

LONDON & REGIONAL (HEALTH CLUBS) LIMITED

("the Company")

COMPANY NUMBER: 5788201

THE COMPANIES ACTS 1985-1989

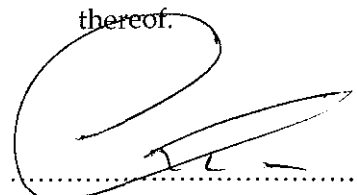
We, the undersigned, being the member for the time being of the Company entitled to receive notice of and to attend and vote at General Meetings hereby pass the following Resolutions as Ordinary and Special Resolutions and agree that the said Resolutions shall, pursuant to section 381A of the Companies Act 1985 as amended by the Companies Act 1989, for all purposes be as valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held: -

Ordinary Resolutions

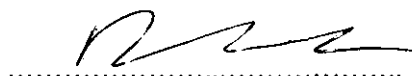
1. THAT the authorised share capital of the Company be increased from £1,000 to 10,000 by the creation of 6,490 A ordinary shares of £1 each and 2,510 non-voting redeemable B ordinary shares of £1 each, having the rights as set out in the Articles of Association of the Company to be adopted by resolution 4 below;
2. THAT the 1,000 issued and unissued Ordinary Shares of £1 each in the capital of the Company be re-designated as 1,000 A ordinary shares of £1 each, having the rights as set out in the Articles of Association of the Company to be adopted by resolution 4 below;
3. THAT the Directors of the Company be and are hereby generally and unconditionally authorised pursuant to Section 80 of the Companies Act 1985 to exercise any power of the Company to allot and grant rights to subscribe for or to convert securities into shares of the Company up to a maximum nominal amount equal to the nominal amount of the authorised but unissued share capital at the date of the passing of this resolution provided that the authority hereby given shall expire five years after the passing of this resolution unless previously renewed or varied; and

Special Resolution

4. THAT the regulations set forth in the printed document attached to these resolutions be approved and adopted as the articles of association of the Company in substitution for, and to the exclusion of, all existing articles thereof.



Director
London & Regional Investment
Holdings Limited



Director / Secretary
London & Regional Investment
Holdings Limited

Dated: 28.4.06



86SSGM

THE COMPANIES ACT 1985 TO 1989

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

LONDON & REGIONAL (HEALTH CLUBS) LIMITED

(adopted by Special Resolution dated 28.4.06)

PRELIMINARY

1. The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F)(Amendment) Regulations 1985 (hereinafter referred to as 'Table A'), subject to the additions, exclusions and modifications hereinafter expressed shall constitute the Articles of Association of the Company.

SHARE CAPITAL

2. The share capital of the company on the date of adoption of these Articles is £10,000 divided into 7,490 A ordinary shares of £1 each in the capital of the company ("A Ordinary Shares") and 2,510 non-voting redeemable B ordinary shares of £1 each in the capital of the company ("B Ordinary Shares").

3. The holders of the A Ordinary Shares and the B Ordinary Shares shall be entitled to the respective rights and privileges and subject to the respective restrictions and provisions hereinafter appearing. The A Ordinary Shares and the B Ordinary Shares shall, except where otherwise provided herein, confer upon the holders thereof the same rights.

4. The Directors of the Company may (subject to Regulations 5 and 6 (i) below and Section 80 of the Act) allot, grant options over, or otherwise deal with or dispose of any relevant securities (as defined by Section 80(2) of the Act) in the Company on such terms and conditions and in such manner as they think proper.

5. The Directors of the Company are generally and unconditionally authorised during the period of five years from the date of incorporation of the Company to allot, grant rights to subscribe for or convert securities into shares in relation to the shares in the authorised share capital with which the Company is incorporated to such persons at such times and on such terms and conditions as they think fit, subject to the provisions of Section 80 of the Act.

6. (i) Subject to any direction to the contrary that may be given by Special Resolution of the Company in General Meeting, any shares which are not comprised in the authorised share capital with which the Company is incorporated shall, before they are issued, be offered to the Members in proportion as nearly as possible to the nominal value of the existing shares held by them and such offer shall be made by notice specifying the number of shares to which the Member is entitled and limiting a time within which the offer if not accepted shall be deemed to be declined, and after the expiration of such time or on receipt of an intimation from the Member to whom the notice is given that he declines to accept the shares, the Directors may dispose of the same in such manner as they think most beneficial to the Company. The provisions of this paragraph shall have effect only insofar as they are not inconsistent with Section 80 of the Act.

