

SECURITIES AND EXCHANGE COMMISSION

FORM S-8

Initial registration statement for securities to be offered to employees pursuant to employee benefit plans

Filing Date: **2001-08-03**
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FILER

INSITUFORM TECHNOLOGIES INC

CIK: **353020** | IRS No.: **133032158** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **S-8** | Act: **33** | File No.: **333-66714** | Film No.: **1697491**
SIC: **1623** Water, sewer, pipeline, comm & power line construction

Mailing Address
702 SPIRIT 40 PARK DRIVE
CHESTERFIELD MO 63005

Business Address
702 SPIRIT 40 PARK DRIVE
CHESTERFIELD MO 63005
6365308000

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON AUGUST 3, 2001
REGISTRATION NO. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM S-8
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

INSITUFORM TECHNOLOGIES, INC.
(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

13-3032158
(I.R.S. Employer
Identification Number)

702 SPIRIT 40 PARK DRIVE
CHESTERFIELD, MISSOURI
(Address of principal executive offices)

63005
(Zip Code)

INSITUFORM TECHNOLOGIES, INC.
2001 EMPLOYEE EQUITY INCENTIVE PLAN

JOSEPH A. WHITE
VICE PRESIDENT AND CHIEF FINANCIAL OFFICER
INSITUFORM TECHNOLOGIES, INC.
702 SPIRIT 40 PARK DRIVE
CHESTERFIELD, MISSOURI 63005
(Name and address of agent for service)

Telephone number, including area code, of agent for service: (636) 530-8000

Copies to:

THOMAS A. A. COOK, ESQ.
VICE PRESIDENT AND GENERAL COUNSEL
INSITUFORM TECHNOLOGIES, INC.
702 SPIRIT 40 PARK DRIVE
CHESTERFIELD, MISSOURI 63005
(636) 530-8000

ROBERT M. LAROSE, ESQ.
THOMPSON COBURN LLP
ONE FIRSTSTAR PLAZA
ST. LOUIS, MISSOURI 63101
(314) 552-6000

<TABLE>
<CAPTION>

CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Share(1)	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee
<S>	<C>	<C>	<C>	<C>
Class A common stock, \$0.01 par value	1,000,000 shares	\$33.93	\$33,930,000	\$8,482.50

</TABLE>

- (1) Estimated solely for purposes of computing the Registration Fee pursuant to the provisions of Section 457(h), based upon the average of the high and low sale prices of Class A common stock, \$0.01 par value, of the Registrant as reported on the Nasdaq National Market on July 30, 2001.

The undersigned Registrant hereby files this Registration Statement on Form S-8 (this "Registration Statement") to register 1,000,000 shares of Insituform Technologies, Inc. (the "Company") Class A common stock, \$0.01 par value (the "Class A Common Stock"), for issuance to participants under the Insituform Technologies, Inc. 2001 Employee Equity Incentive Plan (the "Plan").

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Certain Documents by Reference.

The following documents filed with the Securities and Exchange Commission are incorporated herein by reference:

- (i) The Company's Annual Report on Form 10-K for the year ended December 31, 2000;
- (ii) The Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2001;
- (iii) The Company's Current Reports on Form 8-K filed January 17, 2001, March 14, 2001, April 12, 2001 and April 19, 2001; and
- (iv) The description of the Company's Class A Common Stock as contained in the Registration Statement filed pursuant to Section 12 of the Securities Exchange Act of 1934, including any amendments or reports filed for the purpose of updating such description.

All documents filed by the Company pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934, as amended, after the date of this Registration Statement and prior to the filing of a post-effective amendment which indicates that all securities offered hereby have been sold or which deregisters all securities remaining unsold, shall be deemed to be incorporated by reference in this Registration Statement and to be made a part hereof from the date of filing of such documents. Any statements contained herein or in a document incorporated herein by reference shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained in a subsequently filed document incorporated herein by reference modifies or supersedes such document. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

Where any document or part thereof is incorporated by reference in this Registration Statement, the Company will provide without charge to each person to whom a Prospectus with respect to the Plan is delivered, upon written or oral request of such person, a copy of any and all of the information incorporated by reference in this Registration Statement, excluding exhibits unless such exhibits are specifically incorporated by reference.

