

ARTICLES OF ASSOCIATION

CORPORACIÓN EMPRESARIAL DE MATERIALES DE CONSTRUCCIÓN, S.A.

PART I

NAME, REGISTERED OFFICE, PURPOSE AND DURATION OF THE COMPANY

Article 1st.- Name.-

The public limited company named CORPORACIÓN EMPRESARIAL DE MATERIALES DE CONSTRUCCIÓN, S.A., set up as "Roviralta y Compañía, Sociedad en Comandita" [Roviralta & Company, Limited Partnership] under a public instrument executed on 19 February 1903 before the Notary Manuel de Larratea, shall be governed by these Articles of Association and in matters not covered herein by the applicable legal provisions.

Article 2nd.- Registered office.-

The registered office is in Madrid at Paseo de Recoletos number 3; or at such other location in Madrid as may be determined by the Board of Directors; but it may be moved to any other town or city in Spain subject to a General Shareholders Meeting resolution adopted in accordance with the law.

The Board of Directors may also set up any main offices, local offices, branches, agencies or bureaux in Spain or abroad which are in the Company's interests.

Article 3rd.- Purpose.-

The purpose of the Company is to manufacture, distribute and sell, install, import and export building products, chemicals and raw materials, and to engage in building work in the public and private sectors.

The Company may also develop, in general, any other legitimate commercial activity that is history, complement or accessory, or a result of the above or principal.

The activities comprising the corporate purpose may be carried on either by the Company itself or indirectly through shareholdings in companies with the same or a similar purpose.

Article 4th.- Duration.-

The duration of the Company shall be indefinite, so that legally subsist while the General Meeting of Shareholders resolves on their dissolution.

PART II SHARE CAPITAL

Article 5th.- Share capital.-

The share capital is set at €142,199,861.04, represented by 197,499,807 shares with a face value of seventy two euro cents (€0.72) each belonging to a single class and series and all of them are subscribed to and fully paid up.

Article 6th.- Representation of shares.-

The shares are represented by book entries, in compliance with securities market regulations.

Article 7th.- Transfers of shares.-

The shares may be transferred freely by any legal means.

Article 8th.- Indivisibility, usufruct and surety of shares.-

In cases of joint ownership of and rights in rem over shares, the rules contained in the Spanish Public Companies Law shall apply.

Article 9th.- Acceptance by and rights of shareholders.-

The acquisition of shares signifies agreement with and acceptance of these Articles of Association, and therefore being a shareholder entails not only such acceptance but also that of the resolutions adopted at General Shareholders Meetings, the decisions of the corporate bodies and the enforcement of whatever may arise out of the Company's Memorandum of Association or be a result or the interpretation of these Articles of Association, without prejudice to the right to challenge corporate resolutions.

The acquisition of shares confers on the acquirer the right to a proportional share in the corporate earnings to be distributed in the future, to share, if applicable, in the assets resulting from the liquidation of the Company, and the right to attend and vote at General Shareholders Meetings, to challenge the corporate resolutions and to information, to be exercised as provided for by law or in the Articles of Association.

PART III CORPORATE GOVERNANCE

Article 10th.- Governance structure.-

The Company shall be governed, administered and represented by the General Shareholders Meeting and the Board of Directors.

A) GENERAL SHAREHOLDERS MEETING

Article 11th.- Supremacy.-

The legally convened General Shareholders Meeting is the Company's most senior body, and resolutions adopted thereat are binding on all the shareholders, including those who are absent, dissenting or disqualified.

Article 12th.- Types of meetings.-

General Shareholders Meetings may be either ordinary or extraordinary.

An ordinary General Shareholders Meeting must be held each year on a date during the first six months to be determined by the Board of Directors. It is the responsibility of the ordinary General Shareholders Meeting to review the management of the Company, to approve, if appropriate, the previous year's accounts, and to adopt resolutions on the distribution of the year's profit or loss and the appointment of the Company's auditors.

All other meetings shall be classified as extraordinary General Shareholders Meetings.