(ii) In accordance with Section 91(1) of the Act, Section 89(1) and Sections 90(1) to (6) (inclusive) of the Act shall not apply to the Company.

7. The rights attaching to the B Ordinary Shares are set out below.

(i) Capital

On a return of assets on liquidation or otherwise, should the assets of the company available for distribution among the members exceed £50,000,000, 0.01% of any amount in excess of £50,000,000 shall be paid pro rata to the holders of B Ordinary Shareholders in priority to any payment to the holders of A Ordinary Shares. Holders of B Ordinary Shares shall have no other right to share in the capital of the company.

(ii) Dividend

The holders of B Ordinary Shares have the right to a variable preferred cumulative dividend of LIBOR plus 3% per annum on the nominal amount of each such B Ordinary Share (the "Preferred Dividend"). The Preferred Dividend shall accrue from day to day (on the basis of a 365 day year and actual days elapsed) and shall be paid annually every 30 September in respect of the calendar year ending on that date, except that the first such payment of the Preferred Dividend on 30 September 2006 shall be calculated in respect of the period from the date of issue of the B Ordinary Shares up to and including 30 September 2006. The Preferred Dividend shall be payable in priority to any payment to the holders of any other shares of the Company or to the transfer of any sum to reserves.

(iii) Income

Save in respect of the Preferred Dividend, holders of B Ordinary Shares shall have no other right to share in the income or profits of the company.

(iv) Redemption

The Company may redeem some or all of the B Ordinary Shares by serving notice on the holders of the B Ordinary Shares specifying the number of B Ordinary Shares to be redeemed and a date

between 14 and 28 days later (the "Redemption Date") on which the redemption is to take place. On the Redemption Date the Company shall pay the following amount in cash in respect of each B Ordinary Share to be redeemed:

- (a) a sum equal to any accrued and/or unpaid Preferred Dividend calculated on the Redemption Date; and
- (b) the nominal amount of such B Ordinary Share.

(v) Voting

The holders of B Ordinary Shares shall not be entitled to receive notice of and shall not be entitled to attend, speak or vote at general meetings of the company by virtue of their holding of B Ordinary Shares.

NOTICE OF GENERAL MEETINGS

8. (i) An Annual General Meeting and an Extraordinary General Meeting called for the passing of a Special Resolution or a Resolution appointing a person as a Director shall be called by at least twenty-one days' notice. All other Extraordinary General Meetings shall be called by at least fourteen clear days' notice but a General Meeting may be called by shorter notice if it is so agreed:-

(a) in the case of an Annual General Meeting, by the Members entitled to attend and vote thereat; and

(b) in the case of any other Meeting by a majority in number of the Members having a right to attend and vote being a majority together holding not less than ninety-five per cent in nominal value of the shares giving that right.

(ii) The notice shall specify the time and place of the Meeting and in the case of special business only the general nature of the special business to be transacted and, in the case of an Annual General Meeting, shall specify the Meeting as such.

(iii) All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all that is transacted at an Annual General Meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets and the reports of the Directors and Auditors, and the appointment of, and the fixing of the remuneration of the Auditors.

(iv) Subject to the provisions of these Articles and to any restrictions imposed on any shares, all notices of and any other communications relating to any General Meetings of the Company or of separate General Meetings of the holders of any class of share capital of the

Company shall be given to all Members, to all persons entitled to a share in consequence of the death or bankruptcy of a Member and to the Directors and Auditors of the Company for the time being.

- (v) Regulation 38 of Table A shall not apply to the Company.

PROCEEDINGS AT GENERAL MEETINGS

9. (i) No business shall be transacted at any Meeting unless a quorum is present. Subject to paragraph (ii) below, two persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation, shall be a quorum.

(ii) If and for so long as the company has only one Member entitled to vote upon the business to be transacted at General Meetings of the Company, that Member present in person or by proxy or if that Member is a corporation by a duly authorised representative shall be a quorum.