Item 6. Indemnification of Directors and Officers.

The Company's Restated Certificate of Incorporation, as amended, requires the Company to indemnify all persons whom the Company may indemnify under Section 145 of the Delaware General Corporation Law (the "DGCL") to the full extent permitted by Section 145 as it may be amended from time to time. Subject to restrictions contained in the DGCL, a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that the person is or was a director, officer, employee or agent of

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the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection therewith if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, and, in connection with any criminal action or proceeding, had no reasonable cause to believe the person's conduct was unlawful.

Such indemnification may also be provided in any action or suit by or in the right of the corporation, except that no indemnification shall be made with respect to any amounts to which the person has been found liable to the corporation unless the court shall determine that such person is fairly and reasonably entitled to indemnity despite the adjudication of liability. Such determination shall be made by the corporation or, with respect to a person who is a director or officer at the time of such determination, by (a) a majority vote of the board of directors who were not parties to such action, suit or proceeding, even though less than a quorum, or (b) by a committee of directors designated by majority vote of such directors, even though less than a quorum, or (c) if there are no such directors, or if such directors so direct, by special independent counsel in a written opinion or (d) by the stockholders. A person who is successful on the merits or otherwise in any action, suit or proceeding covered by the indemnification statute shall be indemnified against expenses actually and reasonably incurred in connection with such action, suit or proceeding. Expenses incurred in defense of any action, suit or proceeding may be paid in advance upon receipt by the corporation of a written undertaking by or on behalf of the person to repay such amount if it is ultimately determined that the person is not entitled to indemnification under the statute.

The indemnification provided by the DGCL is not exclusive of any other rights to indemnification to which such person may be entitled under any by-law, agreement, vote of stockholders or disinterested directors or otherwise, and shall inure to the benefit of the heirs, executors and administrators of such person. Insurance may be purchased on behalf of any person entitled to indemnification by the corporation against any liability asserted against him or her and incurred in an official capacity regardless of whether the person could be indemnified under the statute.

Paragraph Tenth of the Company's Restated Certificate of Incorporation, as amended, provides that a director of the Company shall not be personally liable to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Company or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) for unlawful payment of dividends or for unlawful stock purchase or redemption of the corporation's stock under Section 174 of the DGCL, (iv) for any transaction from which the director derived an improper personal benefit or (v) for any act or omission occurring prior to the date Paragraph Tenth became effective.

In addition to the provisions in its Restated Certificate of Incorporation, as amended, the Company has taken such other steps as are reasonably necessary to effect its indemnification policy. Included among such other steps is liability insurance provided by the Company for its directors and officers for certain losses arising from claims or charges made against them in their capacities as directors or officers of the Company. The Company has also entered into indemnification agreements with individual directors and officers. These agreements generally provide such directors and officers with a contractual right of indemnification to the full extent provided by applicable law and the charter documents of the Company as in effect at the respective dates of such agreements.

The Company has placed in effect insurance which purports (a) to insure it against certain costs of indemnification which may be incurred by it pursuant to provisions in its Restated Certificate of

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Incorporation, as amended, or otherwise and (b) to insure the officers and directors of the Company against certain liabilities incurred by them in the discharge of their functions as officers and directors except for liabilities arising from their own malfeasance.

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, may be permitted to directors, officers or persons controlling the Company pursuant to the foregoing provisions, the Company has been informed that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933, as amended, and is therefore unenforceable.

Item 8. Exhibits.

See Exhibit Index on page 8 hereof.

Item 9. Undertakings.

