such purpose, by the Conversion Price then in effect.



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(vii) The issuance of certificates for shares of Conversion Stock upon conversion of Class A Preferred shall be made without charge to the holders of such Class A Preferred for any issuance tax in respect thereof or other cost incurred by the Corporation in connection with such conversion and the related issuance of shares of Conversion Stock. Upon conversion of each share of Class A Preferred, the Corporation shall take all such actions as are necessary in order to insure that the Conversion Stock issuable with respect to such conversion shall be validly issued, fully paid and nonassessable, free and clear of all taxes, liens, charges and encumbrances with respect to the issuance thereof.

(viii) The Corporation shall not close its books against the transfer of Class A Preferred or of Conversion Stock issued or issuable upon conversion of Class A Preferred in any manner, which interferes with the timely conversion of Class A Preferred. The Corporation shall assist and cooperate with any holder of Class A Shares required to make any governmental filings or obtain any governmental approval prior to or in connection with any conversion of Shares hereunder (including, without limitation, making any filings required to be made by the Corporation).

(ix) The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Conversion Stock, solely for the purpose of issuance upon the conversion of the Class A Preferred (and any accrued but unpaid dividends thereon which are issuable in the form of Class A Preferred), such number of shares of Conversion Stock issuable upon the conversion of all outstanding Class A Preferred. All shares of Conversion Stock, which are so issuable shall, when issued, be duly and validly issued, fully paid and nonassessable and free from all taxes, liens and charges. The Corporation shall take all such actions as may be necessary to assure that all such shares of Conversion Stock may be so issued without violation of any applicable law or governmental regulation or any requirements of any domestic securities exchange upon which shares of Conversion Stock may be listed (except for official notice of issuance which shall be immediately delivered by the Corporation upon each such issuance). The Corporation shall not take any action, which would cause the number of authorized but unissued shares of Conversion Stock to be less than the number of such shares required to be reserved hereunder for issuance upon conversion of the Class A Preferred.

B. Conversion Price.

(i) Initial Conversion Price. The Initial Conversion Price shall be \$7.00. In order to prevent dilution of the conversion rights granted under this Section 3.2.6, the Conversion Price shall be subject to adjustment from time to time pursuant to this paragraph B.

(ii) Subdivision or Combination of Common Stock. If the Corporation at any time subdivides (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock into a greater number

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of shares, the Conversion Price in effect immediately prior to such subdivision shall be proportionately reduced, and if the Corporation at any time combines (by reverse stock split or otherwise) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the Conversion Price in effect immediately prior to such combination shall be proportionately increased.

(iii) Reorganization, Reclassification, Consolidation, Merger or Sale. Any recapitalization, reorganization, reclassification, consolidation, merger, sale of all or substantially all of the Corporation's assets or other transaction, in each case which is effected in such a manner that the holders of Common Stock are entitled to receive (either directly or upon subsequent liquidation) stock, securities or assets with respect to or in exchange for Common Stock, is referred to herein as an "Organic Change". Prior to the consummation of any Organic Change, the Corporation shall make appropriate provisions (in form and substance satisfactory to the holders of a majority of the Class A Preferred then outstanding) to insure that each of the holders of Class A Preferred shall thereafter have the right to acquire and receive, in lieu of or in addition to (as the case may be) the shares of Conversion Stock immediately theretofore acquirable and receivable upon the conversion of such holder's Class A Preferred, such shares of stock, securities or assets as such holder would have received in connection with such Organic Change if such holder had converted its Class A Preferred immediately prior to such Organic Change. In each such case, the Corporation shall also make appropriate provisions (in form and substance satisfactory to the holders of a majority of the Class A Preferred then outstanding) to insure that the provisions of this Section 3.2.6 and Sections 3.2.7 and 3.2.8 hereof shall thereafter be applicable to the Class A Preferred (including, in the case of any such consolidation, merger or sale in which the successor entity or purchasing entity is other than the Corporation, an immediate adjustment of the Conversion Price to the value for the Common Stock reflected by the terms of such consolidation, merger or sale, and a corresponding immediate adjustment in the number of shares of Conversion Stock acquirable and receivable upon conversion of Class A Preferred, if the value so reflected is less than the Conversion Price in effect immediately prior to such consolidation, merger or sale). The Corporation shall not effect any such consolidation, merger or sale, unless prior to the consummation thereof, the successor entity (if other than the Corporation) resulting from consolidation or merger or the entity purchasing such assets assumes by written instrument (in form and substance satisfactory to the holders of a majority of the Class A Preferred then outstanding), the obligation to deliver to each such holder such shares of stock, securities or assets as, in accordance with the foregoing provisions, such holder may be entitled to acquire.