An extraordinary General Shareholders Meeting must be called whenever the Board of Directors so resolves or is requested to do so in writing by shareholders who own at least 3% of the share capital, with details of the business to be transacted at the meeting being given in the request.

In this case, the General Meeting must be convened to be held within two months from the date on which it was notarized required the Board of Directors to convene, the matters that were the subject of an application must necessarily be included in the agenda.

Article 13th.- Notice.-

Call for the Ordinary or Extraordinary General Meeting shall be by notice published in advance as required by law.

The spread of the notice shall be made using at least the following media:

- a) "Official Bulletin of the Commercial Registry" (Boletín Oficial del Registro Mercantil) or one of the largest newspapers in Spain.
- b) The website of the National Securities Market Commission (Comisión Nacional del Mercado de Valores).
- c) The website of the Company, which will at all times recorded in the leaf open to the Company in the Commercial Registry.

Shareholders representing at least three percent of the share capital may request a supplement to the notice of the Ordinary General Meeting of Shareholders including one or more points on the agenda is published, provided that the new items are accompanied by a justification or , where appropriate, a justified proposed resolution . In no case may exercise this right with respect to the convening of extraordinary general meetings . The

exercise of this right must be by certifiable notice that must be received at the registered office within five days of the date of this publication . The supplement to the call must be published fifteen days in advance at least to the date set for the General Meeting of Shareholders.

Shareholders representing at least three percent of the share capital may, in the same period prescribed in the preceding paragraph, founded proposed resolutions regarding matters already included or to be included in the agenda of the agenda of the General Meeting Shareholders convened. The Company shall ensure the dissemination of these proposed resolutions and documentation in any attached between the other shareholders, in accordance with the provisions of the Law.

The notification shall contain all the information required by the law and, in particular , expressed the following, can be recorded on it, the date on which, if necessary, and by twenty-four hours at least, the General Meeting may meet in second call :

- a) The name of the Company, the date and time of the meeting, the agenda , which shall contain the matters to be discussed , and the position of the person(s) making the call .
- b) The date by which shareholders must have registered the shares in their name in order to participate and vote at the General Meeting Shareholders, where and how they can obtain the full text of the documents and proposed resolutions, and address the website of the Company at which information is available .
- c) Clear and accurate of the procedures that shareholders must follow to participate and vote at the general meeting information, including in particular the following:
 - (i) The right to request information , to put items on the agenda and to submit proposed resolutions and the exercise period . When stating that on the website of the Company can get more detailed information about such rights, the announcement may be restricted to indicate the period of exercise.
 - (ii) The system for issuing proxy voting , with special indication of the forms to be used to vote by proxy and the means to be used for the Company to accept electronic notifications of the appointment of proxy.
 - (iii) The procedures for voting remotely, either by mail or electronically.

If the notice of the meeting at first call does not specify the date of the meeting at second call, the latter must be called within fifteen days of the date of the meeting that did not take place, subject to the same requirements for publication of the notice, at least ten days before the date set for the meeting.

Article14th.- Right to attend.-

Shareholders who own one share or more that are entered in the appropriate register at least five days before the date of the Meeting shall have the right of attendance at General Shareholders Meetings.

As proof of their right of attendance shareholders will be provided with a certificate of registration indicating the number of shares registered.

Shareholders may attend Meetings in person or be represented by someone else, who need not be a shareholder. Proxies must be appointed in writing laid down in the Spanish Public Companies Law, specifically for each Meeting.

Shareholders are entitled to one vote for every share.

Article 15th.- Quorum, place and date of execution.-

There shall be a quorum present at a General Shareholders Meeting at first call when the shareholders present or represented hold at least 25% of the subscribed share capital. At second call there shall be a quorum present at the Meeting whatever the percentage of capital present or represented.

However, in order to validly adopt resolutions for the issuance of debentures, the increase or reduction of capital, the transformation, merger or spin-off of the Company and in general any amendment to the Articles of Association, at least 50% of the subscribed share capital must be present at first call. At second call, it shall be sufficient for 25% of the share capital to be represented.