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers and sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof), which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement;

(iii) To include any material information with respect to the plan of distribution previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the registration statement is on Form S-3, Form S-8 or Form F-3, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934)

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that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

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SIGNATURES

THE REGISTRANT. Pursuant to the requirements of the Securities Act of 1933, as amended, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the County of St. Louis County, State of Missouri, on August 3, 2001.

INSITUFORM TECHNOLOGIES, INC.

By /s/ Joseph A. White

Joseph A. White
Vice President and Chief Financial Officer

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Joseph A. White the undersigned's true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for the undersigned and in the undersigned's name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement on Form S-8 with respect to the 2001 Employee Equity Incentive Plan, and to file the same, with exhibits and any and all other documents filed with respect thereto, with the Securities and Exchange Commission (or any other governmental or regulatory authority), granting unto said attorney-in-fact and agent full power and authority to do and to perform each and every act and thing requisite and necessary to be done in ratifying and confirming all that said attorney-in-fact and agent or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed by the following persons in the capacities and on the date indicated.

<TABLE>
<CAPTION>

SIGNATURE -----	TITLE -----	DATE ----
<S>	<C>	<C>
 /s/ Anthony W. Hooper ----- Anthony W. Hooper Principal Executive Officer	 President, Chief Executive Officer and Director	 August 3, 2001
 /s/ Joseph A. White ----- Joseph A. White Principal Financial and Accounting Officer	 Vice President and Chief Financial Officer	 August 3, 2001
 /s/ Robert W. Affholder ----- Robert W. Affholder	 Director	 August 3, 2001

</TABLE>

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<TABLE>

<S>	<C>	<C>
 /s/ Paul A. Biddelman ----- Paul A. Biddelman	 Director	 August 3, 2001

/s/ Stephen P. Cortinovis ----- Stephen P. Cortinovis	Director	August 3, 2001
/s/ Juanita H. Hinshaw ----- Juanita H. Hinshaw	Director	August 3, 2001
/s/ Thomas N. Kalishman ----- Thomas N. Kalishman	Director	August 3, 2001
/s/ Sheldon Weinig ----- Sheldon Weinig	Director	August 3, 2001
/s/ Alfred L. Woods ----- Alfred L. Woods	Director	August 3, 2001

</TABLE>

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EXHIBIT INDEX

EXHIBIT NO.

4.1	Restated Certificate of Incorporation, as amended, of the Company, incorporated herein by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2000.
4.2	By-Laws, as amended, of the Company, incorporated herein by reference to Exhibit 3.2 to the Company's Annual Report on Form 10-K for the year ended December 31, 2000.
5.1	Opinion of Thompson Coburn LLP as to the legality of the securities being registered.
23.1	Consent of Arthur Andersen LLP.
23.2	Consent of Thompson Coburn LLP (included in Exhibit 5.1).
24.1	Power of Attorney (set forth on signature page hereto).
99.1	Insituform Technologies, Inc. 2001 Employee Equity Incentive Plan.

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[Letterhead of Thompson Coburn LLP]

August 2, 2001

Insituform Technologies, Inc.
702 Spirit 40 Park Drive
Chesterfield, Missouri 63005

Re: Registration Statement on Form S-8 - 1,000,000 shares of Insituform
Technologies, Inc.
Class A common stock, \$0.01 par value per share

Ladies and Gentlemen:

With reference to the Registration Statement on Form S-8 (the "Registration Statement") to be filed by Insituform Technologies, Inc., a Delaware corporation (the "Company"), on August 3, 2001, with the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended, relating to the proposed issuance by the Company of up to 1,000,000 shares of the Company's Class A common stock, \$0.01 par value per share (the "Shares"), pursuant to the Insituform Technologies, Inc. 2001 Employee Equity Incentive Plan (the "Plan"), we have examined such corporate records of the Company, such laws and such other information as we have deemed relevant, including the Company's Restated Certificate of Incorporation, as amended, By-Laws, as amended, resolutions adopted by the Board of Directors relating to such issuance, certificates received from state officials and statements we have received from officers and representatives of the Company. In delivering this opinion, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to the originals of all documents submitted to us as certified, photostatic or conformed copies, the authenticity of originals of all such latter documents and the correctness of statements submitted to us by officers and representatives of the Company.