(iv) Certain Events. If any event occurs of the type contemplated by the provisions of this Section 3.2.6B but not expressly provided for by such provisions (including, without limitation, the granting of stock appreciation rights, phantom stock rights or other rights with equity features), then the Corporation's Board of Directors shall make an appropriate adjustment in the Conversion Price so as to protect the rights of the holders of Class A Preferred; provided that no such adjustment shall increase the Conversion Price as otherwise determined pursuant to this Section 3.2.6B or decrease

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the number of shares of Conversion Stock issuable upon conversion of each share of Class A Preferred.

C. Notices.

(i) Immediately upon any adjustment of the Conversion Price, the Corporation shall give written notice thereof to all holders of Class A Preferred, setting forth in reasonable detail and certifying the calculation of such adjustment.

(ii) The Corporation shall give written notice to all holders of Class A Preferred at least 20 days prior to the date on which the Corporation closes its books or takes a record (a) with respect to any dividend or distribution upon Common Stock, (b) with respect to any pro rata subscription offer to holders of Common Stock or (c) for determining rights to vote with respect to any Organic Change, dissolution or liquidation.

(iii) The Corporation shall also give written notice to the holders of Class A Preferred at least 20 days prior to the date on which any Organic Change shall take place.

3.2.7 Purchase Rights. If at any time the Corporation grants, issues or sells any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property pro rata to the record holders of any class of Common Stock (the "Purchase Rights"), then each holder of Class A Preferred shall be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which such holder could have acquired if such holder had held the number of shares of Conversion Stock acquirable upon conversion of such holder's Class A Preferred immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or if no such record is taken, the date as of which the record holders of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights.

3.2.8 Registration of Transfer. The Corporation shall keep at its principal office a register for the registration of Class A Preferred. Upon the surrender of any certificate representing Class A Preferred at such place, the Corporation shall, at the request of the record holder of such certificate, execute and deliver (at the Corporation's expense) a new certificate or certificates in exchange therefor representing in the aggregate the number of Class A Shares represented by the surrendered certificate. Each such new certificate shall be registered in such name and shall represent such number of Class A Shares as is requested by the holder of the surrendered certificate and shall be substantially identical in form to the surrendered certificate, and dividends shall accrue on the Class A Preferred represented by such new certificate from the date to which dividends have been fully paid on such Class A Preferred represented by the surrendered certificate.

3.2.9 Replacement. Upon receipt of evidence reasonably satisfactory to the Corporation (an affidavit of the registered holder shall be satisfactory) of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing shares of Class A Preferred, and in the case of any such loss, theft or destruction, upon receipt of indemnity reasonably satisfactory to the Corporation (provided that if the holder is a financial institution or other institutional investor its own agreement shall be satisfactory), or, in the case of any such mutilation upon surrender of such certificate, the Corporation shall (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the number of Shares of such class represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate, and dividends shall accrue on the Class A Preferred represented by such new certificate from the date to which dividends have been fully paid on such lost, stolen, destroyed or mutilated certificate.

3.2.10 Definitions.

"Change in Ownership" has the meaning set forth in paragraph 3.2.4A hereof.

"Common Stock" means, collectively, the Corporation's Common Stock and any capital stock of any class of the Corporation hereafter authorized which is not limited to a fixed sum or percentage of par or stated value in respect to the rights of the holders thereof to participate in dividends or in the distribution of assets upon any liquidation, dissolution or winding up of the Corporation.