Notwithstanding the provisions governing the calling of Ordinary and Extraordinary General Shareholders Meeting, such meetings shall be deemed to be validly called and convened to transact any business whenever all the share capital is present and those attending unanimously agree to hold a Meeting. General Shareholders Meetings shall be held in the locality in which the Company's registered office is situated on the date specified in the notice.

Meetings may be adjourned for one or more consecutive days. Resolutions to adjourn may be adopted at the proposal of the Board of Directors or at the request of a number of shareholders representing a quarter of the share capital present at the meeting.

However many times the meeting is adjourned it shall be deemed to be a single meeting and only one set of minutes shall be drawn up for all the proceedings.

Article 16th.- Presiding Panel , deliberations , passing of resolutions.-

The Chairman or, in his absence, the Deputy Chairman of the Board shall chair the General Shareholders Meetings.

The Secretary or, in his absence, the Deputy Secretary of the Board shall act as Secretary at the General Shareholders Meetings. In their absence, the Meeting itself shall appoint the shareholders who are to perform the functions of Chairman and Secretary at the Meeting.

Before proceeding to the items on the agenda, a list of those attending must be compiled, detailing the capacity of each person or whom they represent, and the number of shares of their own or of third parties with which they are attending. At the end of the list the total number of shareholders present or represented shall be stated, together with the amount of the share capital that they represent, and any doubts or objections that may be raised in this regard shall be resolved by the Chairman.

The list of attendees shall be the document that is deemed as sufficient proof that those attending met the requirements for attending the Meeting in the capacity in which they did so and that the requirements laid down in the Articles of Association and in the relevant notices were met.

The list of attendees may be consulted at the Meeting by any shareholder entitled to attend, although their wish to do so shall not oblige the normal conduct of the Meeting to be delayed or adjourned once it has been declared validly convened by the Chairman, nor shall the Chairman be obliged to read out or provide copies of the list of attendees.

Shareholders may request in writing or verbally, within five natural days prior to the General Shareholders' Meeting, any reports or clarification relating to the business included in the Agenda.

Until the fifth day prior to the scheduled date of the Meeting, shareholders may request from Directors, about the items on the agenda, any information or clarification they deem necessary or ask the written questions they deem relevant. They may request information or clarifications or ask questions in writing within the same term or verbally during the holding of the meeting on the public information provided by the company to the Comisión Nacional del Mercado de Valores since the date of the last General Meeting and regarding the auditor's report.

Valid requests for information, clarifications or inquiries made in writing and the written answers provided by the directors will be included on the website of the Company.

The Directors are obliged to provide the information in writing until the day of holding the General Meeting.

During the Annual General Meeting, the shareholders of the Company may verbally request any information or clarification they deem appropriate concerning the items on the agenda, and if not possible to satisfy the shareholder's right at that time, administrators are required to provide that information in writing within the termination of the Board seven days.

The directors are obliged to provide the information requested under the previous three paragraphs, unless such information is unnecessary for the protection of shareholder rights, or there are objective reasons to believe that could be used for extra-social purposes or its advertising harm to the company or affiliated companies.

Information may not be refused when the request is supported by shareholders representing at least one quarter of the capital.

The Chairman shall direct the meeting, indicating the order of intervention in the discussions and resolving any regulatory doubts that may arise, and he may consider that a matter has been dealt with sufficiently once there have been two interventions in favour and two against, at which point he may interrupt the discussion and order that the matter be put to the vote.

He may also limit the time that speakers may have the floor, or withdraw the floor from any shareholders who speak without due respect, and certainly from those who use the floor to discuss non-Company problems or matters that are not included on the Agenda.

In the event of a blatant disruption of the Meeting, the Chairman must suspend it until order is restored, failing which he must adjourn it definitively or to the next day.

Members of the Board of Directors are not subject to a limit on the number of turns for speaking and may take the floor whenever the Chairman authorises them to do so.