Based solely on the foregoing, we are of the opinion that:

1. The Company is duly incorporated and is validly existing under the laws of the State of Delaware; and
2. The Shares to be issued by the Company pursuant to the Plan have been duly authorized and, when issued by the Company in accordance with the Plan, will be validly issued, fully paid and nonassessable.

We consent to the filing of this opinion as an exhibit to the

Registration Statement. We further consent to the filing of copies of this opinion with agencies of such states and other jurisdictions as you deem necessary in the course of complying with the laws of the states and jurisdictions regarding the sale and issuance of the Shares in accordance with the Registration Statement.

Very truly yours,

/s/ Thompson Coburn LLP

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

The Board of Directors
Insituform Technologies, Inc.:

As independent public accountants, we hereby consent to the incorporation by reference in this registration statement of our report on the consolidated financial statements of Insituform Technologies, Inc. dated January 25, 2001 (except with respect to Note 15 to the consolidated financial statements, as to which the date is February 28, 2001) incorporated by reference in Insituform Technologies, Inc.'s Form 10-K for the year ended December 31, 2000 and our report on the combined financial statements of Kinsel Industries, Inc. and Tracks of Texas, Inc. dated February 9, 2001 included in the Form 8-K/A filed by Insituform Technologies, Inc. on April 12, 2001 and to all references to our firm included in this registration statement.

/s/ Arthur Andersen LLP

St. Louis, Missouri
July 31, 2001

INSITUFORM TECHNOLOGIES, INC.

2001 EMPLOYEE EQUITY INCENTIVE PLAN

1. PURPOSE AND NATURE OF PLAN. The purpose of this 2001 Employee Equity Incentive Plan (the "PLAN") of Insituform Technologies, Inc. (the "COMPANY") is to encourage key employees of the Company (together with such subsidiaries of the Company as the Administrator may designate) to acquire shares of the Company's Class A common shares, \$0.01 par value (the "COMMON STOCK"), or to receive monetary payments based on the value of Common Stock or based upon achieving certain goals on a basis mutually advantageous to such key employees and the Company and, thus, provide an incentive for key employees to contribute to the success of the Company and align the interests of key employees with the interests of the stockholders of the Company.

2. ADMINISTRATION; INTERPRETATION. The Plan shall be administered by the Compensation Committee of the Board of Directors (the "ADMINISTRATOR"), unless otherwise specified by the Board of Directors. The Board of Directors in its discretion may delegate and assign specified duties and authority of the Administrator to any other committee and retain the other duties and authority of the Administrator to itself. Also, the Board of Directors in its discretion may appoint a separate committee of outside directors to make awards that satisfy the requirements of Section 162(m) of the Internal Revenue Code.

Subject to the provisions of the Plan, the Administrator shall have exclusive authority to interpret and administer the Plan, to establish, amend and rescind rules and regulations relating to the Plan, to delegate some or all of its authority under the Plan and to take all steps and make all determinations necessary or advisable in connection with the Plan and the benefits granted pursuant to the Plan. The determination of the Administrator in the administration of the Plan shall be conclusive and binding upon all persons, including without limitation the Company, its stockholders and persons granted benefits under the Plan.

To the extent that any benefits which may be granted within the terms of the Plan would qualify under present or future laws for tax treatment that is beneficial to a participant, then any such beneficial treatment shall be considered within the intent, purpose and operational purview of the Plan and the discretion of the Administrator, and to the extent that any such benefits would so qualify within the terms of the Plan, the Administrator shall have full and complete authority to grant benefits that so qualify (including the authority to grant, simultaneously or otherwise, benefits which do not so qualify) and to prescribe the terms and conditions (which need not be identical as among participants) in respect to the grant or exercise of any benefits under the Plan.

