



BOARD OF DIRECTORS REGULATIONS
ZINKIA ENTERTAINMENT S.A.

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REGULATIONS OF THE BOARD OF DIRECTORS OF ZINKIA ENTERTAINMENT S.A.

CHAPTER I - INTRODUCTION

Article 1. Purpose

1. The purpose of these Regulations is to establish the operating principles of the Board of Directors of "ZINKIA ENTERTAINMENT S.A." (hereinafter the "Company"), the basic rules for its organisation and functioning and the rules of conduct for its members.
2. The rules of conduct established in these Regulations for the Company's Directors also will apply to senior managers of the Company, to the extent compatible with the specific nature of their positions.

Article 2. Interpretation

1. These Regulations will be interpreted in accordance with the applicable legal and articles rules and the principles and recommendations regarding good corporate governance of listed companies, approved or issued by Spanish authorities and those of neighbouring countries in effect from time to time.
2. The Board of Directors has authority to resolve such doubts as may arise regarding application and interpretation of these regulations in accordance with the general criteria for interpretation of legal rules.

Article 3. Amendment

1. These Regulations may only be amended on initiative of the Chairman or one third of the Directors or the Audit Committee, which must be accompanied by the proposed amendment with an explanatory memorandum.
2. The text of the proposal and the explanatory memorandum of its authors must be attached to the call of the Board meeting that is to consider it. The call must be made at least ten days in advance.
3. In order to be valid, an amendment of the Regulations will require a resolution adopted for that purpose by a two thirds majority of the Directors present in person or by proxy.
4. These Regulations must be updated whenever it is necessary to adapt the content to applicable law.

Article 4. Dissemination

1. Directors and senior managers must be familiar, comply and cause compliance with these Regulations. To that end, the Secretary of the Board will provide all of them with a copy thereof upon their acceptance of their respective appointments or upon effectiveness of their contracts, as applicable. They must deliver a signed declaration, in the form of Annex I to these Regulations, to the Secretary stating that they are aware of and accept the content of these Regulations, covenanting to fulfil such obligations as are imposed on them thereby.
2. The Company's Board of Directors will adopt such measures as may be appropriate in order for the Regulations to be disseminated among the shareholders and the general investing public. In particular, the current text of the Regulations will be notified to the Alternative Stock Market and registered in the Commercial Registry, and will be available on the Company's corporate website as contemplated in these Regulations.

CHAPTER II - DUTIES OF THE BOARD

Article 5. General duties of the Board

1. Except for matters reserved to the General Meeting, the Board of Directors is the highest decision-making authority of the Company. It has the authority given to it by the Capital Companies Act, in particular the following:

- a. Preparation of the annual accounts, the management report and the proposal for allocation of the Company's profits, as well as the consolidated accounts and management report;
- b. Call of the General Meeting and publication of the notices related thereto;
- c. Implementation of the Company's own shares policy within the context of the authorisation given by the General Meeting;
- d. Appointment of Directors by way of co-option and making proposals to the General Meeting regarding appointment, ratification, re-election and removal of Directors.
- e. Appointment and renewal of positions internal to the Board of Directors and the members of the Committees; in those cases in which it has not been resolved by the Company's General Meeting, distribution among its members of compensation of Directors, on proposal of the Nominating and Compensation Committee;
- f. Approval and amendment of the Board of Directors Regulations governing its organisation and internal functioning;
- g. Approval of the Company's general policies and strategies. This will include, in particular, the following:
 - (i) The strategic or business plan, management objectives and annual budgets;
 - (ii) Investment and financing policy;
 - (iii) Design of the structure of the corporate group;
 - (iv) Corporate governance policy;
 - (v) Corporate social responsibility policy;
 - (vi) Compensation policy for Directors and compensation policy and performance evaluation of senior managers;
 - (vii) Risk control and management, and periodic monitoring of internal information and control systems;
 - (viii) Own share policy, in particular the limits thereof;
- h. Approval of the following operating decisions, on proposal of the Chairman:
 - (i) Appointment and removal of senior managers, as well as their indemnification clauses;
 - (ii) Additional compensation of inside Directors for their executive functions and approval of their contracts, after a report from the Nominating and Compensation Committee;
 - (iii) Such financial information as, as a result of its listing on the Alternative Stock Market, the Company must publish from time to time;
 - (iv) Investments, including investment in subsidiaries or taking interests in companies, in Spain or abroad, and transactions of all kinds that, by reason of the high amount or special characteristics, are of a strategic nature;
 - (v) Creation or acquisition of shares in special purpose vehicles or entities resident in jurisdictions considered to be tax havens, and any transactions or operations of a comparable nature the complexity of which might impair the transparency of the group.
- i. Approval of transactions the Company enters into with Directors, significant shareholders or shareholders represented on the Board of Directors, or with persons related thereto ("Related Party Transactions"). Nevertheless, the authorisation of the Board of Directors will not be required for Related Party Transactions that simultaneously meet the following three conditions:
 1. They are governed by standard form adhesion contracts applied on an across-the-board basis to a large number of customers;
 2. They are entered into at market prices or rates, generally set by the supplier of the goods or services in question;