(iii) If such quorum is not present within half an hour from the time appointed for the Meeting, the Meeting shall stand adjourned to the same day in the next week at the same time and place or such time and place as the Directors may determine. If at the adjourned Meeting a quorum is not present within half an hour from the time appointed for the Meeting, such adjourned Meeting shall be dissolved.

- (iv) Regulations 40 and 41 of Table A shall not apply to the Company.

10. (i) If and for so long as the Company has only one Member entitled to attend, speak and vote upon the business to be transacted at General Meetings of the Company and that Member takes any decision which is required to be taken in General Meeting or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the Company in General Meeting save that this paragraph shall not apply to resolutions passed pursuant to sections 303 and 391 of the act.

(ii) Any decision taken by a sole Member entitled to attend, speak and vote upon the business to be transacted at General Meetings of the Company pursuant to paragraph (i) above shall be recorded in writing and delivered by that Member to the Company for entry in the Company's Minute Book.

NUMBER OF DIRECTORS

11. (i) Unless otherwise determined by Ordinary Resolution of the Company in General Meeting, the number of Directors (other than Alternate Directors) shall not be subject to any

maximum, and the minimum number of Directors shall be one. If and so long as the minimum number of Directors shall be one, a sole Director may exercise all the authorities and powers which are vested in the Directors by Table A and by these Articles. Regulation 89 of Table A shall be modified accordingly.

- (ii) Regulation 64 of Table A shall not apply to the Company.

APPOINTMENT OF DIRECTORS

12. The first Directors of the Company shall be as named in the statement delivered to the Registrar of Companies pursuant to Section 10 of the Act.

13. (i) the Company may by Ordinary Resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of Directors.

(ii) The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Regulations as the maximum number of Directors.

14. The Directors shall not be required to retire by rotation and Regulations 73 to 80 (inclusive) shall not apply to the Company.

DIRECTORS GRATUITIES AND PENSIONS

15. (i) The powers of the Company set out in Clause 3(p) of the Memorandum of Association of the Company may be exercised by the Directors of the Company.

- (ii) Regulation 87 of Table A shall not apply to the Company.

PROCEEDINGS OF DIRECTORS

16. (i) A Director may vote as a Director in regard to any contract or arrangement in which he is interested or upon any matter arising therefrom, and if shall so vote his vote shall be counted and he shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration.

- (ii) Regulations 94 to 97 (inclusive) of Table A shall not apply to the Company.

17. . All or any of the directors may participate in or hold a meeting of the directors or a committee of directors by means of a conference telephone or any other form of electronic communication whereby all persons participating in the meeting can communicate with each other. Any such person so participating shall be deemed to be present in person and shall be counted in the quorum and entitled to vote accordingly.

TRANSFER OF SHARES

18. Notwithstanding anything contained in these Articles, whether expressly or impliedly contradictory to the provisions of this Article (to the effect that any provision contained in this Article shall override any other provision of these Articles) the directors shall not decline to register any transfer of shares, nor may they suspend registration thereof, where such transfer is to any bank or other person to whom such shares have been charged by way of security or to any nominee of such a bank or person (or a person acting as agent or security trustee for such person) (a "Secured Lender"); or is delivered to the Company for registration by a Secured Lender or its nominee in order to perfect its security over the shares; or is executed by a Secured Lender or its nominee pursuant to a power of sale or other power existing under such security, and the directors shall forthwith register any such transfer of shares upon receipt and furthermore notwithstanding anything to the contrary contained in these Articles no transferor of any shares in the Company or proposed transferor of such shares to a Secured Lender or its nominee and no Secured Lender or its nominee shall (in either case) be required to offer the shares which are or are to be the subject of any transfer as aforesaid to the shareholders for the time being of the Company or any of them and no such shareholder shall have any right under the Articles or otherwise to require such shares to be transferred to them whether for any valuable consideration or otherwise and furthermore *notwithstanding anything to the contrary contained in these Articles the transfer of shares to a Secured Lender or its nominee shall be free from all liens, encumbrances, options, pre-emption rights and other third party rights.*