The Administrator may, in its sole discretion, select persons eligible to participate in the Plan, grant benefits in accordance with the Plan, and establish the timing, pricing, amount and other terms and conditions of such grants (which need not be uniform with respect to the various participants or with respect to different grants to the same participant); provided, notwithstanding anything contained herein to the contrary, the maximum number of shares subject to stock

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options that may be awarded in any calendar year to any individual shall not exceed 250,000 shares (as adjusted in accordance with Section 6).

3. PARTICIPANTS. Participants will consist of such officers and key employees of the Company (or any designated subsidiary of the Company) as the Administrator in its sole discretion shall determine. Designation of a participant in any year shall not require the Administrator to designate such person to receive a benefit in any other year or to receive the same type or amount of benefit as granted to the participant in any other year or as granted to any other participant in any year. The Administrator shall consider such factors as it deems pertinent in selecting participants and in determining the type and amount of their respective benefits.

4. SHARES SUBJECT TO THE PLAN. Subject to the provisions of Section 6 (relating to adjustment for changes in capital stock) an aggregate of one million (1,000,000) shares of Common Stock shall be available for issuance under the Plan. The shares of Common Stock issued under the Plan may be made available from authorized but unissued shares or shares re-acquired by the Company, including shares purchased in the open market or in private transactions.

The term "PLAN MAXIMUM" shall refer to the number of shares of Common Stock that are available for grant of awards pursuant to the Plan. Stock underlying outstanding options, SARs (as defined below) or Performance Awards (as defined below) will reduce the Plan Maximum while such options, SARs or Performance Awards are outstanding. Shares underlying expired, canceled or forfeited options, SARs or Performance Awards shall be added back to the Plan Maximum. If the exercise price of stock options is paid by delivery of shares of Mature Stock (as hereinafter defined), the Plan Maximum shall be reduced by the net (rather than the gross) number of shares of Common Stock issued pursuant to such exercise, regardless of the number of shares of Common Stock surrendered or withheld in payment. If a SAR is exercised for cash or a Performance Award is paid in cash, the Plan Maximum shall be increased by the number of shares of Common Stock with respect to which such payment is applicable. Restricted Stock (as defined below) issued pursuant to the Plan will reduce the Plan Maximum while outstanding even while subject to restrictions. Shares of Restricted Stock shall be added back to the Plan Maximum if such Restricted Stock is forfeited or is returned to the Company as part of a restructuring of benefits granted

pursuant to the Plan.

5. TYPES OF BENEFITS. The following benefits may be granted under the Plan: (i) stock appreciation rights ("SARS"); (ii) restricted stock ("RESTRICTED STOCK"); (iii) performance awards ("PERFORMANCE AWARDS"); (iv) incentive stock options ("ISOS"); (v) nonqualified stock options ("NQSOS"); and (vi) Stock Units, all as described below.

(a) STOCK APPRECIATION RIGHTS. A SAR is the right to receive all or a portion of the difference between the fair market value of a share of Common Stock at the time of exercise of the SAR and the exercise price of the SAR established by the Administrator, subject to such terms and conditions set forth in a SAR agreement as may be established by the Administrator in its sole discretion. At the discretion of the Administrator, SARs may be exercised (i) in conjunction with the exercise of an option, (ii) upon lapse of an option, (iii) independent of an option or (iv) each of the above in connection with a

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previously awarded option under the Plan. If the option referred to in (i) or (ii) above qualified as an ISO pursuant to Section 422 of the Internal Revenue Code of 1986, as amended ("Code"), the related SAR shall comply with the applicable provisions of the Code and the regulations issued thereunder. At the time of grant, the Administrator may establish, in its sole discretion, a maximum amount per share which will be payable upon exercise of a SAR, and may impose conditions on exercise of a SAR. At the discretion of the Administrator, payment for SARs may be made in cash or shares of Common Stock of the Company, or in a combination thereof. SARs will be exercisable not later than ten (10) years after the date they are granted and will expire in accordance with the terms established by the Administrator.