"Conversion Stock" means shares of the Corporation's Common Stock, par value \$0.01 per share; provided that if there is a change such that the securities issuable upon conversion of the Class A Preferred are issued by an entity other than the Corporation or there is a change in the type or class of securities so issuable, then the term "Conversion Stock" shall mean one share of the security issuable upon conversion of the Class A Preferred if such security is issuable in shares, or shall mean the smallest unit in which such security is issuable if such security is not issuable in shares.

"Convertible Securities" means any stock or securities directly or indirectly convertible into or exchangeable for Common Stock.

"Fundamental Change" has the meaning set forth in paragraph 3.2.4A hereof.

"Junior Securities" means any capital stock or other equity securities of the Corporation, except for the Class A Preferred.

"Liquidation Value" of any Class A Share as of any particular date shall be equal to \$7.00.

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"Options" means any rights, warrants or options to subscribe for or purchase Common Stock or Convertible Securities.

"Person" means an individual, a partnership, a corporation, a limited liability company, a limited liability, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

"Public Offering" means any offering by the Corporation of its capital stock or equity securities to the public pursuant to an effective registration statement under the Securities Act of 1933, as then in effect, or any comparable statement under any similar federal statute then in force.

"Purchase Agreement" means the Purchase Agreement, dated as of September 13, 2001, by and among the Corporation and RoundTable Healthcare Partners, L.P., a Delaware limited partnership, as such agreement may from time to time be amended in accordance with its terms.

"Redemption Date" as to any Class A Share means the date specified in the notice of any redemption at the Corporation's option or the applicable date specified herein in the case of any other redemption; provided that no such date shall be a Redemption Date unless the Liquidation Value of such Class A Share (plus all accrued and unpaid dividends thereon and any required premium with respect thereto) is actually paid in full on such date, and if not so paid in full, the Redemption Date shall be the date on which such amount is fully paid.

"Subsidiary" means, with respect to any Person, any corporation, limited liability company, partnership, association or other business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a limited liability company, partnership, association or other business entity, a majority of the partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control the managing general partner of such limited liability company, partnership, association or other business entity.

3.2.11 Amendment and Waiver. No amendment, modification or waiver shall be binding or effective with respect to any provision of Sections 3.2.1 to 3.2.12 hereof without the prior written consent of the holders of a majority of the Class A Preferred outstanding at the time such action is taken; provided that no such action

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shall change (a) the rate at which or the manner in which dividends on the Class A Preferred accrue or the times at which such dividends become payable or the amount payable on redemption of the Class A Preferred or the times at which redemption of Class A Preferred is to occur, without the prior written consent of the holders of at least 67% of the Class A Preferred then outstanding, (b) the Conversion Price of the Class A Preferred or the number of shares or class of stock into which the Class A Preferred is convertible, without the prior written consent of the holder of at least 67% of the Class A Preferred then outstanding or (c) the percentage required to approve any change described in clauses (a) and (b) above, without the prior written consent of the holders of at least 67% of the Class A Preferred then outstanding; and provided further that no change in the terms hereof may be accomplished by merger or consolidation of the Corporation with another corporation or entity unless the Corporation has obtained the prior written consent of the holders of the applicable percentage of the Class A Preferred then outstanding.

3.2.12 Notices. Except as otherwise expressly provided hereunder, all notices referred to in this Section 3.2 shall be in writing and shall be delivered by registered or certified mail, return receipt requested and postage prepaid, or by reputable overnight courier service, charges prepaid, and shall be deemed to have been given when so mailed or sent (i) to the Corporation, at its principal executive offices and (ii) to any Class A Preferred stockholder, at such holder's address as it appears in the stock records of the Corporation (unless otherwise indicated by any such holder).

3.3 Powers, Preferences and Special Rights of the Common Stock.

Except as otherwise provided in this Section 3.3 or as otherwise required by applicable law, all shares of Common Stock, shall be identical in all respects and shall entitle the holders thereof to the same rights and privileges, subject to the same qualifications, limitations and restrictions.