3. The amount is not material to the Company, that is, it is not more than 1% of its annual revenue.

Approval of Related Party Transactions will require a prior favourable report from the Audit Committee. The affected Directors, in addition to not exercising or granting proxies for their voting rights, will leave the meeting room while the Board of Directors deliberates and votes thereon.

- j. Periodic evaluation of the quality and effectiveness of the functioning of the Board, the Committees and their respective Chairmen, based on the report sent to it by the Nominating and Compensation Committee or the Audit Committee, if applicable; and
- k. Any other matter the Board of Directors Regulations or the articles reserve to the board as a whole.
- l. Notwithstanding the foregoing, when necessary by reason of urgency, the following resolutions may be adopted by the Executive Committee and submitted for ratification by the Board of Directors.
 - (i) appointment and removal of senior managers, as well as their indemnification clauses;
 - (ii) compensation of Directors and, in the case of inside Directors, additional compensation for their executive functions, and approval of their contracts;
 - (iii) financial information that, by reason of its status as a listed company, the Company must periodically publish;
 - (iv) investments and transactions of all kinds that, by reason of their high amount or special characteristics, are strategic on the terms contemplated in the articles of association;
 - (v) creation or acquisition of shares in special purpose vehicles or entities resident in jurisdictions considered to be tax havens, and any other transactions or operations of a comparable nature the complexity of which might impair the transparency of the group; and
 - (vi) Related Party Transactions.

2. The Board's policy is to delegate ordinary management of the Company to the management team, and concentrate its activity on the general supervisory function and adoption of the decisions most significant to administration of the Company.

3. Such authority as is reserved by law or institutionally for direct handling by the Board may not be delegated. Nor may such authority as under the articles is nondelegable or such other authority as is necessary for responsible exercise of the general supervisory function.

4. The Board of Directors will ensure that the Company fulfils its ethical duties and its obligation to act in good faith.

5. The Board of Directors will also ensure that no shareholder receives privileged treatment vis-à-vis the others.

CHAPTER III - COMPOSITION OF THE BOARD

Article 6. Qualitative composition

1. The Board of Directors, in the exercise of its authority to make proposals to the General Meeting, and its authority to appoint by co-option to fill vacancies, will, to the extent possible, see to it that, in the composition of the board, outside Directors represent a broad majority over inside Directors.

For these purposes, inside Directors are those that in any way fulfil management responsibilities within the Company or any other company in its group.

Outside Directors are all those that are not inside Directors.

2. The Board also will see to it that, within the majority group of outside Directors, there are proprietary Directors and independent Directors. The aforesaid provisions on classification of Directors will be interpreted in accordance with the good corporate governance rules or recommendations in effect from time to time. Also, the Board will see to it that, to the extent possible, there is a reasonable balance of proprietary Directors and independent directors, taking account of the relationship within the shareholding structure of the Company between floating capital (held by ordinary investors) and stable capital (held by significant shareholders).

In any event it will see to it that the number of independent Directors always is not less than two and represents around one third of all Directors.

Article 7. Quantitative composition

1. The Board of Directors will be comprised of not less than three (3) nor more than ten (10) members, the number to be determined by the General Meeting.

2. The Board will propose to the General Shareholders Meeting the number of Directors that, in accordance with the Company's changing circumstances, and within the articles limits, is most appropriate to ensure the due representativeness and proper functioning of the Board.

CHAPTER IV - STRUCTURE OF BOARD OF DIRECTORS

Article 8. Chairman of the Board

1. The Chairman of the Board of Directors will be chosen from among its members in accordance with the provisions of the Company's articles of association.