(b) RESTRICTED STOCK. Restricted Stock is Common Stock of the Company issued or transferred under the Plan (other than upon exercise of stock options or as Performance Awards) at any purchase price less than the fair market value thereof on the date of issuance or transfer, or as a bonus, subject to such terms and conditions set forth in a Restricted Stock agreement as may be established by the Administrator in its sole discretion. In the case of any Restricted Stock:

(i) The purchase price, if any, will be determined by the Administrator.

(ii) The period of restriction shall be established

by the Administrator for any grants of Restricted Stock.

(iii) Restricted Stock may be subject to (A) restrictions on the sale or other disposition thereof; (B) rights of the Company to reacquire such Restricted Stock at the purchase price, if any, originally paid therefor upon termination of the employee's employment within specified periods; (C) representation by the employee that such employee intends to acquire Restricted Stock for investment and not for resale; and (D) such other restrictions, conditions and terms as the Administrator deems appropriate.

(iv) The participant shall be entitled to all dividends paid with respect to Restricted Stock during the period of restriction and shall not be required to return any such dividends to the Company in the event of the forfeiture of the Restricted Stock.

(v) The participant shall be entitled to vote the Restricted Stock during the period of restriction.

(vi) The Administrator shall determine whether Restricted Stock is to be delivered to the participant with an appropriate legend imprinted on the certificate or if the shares are to be issued in the name of a nominee or deposited in escrow pending removal of the restrictions.

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(c) PERFORMANCE AWARDS. Performance Awards are Common Stock of the Company, monetary units or some combination thereof, to be issued without any payment therefor, in the event that certain performance goals established by the Administrator are achieved over a period of time designated by the Administrator, but not in any event more than five (5) years. The goals established by the Administrator may include return on average total capital employed, earnings per share, increases in share price or such other goals as may be established by the Administrator. In the event the minimum corporate goal is not achieved at the conclusion of the period, no payment shall be made to the participant. Actual payment of the award earned shall be in cash or in Common Stock of the Company or in a combination of both, as the Administrator in its sole discretion determines. If Common Stock of the Company is used, the participant shall not have the right to vote and receive dividends until the goals are achieved and the actual shares are issued.

(d) INCENTIVE STOCK OPTIONS. ISOs are stock options to

purchase shares of Common Stock at not less than 100% of the fair market value of the shares of Common Stock on the date the option is granted, subject to such terms and conditions set forth in an option agreement as may be established by the Administrator in its sole discretion that conform to the requirements of Section 422 of the Code. Such purchase price may be paid (i) by check, (ii) in the discretion of the Administrator, by the delivery of shares of Common Stock of the Company owned by the participant for at least six (6) months or (iii) in the discretion of the Administrator, by a combination of any of the foregoing, in the manner provided in the option agreement. The aggregate fair market value (determined as of the time an option is granted) of the stock with respect to which ISOs are exercisable for the first time by an optionee during any calendar year (under all option plans of the Company and its subsidiary corporations) shall not exceed \$100,000.

(e) NONQUALIFIED STOCK OPTIONS. NQSOs are nonqualified stock options to purchase shares of Common Stock at purchase prices established by the Administrator on the date the options are granted, subject to such terms and conditions set forth in an option agreement as may be established by the Administrator in its sole discretion. The purchase price may be paid (i) by check, (ii) in the discretion of the Administrator, by the delivery of shares of Common Stock of the Company owned by the participant for at least six (6) months ("MATURE STOCK") or (iii) in the discretion of the Administrator, by a combination of any of the foregoing, in the manner provided in the option agreement.