3.3.1 Voting Rights. Except as otherwise provided in these Articles of Incorporation or as otherwise required by applicable law, the holders of Common Stock shall be entitled to vote on all matters submitted to the stockholders for a vote together with the holders of the Class A Preferred voting together as a single class with each share of Common Stock entitled to one vote per share and each share of Class A Preferred entitled to either one vote or three votes for each share of Common Stock issuable upon conversion of the Class A Preferred (as determined under the provisions of 3.2.5B) as of the record date for such vote or, if no record date is specified, as of the date of such vote.

3.3.2 Dividends. As and when dividends are declared or paid with respect to shares of Common Stock, whether in cash, property or securities of the Corporation, the holders of Common Stock shall be entitled to receive such dividends pro rata at the same rate per share. The rights of the holders of Common Stock to receive dividends are subject to the provisions of the shares of Class A Preferred.

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3.3.3 Liquidation. Subject to the provisions of the shares of Class A Preferred, the holders of the Common Stock shall be entitled to participate pro rata at the same rate per share in all distributions to the holders of Common Stock in any liquidation, dissolution or winding up of the Corporation.

3.3.4 Registration of Transfer. The Corporation shall keep at its principal office (or such other place as the Corporation reasonably designates) a register for the registration of shares of Common Stock. Upon the surrender of any certificate representing shares of any class of Common Stock at such place, the Corporation shall, at the request of the record holder of such certificate, execute and deliver (at the Corporation's expense) a new certificate or certificates in exchange therefor representing in the aggregate the number of shares of such class represented by the surrendered certificate and the Corporation shall forthwith cancel such surrendered certificate. Each such new certificate shall be registered in such name and shall represent such number of shares of such class as is requested by the holder of the surrendered certificate and shall be substantially identical in form to the surrendered certificate. The issuance of new certificates shall be made without charge to the holders of the surrendered certificates for any issuance tax in respect thereof or other cost incurred by the Corporation in connection with such issuance.

3.3.5 Replacement. Upon receipt of evidence reasonably satisfactory to the Corporation (provided, that an affidavit of the registered holder will be satisfactory) of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing one or more shares of any class of Common Stock, and in the case of any such loss, theft or destruction, upon receipt of indemnity reasonably satisfactory to the Corporation (provided that if the holder is a financial institution or other institutional investor its own agreement will be satisfactory), or, in the case of any such mutilation upon surrender of such certificate, the Corporation shall (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the number of shares of such class represented by such lost, stolen, destroyed or mutilated certificate and dated the date of such lost, stolen, destroyed or mutilated certificate.

3.3.6 Notices. All notices referred to herein shall be in writing, and shall be delivered by registered or certified mail, return receipt requested, postage prepaid, and shall be deemed to have been given when so mailed (i) to the Corporation at its principal executive offices and (ii) to any stockholder at such holder's address as it appears in the stock records of the Corporation (unless otherwise specified in a written notice to the Corporation by such holder).

3.3.7 Amendment and Waiver. No amendment or waiver of any provision of this Section 3.3.7 shall be effective without the prior consent of the holders of a majority of the then outstanding shares of Common Stock voting as a single class.

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#### ARTICLE IV. TERM OF EXISTENCE

The period for which the Corporation shall continue is perpetual.

#### ARTICLE V. DIRECTORS

5.1. Number and Appointment. The business of the Corporation shall be managed by or under the direction of a Board of Directors. The number of directors of the Corporation shall not be less than three, the exact number to be specified from time to time in the manner set forth in the Corporation's Bylaws. Holders of the Class A Preferred, voting separately as a class, will appoint the Chairman of the Board, and at all times will have the right to elect a majority of the directors serving on the Board of Directors and a majority of the outstanding shares of stock entitled to vote thereon (calculated for this purpose after giving effect to Section 3.2.5 of Article III hereof) will have the right to elect all other directors.