2. The Chairman has ordinary authority to call the Board of Directors, to establish the agenda for its meetings and to lead the debate.

3. The Chairman will be considered to be the chief executive of the Company, having the authority necessary therefor. The Chairman in particular is responsible for (a) seeing to compliance with the Articles as a whole and faithful implementation of the resolutions of the General Meeting and the Board of Directors; and (b) exercising the highest-level inspection of the Company and all of its departments.

4. Also, on the terms contemplated in the articles, the Chairman has the powers and authority of the Board of Directors, except for those that by law or under the articles are not delegable.

Article 9. Vice Chairmen

The board from among its members may appoint one or more Vice Chairmen, of which at least one must be independent. The First Vice Chairman will replace the Chairman if he cannot serve or is absent, or when so determined by the Chairman himself. Similarly, the Second Vice Chairman will replace the First Vice Chairman if he cannot serve or is absent, or when so determined by the Vice Chairman himself.

Article 10. Secretary of the Board

1. The Board of Directors will choose a Secretary, who may but need not be a Director, qualified to perform the functions inherent in that position. If the Secretary of the Board of Directors is not a Director, he will have voice but not vote.

2. The Secretary will assist the Chairman with his work and must ensure the proper functioning of the Board of Directors and, in particular, must provide the Directors with the advice and information that they need, keep corporate documents, duly reflect the conduct of meetings in the minutes books, and certify the resolutions adopted by the Board of Directors.

3. The Secretary will see to the formal and substantive legality of the actions of the Board, that it acts in accordance with the articles and complies with the orders issued by regulatory authorities, and the Company's observance of the good corporate governance criteria and the rules in the Board Regulations.

Article 11. Assistant Secretary of the Board

1. The Board of Directors may appoint an Assistant Secretary, who need not be a Director, to assist the Secretary of the Board of Directors or to replace the Secretary if the Secretary does not perform as such.

2. Unless otherwise decided by the Board of Directors, the Assistant Secretary may attend its meetings to assist the Secretary in drafting the minutes of the meeting.

Article 12. Delegated bodies of the Board of Directors

1. The Board of Directors from among its members may appoint an Executive Committee and one or more Managing Directors, without prejudice to such authority as may be granted to any person. All authority that is not nondelegable under applicable legislation and the articles of association may be extended to any person, in whole or in part, on a temporary or permanent basis. Delegation and appointment of the members of the Board that are to occupy those positions for validity will require the favourable vote of two thirds of the members of the Board, and will have no effect until registration in the Commercial Registry.

2. In addition, the Board may establish other committees with consultative or advisory functions. These committees nonetheless may, on an exceptional basis, be given decision-making authority.

3. In any event, the Board must establish an audit committee, with the reporting, supervision, advice and proposal authority regarding matters within its competence as specified in article 13 of these Regulations.

Article 13. Audit Committee. Composition, authority and functioning

1. An Audit Committee will be established within the Board of Directors in accordance with the following rules:

- a. The Audit Committee will be comprised of a minimum of three (3) and a maximum of five (5) Directors, the majority of which will be outside Directors, and among which there in any event must be at least one independent Director, appointed by the Board of Directors.
- b. The Chairman of the Audit Committee is to be elected from among the outside Directors. The Chairman must be replaced every four years. He may be re-elected one time after expiration of one year after ceasing to be the Chairman.
- c. All members of the Audit Committee, particularly its Chairman, will be appointed on the basis of their knowledge and background in accounting, auditing or both.

2. Notwithstanding any other task which may be assigned thereto from time to time by the Board of Directors, the Audit Committee will exercise the following basic functions:

- a. Reporting to the General Shareholders Meeting on the issues raised within the Committee regarding matters within its competence.
- b. Making proposals to the Board of Directors for submission to the General Shareholders Meeting concerning the appointment of auditors or audit firms, in accordance with the legislation applicable to the Company.
- c. Monitoring the effectiveness of the internal control of the Company, the internal audit, if any, and the risk management systems, and discussing significant weaknesses in the internal control system detected in the course of the audit with the auditors or audit firms.