Materially separate items shall be voted on separately, especially those regarding the nomination and ratification of directors and which must be voted on separately. Amendments to the Articles of Association, including articles or groups of articles that are materially different and which are to be amended, must be voted on separately. Financial intermediaries acting as nominees on behalf of different clients can split their votes according to their instructions.

Intermediary institutions referred in the preceding paragraph may delegate their vote to each of the indirect holders or third parties designated by them, but may not be limited given the number of delegations.

The resolutions are adopted by a simple majority of the votes of the shareholders present or represented at the meeting, under the terms provided in the law.

For the adoption of the agreements mentioned in the first paragraph of Article 15 of these Statutes, if the capital present or represented exceeds 50% it is sufficient that the agreement is adopted by an absolute majority. However, the affirmative vote of two thirds of the capital present or represented at the meeting is required when on second call shareholders representing 25% or more of the subscribed capital with voting rights without reaching 50%.

The vote on proposals regarding items on the agenda of any General Meeting may be delegated or exercised by the shareholder by mail by sending the attendance card obtained from the duly signed and filled out society, and by other means remote electronic communication, provided that the electronic document through which the voting rights are exercised includes an electronic signature used by the applicant or other type of electronic signature considered suitable by the Board of Directors, in a resolution adopted for such purpose, by gathering adequate guarantees of authenticity and identification of the shareholder exercising the right to vote.

Resolutions adopted at General Shareholders Meetings must be recorded in the relevant Minutes which may be approved in either of the manners envisaged in the Spanish Public Companies Law.

The Minutes must be signed by the Chairman and the Secretary of the Board of Directors or their deputies, and must state whether the Meetings were deemed to be validly convened and whether there were any objections or protests in this regard.

The Minutes of General Shareholders Meetings must record the drawing up of the List of Attendance referred to herein, and the List must be attached to the Minutes as an appendix bearing the signature of the Secretary and the countersignature of the Chairman.

The Minutes shall contain a summary of the matters discussed and of the interventions that were requested to be placed on record, as well as the full text of the resolutions adopted, detailing the majorities by which each of them was adopted.

Copies, certificates and extracts of the Minutes shall be considered to be authoritative if they have been issued by the Secretary and are countersigned by the Chairman.

B) THE BOARD OF DIRECTORS

Article 17th.-Structure.-

The Board of Directors, the body responsible for directing, administering and representing the Company, shall consist of no fewer than three Directors and no more than ten. It is the responsibility of the General Shareholders Meeting to determine the number of Directors.

Article 18th.- Appointment.-

Appointments of Directors must be put to the vote at a General Shareholders Meeting.

The legally recognised right to pool shares to appoint Directors must be exercised in the manner laid down in the legal and regulatory provisions.

In any event directorships must go to individuals who are not affected by any of the legally specified disqualifications, incompatibilities or prohibitions. It will not be necessary to be a Company shareholder nor to provide any kind of security to be appointed a Director.

Persons aged seventy or over may not be appointed or re-elected as Directors.

Article 19th.- Duration.-

The term of office of Directors shall be four years. Directors' appointments shall expire at the end of this term when the next General Shareholders Meeting thereafter has been held, or the statutory deadline for holding the Meeting to rule on approving the accounts for the previous financial year has passed.

Directors may be re-elected on one or more occasions.

Any vacancies that occur may be filled provisionally by the Board, in accordance with the law, until the next General Shareholders Meeting is held. The vacancy occurred after the general meeting convened and before its conclusion, the Board may appoint a Director until the conclusion of the next General Meeting.

Directors may be removed from office, before their term of office has expired, at either an Ordinary or an Extraordinary General Shareholders Meeting.

Article 20th.- Board officers.-

Without prejudice to the delegations that may be required under Article 22 below, the Board shall appoint from among its members a Chairman and one or more Vice Chairmen to replace, in the order is decided, that in the event of any vacancy or absence reason. In the case that the appointment of the President fall on an executive Director, will require the favorable vote of two thirds of the members of the Board.