(f) STOCK UNITS. A Stock Unit represents the right to receive a share of Common Stock from the Company at a designated time in the future, subject to such terms and conditions set forth in a Stock Unit agreement as may be established by the Administrator in its sole discretion. The participant generally does not have the rights of a stockholder until receipt of the Common Stock. The Administrator may in its discretion provide for payments in cash, or adjustment in the number of Stock Units, equivalent to the dividends the participant would have received if the participant had been the owner of shares of Common Stock instead of the Stock Units.

6. ADJUSTMENT PROVISIONS.

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(a) If the Company shall at any time change the number of issued shares of Common Stock without new consideration to the Company (such as by stock dividends or stock splits), the total number of shares of Common Stock reserved for issuance under the Plan shall be appropriately adjusted, and the number of shares of Common Stock

covered by each outstanding benefit shall be appropriately adjusted so that the aggregate consideration payable to the Company, if any, and the value of each such benefit shall not be changed. Benefits may also contain provisions for their continuation or for other equitable adjustments after changes in the Common Stock resulting from reorganization, sale, merger, consolidation, issuance of stock rights or warrants or similar occurrence.

(b) Notwithstanding any other provision of the Plan, and without affecting the number of shares of Common Stock reserved or available hereunder, the Board of Directors may authorize the issuance or assumption of benefits in connection with any merger, consolidation, acquisition of property or stock, or reorganization upon such terms and conditions as it may deem appropriate.

7. NO RIGHT TO CONTINUE AS AN OFFICER OR EMPLOYEE; NO STOCKHOLDER RIGHTS. Neither the Plan, nor the granting of any benefit nor any other action taken pursuant to the Plan, shall constitute or be evidence of any agreement or understanding, express or implied, that a participant has a right to continue as a participant or as an officer or employee of the Company for any period of time. No participant shall have rights as a stockholder under the Plan, but may have such rights only if the particular benefit granted under the Plan independently contains such rights as a matter of law.

8. AMENDMENT; GOVERNING LAW. The Board of Directors may revise or amend the Plan in any respect whatsoever; provided, that, without approval of the stockholders of the Company, no revision or amendment shall (i) change the selection or eligibility requirements under the Plan, (ii) increase the number of shares of Common Stock that may be issued under the Plan or (iii) increase the amount or type of benefits that may be granted under the Plan. By mutual agreement between the Company and a participant hereunder, benefits may be granted to such participant in substitution and exchange for, and in cancellation of, any benefits previously granted such participant under the Plan. No action authorized by this paragraph shall reduce the amount of any existing benefit or change the terms and conditions thereof without the participant's consent. The validity, construction and effect of the Plan shall be determined in accordance with the laws of the State of Missouri.

9. EFFECTIVE DATE, DURATION, SUSPENSION AND TERMINATION OF THE PLAN. The Plan shall become effective immediately following approval by the stockholders of the Company at the 2001 Annual Meeting of Stockholders. The period during which benefits may be granted under the Plan shall terminate on the day following the tenth anniversary of the 2001 Annual Meeting of Stockholders (unless the Plan is extended or terminated at an earlier date by stockholders); provided, (i) such termination shall not affect the terms of any then outstanding benefit and (ii) the terms and conditions applicable to any benefit granted within such period may thereafter be amended or modified by mutual agreement between the Company and the

participant or such other person as may then have an interest therein. The Board may suspend or terminate the Plan at any time and for any reason.

[CERTIFICATION]

IN WITNESS WHEREOF, the undersigned hereby certifies that this Insituform Technologies, Inc. 2001 Employee Equity Incentive Plan was adopted by the Board of Directors of the Company on February 21 and March 19, 2001, and by the stockholders of the Company at the Annual Meeting on May 10, 2001.

INSITUFORM TECHNOLOGIES, INC., a
Delaware corporation

By: /s/ Thomas A. A. Cook

Name: Thomas A. A. Cook
Title: Vice President and General Counsel

Date: July 16, 2001