- d. Supervising the process of preparation and presentation of regulated financial information related to the Company and, if applicable, the group.
- e. Establishing the appropriate relationships with the auditors or audit firms to receive information regarding such questions as may compromise their independence, for review by the Committee, and any others related to the process of auditing accounts, and such other communications as may be contemplated in the legislation regarding auditing of accounts and audit standards. In any event, annually it must receive written confirmation from the auditors or audit firms of their independence as regards the entity or directly or indirectly related entities, and information on additional services of any kind provided to these entities by the aforesaid auditors or firms, or by the persons or entities related thereto in accordance with the provisions of Audit Act 19/1988 of 12 July 1988.
- f. Annually, prior to the issue of the audit report, issuing a report stating an opinion regarding the independence of the auditors or audit firms. This report must address the provision of any additional services referred to in the preceding section.
- g. Examining compliance with the Internal Code of Conduct, these Regulations and, in general, the company's governance rules, and making the proposals necessary for improvement.
- h. Reporting to the Board of Directors, prior to the adoption by it of the corresponding decisions, regarding the following matters:
 - i. creation or acquisition of interests in special-purpose companies or companies domiciled in tax havens, as well as any other transactions or operations of a similar nature that by reason of their complexity might impair the transparency of the group; and
 - ii. transactions with related parties.

3. The Audit Committee generally will meet on a semi-annual basis, to review the periodic financial information that is to be sent to the stock exchange authorities, as well as the information the Board of Directors is to approve and include in the annual public documentation. It also meets when called by its Chairman. The Chairman is to call the meeting whenever the Board or its Chairman requests the issuance of a report or adoption of proposals by the Audit Committee and, in any event, if it is requested by any of the members of the Audit Committee or is appropriate to the proper performance of its duties.

4. The Audit Committee will prepare an annual report of its actions, highlighting the principal incidents, if any, that have arisen in respect of matters within its competence. In addition, when the Audit Committee deems it to be appropriate, it is to include proposals for improvement of the company's governance rules in the report. The report of the Company's Audit Committee and will be available to shareholders and investors by way of the website.

5. When so requested by the Committee, the members of the management team and the employees of the Company and its group will be required to attend meetings of the Audit Committee, cooperate with it and give it access to the information available to them. The Committee may also require the auditors to attend its meetings.

6. In order to best perform its duties, the Audit Committee may avail itself of the advice of outside experts, when it deems necessary for proper performance of its duties.

Article 14. Nominating and Compensation Committee. Composition, authority and functioning

1. The Board of Directors from among its members also may establish a Nominating and Compensation Committee which, if formed, will be governed by the following rules:

- a. The Nominating and Compensation Committee will be comprised of a minimum of three (3) and a maximum of five (5) Directors, the majority of which will be outside Directors, and among which there in any event must be at least one independent Director, appointed by the Board of Directors. For these purposes, inside Directors are those that in any way perform management responsibilities within the Company or any company in the group, and those others that are so considered by the good governance rules or recommendations in effect from time to time.

- b. The Chairman of the Nominating and Compensation Committee is to be elected from among those outside directors. The Chairman must be replaced every four years. He may be re-elected one time after expiration of one year after ceasing to be the Chairman.
2. Notwithstanding other duties that may be assigned thereto by the Board of Directors, the Nominating and Compensation Committee will have the following basic responsibilities:
- a. Establishing and revising the criteria that are to be used for composition of the management team of the Company and its subsidiaries and for selection of candidates, and reporting to the Board of Directors on appointment and removal of the officers reporting directly to the Board of Directors.
 - b. Reporting to the General Meeting or, in the case of co-option, to the Board of Directors, on appointment of Directors prior to their appointment by the General Meeting or, if applicable, by the Board of Directors by way of co-option.
 - c. Reporting to the Board of Directors on appointments to internal positions (Chairman, Vice Chairmen, Managing Director, if any, and Secretary and Assistant Secretary, if any) of the Board of Directors.
 - d. Presenting proposals for appointment of senior managers reporting directly to the Board of Directors to that body, for it to proceed with appointment thereof.
 - e. Analysing, formulating and periodically reviewing proposals of policies regarding the hiring of, loyalty programmes for, and removal of executives.
 - f. Analysing, formulating and periodically reviewing proposals of executive compensation policies, weighing their appropriateness and effectiveness.
 - g. Reporting annually to the Board of Directors on evaluation of the performance of the Company's senior management.
 - h. Reporting to the Board of Directors regarding the schemes for and amount of annual compensation of Directors and senior managers, and preparing the information to be included in the annual public information regarding compensation of Directors.
 - i. Seeing to the transparency of compensation.
 - j. Reporting to the Board of Directors regarding transactions that imply or may imply conflicts of interest.
3. The Nominating and Compensation Committee ordinarily will meet once each year to prepare the information regarding compensation of Directors that the Board of Directors is to approve and make public. It also will meet when called by its Chairman. The Chairman is to call the meeting whenever the Board or its Chairman requests the issuance of a report or adoption of proposals and, in any event, whenever it is appropriate to the proper exercise of its authority.
4. The request for information from the Nominating and Compensation Committee will be made by the Board of Directors or its Chairman. Also, the Nominating and Compensation Committee must consider suggestions made to it by the members of the Board of Directors, the officers and the shareholders of the Company.