If the President has the status of an executive director, the Board, with the abstention of the executive directors, it must necessarily appoint a coordinator Director among the independent Directors, who will be specifically empowered to request the calling of board meetings or the inclusion of new items on the agenda of an already convened Board,

coordinate and bring together the non-executive and lead, where appropriate, periodic evaluation of the Chairman of the Board .

The Board shall also appoint a Secretary, who need not be a Director, in which case he will not have a vote. It may also appoint a Deputy Secretary under the same conditions, to stand in for the Secretary. All Board members without special charge will have, if the occasion requires it, the status of Deputy Secretaries.

Article 21st.- Board meetings.-

The Board shall meet when it is in the interests of the Company to do so and at least once a quarter. Board meetings shall be called by the Chairman or his deputy. Directors constituting at least one third of the Board members may call a meeting, indicating the agenda, to be held in the locality where the headquarter is, if, upon request to the President, this without just cause had not made the call within a month.

Notice of meetings shall be given by letter or telegram sufficiently in advance. There shall be a quorum for Board meetings at first call when half plus one of the Board members are present or represented thereat. Any Director may appoint in writing another Director to represent him. The non-executive directors may only do so in another non-executive.

Polls in writing without a meeting shall only be admissible when none of the Directors is opposed to such a procedure.

An absolute majority of the votes of the Directors attending the meeting shall be necessary to adopt resolutions. In the event of a tie, the Chairman shall have the casting vote.

Minutes must be taken at each meeting and transcribed in the relevant book. They must be signed by the Chairman and the Secretary.

Article 22º.- Facultades y delegación de las mismas.-

The Board shall have the broadest powers to manage, administer and represent the Company, and may carry out all kinds of proceedings, whether they be of administration, disbursement or encumbrance, and execute all kinds of contracts, subject only to the limitations determined by the powers that lie with the General Shareholders Meetings.

In matters not covered in these Articles of Association, the Board may regulate its own operations and accepting the resignation of its members, and bear the signature and social representation through its President, the Director-Secretary or the person or persons for such it designates or seize.

The Board of Directors, with the favourable vote of two thirds of the Directors, will create and regulate an Executive Committee and/or appoint one or more Managing Directors, delegating them permanently powers it deems appropriate , except that law or statute are not capable of delegation.

The Board may not delegate any case the following powers:

- a) Monitoring the effective functioning of the commissions constituted and the performance of the delegated bodies and managers who had appointed.
- b) The determination of the general policies and strategies of the Company.
- c) Authorization or waiver of the obligations arising from the duty of loyalty as provided in the Law.
- d) Its own organization and operation.
- e) The submission of the Annual Accounts and their presentation at the General Meeting.
- f) The formulation of any kind of report required by law on the board as long as the operation to which the report relates can not be delegated.
- g) The appointment and dismissal of any Managing Director of the Company as well as the establishment of the conditions of his contract.
- h) The appointment and dismissal of managers who have direct report to the Board or any of its members, and the establishment of the basic conditions of their contracts, including their remuneration.
- i) Decisions concerning the remuneration of Directors, within the statutory framework and, where appropriate, of the remuneration policy adopted by the General Meeting.
- j) The convening of the General Meeting and the preparation of the agenda and proposed resolutions.
- k) The policy regarding own shares .
- l) Approval of the strategic or business plan, management targets and annual budgets, investment and financing policies, corporate social responsibility policy and dividend policy.
- m) The determination of the policy of control and risk management, including tax, and motorization of internal systems of information and control.
- n) The determination of the corporate governance policy of the Company and the group that is dominant entity; its organization and operation and, in particular, the adoption and amendment of its own rules.