5.2. Qualifications. Directors need not be shareholders of the Corporation or residents of this or any other state in the United States.

5.3. Vacancies. Vacancies occurring in the Board of Directors may be filled by the affirmative vote of the remaining directors or by holders of a majority of the outstanding shares of stock entitled to vote thereon (calculated for this purpose after giving effect to Section 3.2.5 of Article III hereof).

#### ARTICLE VI. VOTING RIGHTS FOR SHAREHOLDERS

6.1. Quorum Provision. At all shareholders' meetings, including any adjournments thereof, the presence in person or by proxy of holders of fifty (50%) percent of the eligible votes represented by outstanding shares of stock entitled to vote on matters properly brought before the meeting shall be necessary to constitute a quorum (calculated for this purpose after giving effect to Section 3.2.5 of Article III hereof).

6.2. Required Vote. The affirmative vote of the holders of fifty-one (51%) percent of the eligible votes represented by the outstanding shares of stock entitled to vote thereon (calculated for this purpose after giving effect to Section 3.2.5 of Article III hereof) shall be required for approval of the following corporate actions:

- a. Amendment of the Articles of Incorporation;
- b. Amendment of the Bylaws, as provided therein;
- c. Merger, consolidation, or share exchange;
- d. Sale, lease, or exchange of more than fifty (50%) percent of the property or assets of the Corporation whether in the regular course of business or other than in the regular course of business; or

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- e. Dissolution of the Corporation.

#### ARTICLE VII. CUMULATIVE VOTING FOR DIRECTORS

Shareholders shall have no right of cumulative voting for directors.

#### ARTICLE VIII. VOTING RIGHTS FOR DIRECTORS

7.1 Quorum Provision. At all meetings of the Board of Directors, including any adjournment thereof, the presence in person, or by any means of communication by which all directors participating may simultaneously hear each other, of fifty (50%) percent of the Directors shall be necessary to constitute a quorum.

7.2 Voting Requirement. The affirmative vote of fifty-one (51%) percent of the full Board of Directors shall be required for approval of the following corporate actions:

- a. Amendment of the Articles of Incorporation;
- b. Amendment of the Bylaws, as provided herein;
- c. Merger, consolidation, or share exchange;
- d. Sale, lease, or exchange of more than fifty (50%) percent of the property or assets of the Corporation whether in the regular course of business or other than in the regular course of business; and
- e. The election and any change in the title, duties, salary, or other compensation of an Executive Officer and the removal of any Executive Officer.

#### ARTICLE VII. BYLAWS

The power to adopt the Bylaws of the Corporation, to alter, amend or repeal the Bylaws, or to adopt new Bylaws, shall be vested in the Board of Directors. The Bylaws of the Corporation may contain any provisions or requirements for the management or conduct of the affairs and business of the Corporation, provided that same are not inconsistent with the provisions of these Articles of Incorporation, or contrary to the laws of the State of Florida or of the United States.

#### ARTICLE IX. AMENDMENT OF ARTICLES OF INCORPORATION

These Articles of Incorporation may be amended from time to time in the manner provided by law. Every amendment will be approved (a) by a majority of the Board of Directors and (b) by the affirmative vote of the holders of fifty-one percent (51%) of the eligible votes represented by outstanding shares of stock entitled to vote thereon

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(calculated for this purpose after giving effect to Section 3.2.5 of Article III hereof) at a meeting of stockholders or otherwise as set forth in the Bylaws of the corporation.

ARTICLE X. AFFILIATED TRANSACTIONS

The provisions of Section 607.0901 of the Florida Business Corporation Act, related to affiliated transactions, shall be inapplicable to the Corporation.

ARTICLE XI. CONTROL SHARE ACQUISITIONS

The provisions of Section 607.0902 of the Florida Business Corporation Act, related to control-share acquisitions, shall be inapplicable to the Corporation.

IN WITNESS WHEREOF, the undersigned has executed these Amended and Restated Articles of Incorporation on behalf of VANGUARD MEDICAL CONCEPTS, INC.

  
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CHARLES A. MASEK, JR., President