CHAPTER V - FUNCTIONING OF THE BOARD

Article 15. Meetings of Board of Directors

1. The Board of Directors will meet in ordinary session at least once every two (2) months and, on the Chairman's initiative, whenever he considers it to be appropriate for the proper functioning of the Company. The Board of Directors also must meet when so requested ~~at least three (3) of its members or~~ by the independent Vice Chairman ~~or at least one third~~ of its members, in which case it will be called by the Chairman to be held within the fifteen days following the request. ~~In the latter case, if the Chairman, without just cause, has not made the call within the term of one month, the Board may be called by the administrators that requested the meeting, to be held in the location of the registered office.~~
2. The meetings of the Board of Directors will be called by the Secretary, on initiative of the Chairman or, in the event of absence or incapacity of the latter, on initiative of the First Vice Chairman, the Second Vice Chairman, and so on successively.

3. The call of ordinary meetings will be made personally, by letter, fax or e-mail, and will be authorised with the signature of the Chairman or, if applicable, that of the Secretary or Assistant Secretary by order of the Chairman. The call will be sent at least five (5) days in advance.

The call always will include the agenda for the meeting and the relevant information will be attached, duly summarised and prepared.

4. The Chairman of the Board of Directors may call extraordinary meetings of the Board by telephone when, in his judgment, circumstances justify doing so. Notwithstanding the foregoing, such documentation, if any, as must be provided to the Directors will be delivered sufficiently in advance. The Board also may validly meet without need of a call if, all of its members being present in person or by proxy, the holding of the meeting is unanimously accepted thereby.

5. The Board also may adopt written resolutions without a meeting if no Director opposes so proceeding, in accordance with the provisions of the Capital Companies Act.

6. The Board will prepare an annual schedule of its ordinary meetings.

[NOTE: The text of section 1 above is amended to coordinate it with the text of article 20 of the Articles of Association and incorporate the provisions of article 246 of the Capital Companies Act.]

Article 16. Conduct of meetings

1. The Board will be validly constituted when the majority of its members attend the meeting, in person or by proxy. Board members will do everything possible to attend Board meetings. When they are unable to do so in person, they will endeavour to grant their proxy in writing, on a special basis for each meeting, to another Board member, including the appropriate instructions and so notifying the Chairman of the Board of Directors.

2. The Chairman will organise the debate, seeking and promoting the participation of all Directors in the Board's deliberations.

3. Except in cases in which the law or articles specifically establish other majorities, resolutions will be adopted by absolute majority of those attending the meeting. In the event of a tie, the Chairman will have the casting vote.

4. Minutes of the meetings of the Board of Directors will be prepared and will be signed, at a minimum, by the Chairman and the Secretary or Assistant Secretary. The minutes will be transcribed or entered, pursuant to legal requirements, into a Board Minutes Book.

5. The minutes will be approved by the Board of Directors itself, at the end of the meeting or at a subsequent meeting.

CHAPTER VI - APPOINTMENT AND REMOVAL OF DIRECTORS

Article 17. Appointment of Directors

Directors are appointed by the General Meeting or the Board of Directors, in accordance with the provisions of the Capital Companies Act.

Without prejudice to the foregoing, if the Nominating and Compensation Committee is established, appointment of independent Directors will be made on proposal thereof.

Article 18. Appointment of outside Directors

1. The Board of Directors will see to it that the candidates selected are persons of high standing, competence and experience, being particularly rigorous as regards those that are to fill positions as independent Directors as contemplated in article 6 of these Regulations.

2. The Board of Directors may not, as independent Directors, propose or appoint persons serving in any management position within the Company or its group, or that have family and/or professional relationships with inside Directors, other senior managers and/or shareholders of the Company or its group.

Article 19. Re-election of Directors

The Board of Directors, before proposing re-election of Directors to the General Meeting, with the directors in question abstaining, as provided in article 22(1), will evaluate the quality of work and time commitments to the position of the proposed Directors during their prior terms in office.