- o) Approval of the financial information which, by its listed status, the Company must make public periodically.
- p) Defining the structure of the group of companies of which the Company is the controlling entity.
- q) Approving investments or transactions of any kind by their amount or special characteristics are strategic or have special tax risk, unless their approval corresponds to the General Meeting.
- r) Approval of the creation or acquisition of shares in special purpose vehicles or domiciled in countries or territories considered tax havens, and any other transactions or operations of a similar nature whose complexity might impair the transparency of the Company and its group.
- s) Approval, unless he was legally exempted and the report of the Audit Committee after referring, of operations by the Company or its affiliates undertake with directors under the terms provided by law, holders or shareholders, individually or in concert with others, a significant participation, including shareholders represented on the Board of Directors of the Company or of other companies belonging to the same group or with persons related thereto.
- t) Determining the fiscal strategy of the Company.
- u) The powers that the General Meeting had delegated to the Board, unless expressly authorized by it would have been for sub delegate them.

Article 23rd.- Audit Committee.-

The Board of Directors will establish an Audit Committee, composed of a minimum of three and a maximum of five Directors appointed by the Board of Directors by resolution adopted by the majority of its members. All the members of the Committee must be non-executive directors, at least two of its members must be independent directors , and one of them shall be appointed taking into account their knowledge and experience in accounting, auditing or both .

The mandate of the members of the Audit Committee shall be four years, unless before the expiration of this term cease to be Directors and may be re-elected indefinitely. The revocation of the mandate as a member of the Audit Committee , still in force's mandate as Director concerned, to be valid the favourable vote of two thirds of the Board members .

The Chairman of the Audit Committee shall be elected by this agreement between the independent Directors thereof. The Chairperson may only be re-elected as such after one year after his retirement. The Secretary to the Commission will be the Secretary of the Board.

The meetings of the Audit Committee shall be convened by the President of the same, must be convened within a period of fifteen days when requested in writing two of its members.

In matters not specifically provided in this Constitution it shall apply to the operation of the Audit Committee governing the convening, constitution and adoption of resolutions set out in Article 21st in relation to the Board.

Article 24th.- Powers of the Audit Committee.-

It corresponds to the Audit Committee generally supervising the control function of the Company and the group of companies of the same.

In performing this function especially for the Commission of Audit :

1. Report to the General Meeting of Shareholders on the questions raised in relation to those matters within the competence of the Commission.
2. Monitor the effectiveness of internal control of the Company, internal audit and risk management systems, including tax, and discuss with the auditor any significant weaknesses in the internal control system detected during the audit.
3. Supervising the preparation and submission of the required financial information.
4. Submit to the Board proposals for selection, appointment, reappointment and removal of the external auditor, and the terms of engagement and it regularly gather information on the audit plan and its execution while preserving its independence in the exercise of their functions.
5. Establish appropriate relations with the external auditor to receive information on any issues that could jeopardize their independence, for consideration by the commission, and any others related to the development process of the audit, as well as other communications envisaged by audit legislation and auditing standards. In any case, they must receive annually from the external auditors the declaration of independence in relation to the entity or entities related to it directly or indirectly, as well as information of any additional services provided class and the fees received from these entities by the external auditors or by persons or entities related to it in accordance with the provisions of the legislation on auditing.
6. Issue annually, prior to issuance of the audit report, a report stating an opinion on the independence of the auditor will express character. This report shall include, in any case, the assessment of the provision of additional services referred to in the previous issue, considered individually and collectively, other than the statutory audit and in connection with the regime of independence or the legislation regulatory audit.
7. Report, in advance, the Board of Directors on all matters under the Law, the Articles of Association and the Regulations of the Board and in particular on :
 - a) financial information that the Company must periodically make public,
 - b) the creation or acquisition of shares in special purpose vehicles or domiciled in countries or territories considered tax havens,

c) and related party transactions

Article 25th.- Appointments and Remuneration Committee.-

The Board of Directors shall constitute a Remuneration and Appointments Committee, composed of a minimum of three and a maximum of five Directors appointed by the Board of Directors by resolution adopted by the majority of its members. All the members of the Commission shall be non-executive and at least two members must be independent directors.

The mandate of the members of the Remuneration Committee and Appointments will last four years, unless before the expiration of this term cease to be Directors and may be reelected indefinitely. The revocation of the mandate as member of the Remuneration and Appointments Committee, still in force's mandate as Director concerned, will require the favorable vote of two thirds of the Board members to be valid.