Article 20. Term of office

1. The Directors will serve for a term of five (5) years, without prejudice to the possibility of being removed earlier by the General Meeting. At the ends of their terms in office they may be re-elected one or more times for terms of the same length.

2. The appointment of the administrators will lapse when, the term having concluded, the following General Meeting has been held or the legal term for holding the meeting that is to resolve on approval of the accounts for the preceding financial year has passed.

3. Directors appointed by way of co-option will serve until the date of the first General Meeting immediately following their appointment.

A director ending his term or for any other reason ceasing to serve may not be a Director or serve in a management position in another company that has a corporate purpose similar to that of the Company for a term of two (2) years.

If it deems it to be appropriate the Board of Directors may relieve the outgoing director of this obligation or shorten the term.

Article 21. Removal of Directors

1. Directors will leave office when the term for which they were appointed has passed, or when so decided by the General Meeting in exercise of the authority given to it by law or the articles. In the case of independent directors, when they have held that position for an uninterrupted term of 12 years after the admission to trading of the shares of the Company on the Alternative Stock Market.

2. Directors must tender their positions to the Board of Directors and, if it deems it to be appropriate, formalise the corresponding resignations, in the following cases:

- a. When they leave the management positions with which their appointments as directors were associated.
- b. When they are subject to any of the grounds of incompatibility or prohibition contemplated by law.
- c. When they are seriously admonished by the Board of Directors for violating their duties as directors.
- d. When remaining on the Board could endanger the interests of the Company or the reasons for which they were appointed disappear (for example, when a proprietary director disposes of its interest in the Company).

3. Directors immediately will advise the Board of criminal proceedings in which they appear as accused, and the progress of the trial. As soon as they are indicted or tried for any of the crimes indicated in article 213 of the Capital Companies Act,

the Board necessarily will review the case and, in light of its specific circumstances and potential effect on the credit and reputation of the Company, will decide whether or not it is appropriate for the Director to resign.

4. When, by reason of resignation or otherwise, a Director leaves office before the end of his term, he will explain the reasons in a letter that will be sent to all members of the Board.

Article 22. Objectivity and secrecy of voting

1. In accordance with the provisions of article 29 of these Regulations, Directors affected by proposals for appointment, re-election or removal will refrain from participating in the deliberations and voting in respect thereof.

2. All Board of Directors voting on appointment, re-election or removal of Directors will be secret.

CHAPTER VII - DIRECTOR INFORMATION

Article 23. Rights of information and examination

1. A Director may request information on any aspect of the Company and examine its books, records, documents and other documentation. The right to information extends to investee companies provided that this is possible.

2. The information request must be addressed to the Secretary of the Board of Directors, who will deliver it to the Chairman of the Board of Directors and the appropriate spokesman within the Company.

3. The Secretary will advise the Director of the confidential nature of the information requested and received and the Director's duty of confidentiality under the provisions of these Regulations.

4. The Chairman may refuse to provide the information if he concludes: (a) that it is not necessary to proper performance of the duties assigned to the Director or (b) that the cost thereof is not reasonable in light of the significance of the problem and the assets and revenue of the Company.

Article 24. Expert assistance

1. To receive assistance in fulfilling their duties, outside Directors may request that legal, accounting or financial advisors or other experts be engaged, for the account of the Company.

Such advice must necessarily relate to specific problems of a degree of importance and complexity that arise in the discharge of the directors' duties.

2. The engagement decision must be notified to the Chairman of the Company and may be vetoed by the Board of Directors if it determines that:

- a. it is not necessary for the proper performance of the duties entrusted to the outside Directors;
- b. the cost thereof is not reasonable in view of the importance of the problem and of the assets and income of the Company; or
- c. the technical assistance sought may be adequately provided by experts and technicians of the Company.

CHAPTER VIII - COMPENSATION OF DIRECTORS AND MEMBERS OF BOARD COMMITTEES

Article 25. Compensation of Directors and members of Board Committees.