The Chairman of the Appointments and Remuneration Committee shall be elected by agreement between the independent Directors thereof, and may be re-elected one or more times. The Secretary of the Appointments and Remuneration Committee will be the Secretary of the Board.

Meetings of the Remuneration and Nomination Committee shall be convened by the Chairman, must be convened within a period of fifteen days when requested in writing two of its members.

In matters not specifically provided in this Constitution it shall apply to the operation of the Remuneration Committee and the Nomination governing the convening, constitution and adoption of resolutions set out in Article 21st in relation to the Board.

Article 26th.- Powers of the Remuneration Committee and Appointments.-

The Nomination and Remuneration Committee shall have the following functions:

1. Evaluate the skills, knowledge and experience on the Board of Directors. For this purpose, define the roles and capabilities required of the candidates to fill each vacancy and evaluate the time and dedication necessary for them to perform their duties effectively.
2. Set a goal of representation for the underrepresented sex on the Board of Directors and develop guidance on how to achieve that objective.
3. Submit to the Board of Directors the proposals for appointment of independent directors to be appointed by interim basis or for submission to the decision of the General Meeting and the proposals for re-election or removal of such Directors by the General Meeting.
4. Report on the proposed appointment of the remaining Directors for their appointment by co-optation or for submission to the decision of the General Meeting and the proposals for re-election or removal by the General Meeting.
5. Report on proposals for appointment and removal of senior managers and the basic terms of their contracts.

6. Examine and organize the succession of the Chairman of the Board and Chief Executive of the Company and, where appropriate, make proposals to the Board for such succession occurs in an orderly and planned.
7. Propose to the Board the remuneration policy for directors and general managers or those who develop their senior management functions under direct control of the Board, of Executive Committees or Managing Directors as well as the individual compensation and other contractual conditions of executive Directors, ensuring compliance.

Article 27th.- Remuneration of the Board.-

The position of Director is remunerated.

The members of the Board of Directors receive for their condition such as remuneration consisting of a fixed amount for membership of the Board of Directors and, where appropriate, the commissions -delegated or not-, and may be higher for people occupying positions within the Board itself or for those chairing the referred commissions. The maximum amount of the annual remuneration of Directors in their capacity as such shall be determined by the General Meeting and will be distributed by the Board of Directors so that it may decide, taking into account the aforementioned criteria. Said maximum amount will remain in effect until the General Meeting resolves to change, although the Board of Directors may reduce this amount in the years when it sees fit.

In addition, Directors with executive functions in the Company shall be entitled to additional compensation for providing such executive functions. It shall be expressed by the Board and will be detailed in all their concepts, in the contract between the company and the executive directors, which must be approved by the Board of Directors. These concepts may be (i) a fixed remuneration in cash and in kind, with the services and responsibilities assumed; if (ii) a variable short- and long-term incentive systems established in general for senior management of the Company, which may include delivery of shares or stock options or remuneration remuneration linked to the value of the shares subject to the requirements established by current legislation at all times; (Iii) a benefit, including the safe and timely security systems, and social security; and, where appropriate, (iv) compensation for no post-contractual competition. On termination not due to unfulfilment of duty they shall be entitled to compensation.

Regardless of remuneration set out in the preceding paragraphs, all Directors will be offset travel expenses, trips and other incurred to attend meetings of the Company or for the performance of their duties.

In any case, the remuneration of the Directors shall be as set out in the remuneration policy of Directors approved by the General Meeting, under the terms established by law.

PART IV FISCAL YEAR AND FINANCIAL DOCUMENTS

Article 28th.- Fiscal year.-

The fiscal year coincides with the calendar year.

Article 29th.- Accounting documents.-

Within three months from the close of the fiscal year, the Board of Directors shall prepare the Annual Accounts, the Management Report and the proposed appropriation of earnings, documents submitted to the review of the auditors appointed by the General Shareholders Meeting under the Spanish Law.