1. Directors and members of the Audit Committee and, if applicable, the Nominating and Compensation Committee, will be compensated by way of compensation consisting of a fixed amount that will be determined for each financial year by resolution of the General Meeting. The amount thereof may be different for each of the administrators.
2. If the General Meeting of the Company has limited itself to approving an overall amount of compensation for the Board, without specifying the compensation corresponding to each member, the Board for each financial year may fix the specific amount to be received by each of the members thereof. The amount to be received by each of them may be established based on whether or not they are members of Board committees, the positions they occupy therein or, in general, their time commitments to administration tasks or service to the Company.
3. Independently of the provisions of the preceding sections, the compensation of Directors also may consist of delivery of shares or option rights thereon, or be indexed to the value of the shares of the Company. The application of these schemes must be resolved by the General Meeting. The resolution of the General Meeting, if applicable, will state at least the number of shares to be delivered, the exercise price of the option rights, the value of the shares used for the indexing and the term of this compensation scheme, as well as such other terms as it deems to be appropriate.
4. The Board will see to it that compensation is moderate and commensurate with market conditions.
5. In particular, the Board of Directors will adopt all measures within its means to ensure that compensation of outside Directors, including any compensation they receive as members of the Committees, conforms to the following guidelines:
 - a. Outside directors must be compensated based on their actual time commitments.
 - b. Outside Directors will be excluded from the benefits scheme financed by the Company for cases of resignation, death or otherwise.
 - c. The amount of outside Directors' compensation must be calculated so that it offers incentives for time commitment, without undermining their independence.
6. The compensation of an administrator will be understood to be without prejudice to such amounts as the administrator may receive as fees or salary by reason of providing professional services or employment, as applicable.
7. The Company is authorised to secure civil liability insurance for its Directors and officers.
8. The compensation of outside Directors and inside Directors, in the latter case as to the part corresponding to their status as Directors apart from their executive functions, will be set forth in the notes to the financial statements, broken down by each Director. The compensation of inside Directors, as to the part corresponding to their executive functions, will be included on a combined basis, broken down by the various compensation categories or line items.

CHAPTER IX - DIRECTOR DUTIES

Article 26. General duties of Directors

In the performance of his duties a Director will act with the diligence of an orderly businessmen and loyal representative. In particular a Director is required to:

- a. Be informed regarding and prepare suitably for the meetings of the Board and, if applicable, the committees thereof to which they belong;
- b. Attend the meetings of the Board of Directors and take an active part in the deliberations so that their opinions effectively contribute to decision-making.

If, for a justified reason, a Director is unable to attend meetings to which he has been called, he must instruct the Director who will represent him.

- c. Contribute their strategic vision, as well as innovative measures, opinions and concepts for the optimal functioning and evolution of the Company's business (this applies to an even greater extent to independent Directors).
- d. Perform any specific task entrusted to them by the Board of Directors or any of its committees and/or advisory bodies that is reasonably within the scope of their time commitment.
- e. Investigate any irregularity in the management of the Company of which he has learned and monitor any risk situation.
- f. Urge persons with meeting-calling capacity to call an extraordinary meeting of the Board or to include the points they deem appropriate on the agenda of the first meeting to be held.
- g. Oppose resolutions that are contrary to the law, to the Articles or to the Company's interest, and request that their position be entered into the minutes when they deem that such action is most appropriate to protection of the Company's interest.

Article 27. Director duty of secrecy

1. Directors will maintain secrecy of the deliberations of the Board of Directors and the committees to which they belong and, in general, will refrain from disclosing the information to which they have had access in the performance of their duties.

2. The duty of confidentiality will remain even when a Director has left his position, and he must keep secret all confidential information and all information, data, reports or facts of which he becomes aware as a result of performing his duties. He may not communicate that information to third parties or disclose it when so doing could be detrimental to the Company's interest. Excepted from the duties referred to in this paragraph are cases in which the law permits the communication or disclosure of information to third parties, as are, if applicable, cases in which information is demanded by or must be submitted to the respective oversight authorities, in which case the transfer of information must conform to the legal requirements.

3. If the administrator is a legal person, the duty of secrecy will apply to the representative thereof, without prejudice to fulfilment of the obligation the representative has to inform that administrator.

Article 28. Noncompetition

1. The Directors may not, for their own behalf or on behalf of others, engage in a business that is the same as or comparable or complementary to the business constituting the corporate purpose, absent express authorisation of the Company, by resolution of the General Meeting, for which purpose they must disclose as contemplated in the following article.

2. On request of any shareholder, the General Meeting will resolve regarding removal of Directors that are directors of another competitor company.

Article 29. Conflicts of interest

1. A Director must disclose the existence of any such conflict, direct or indirect, as it may have with the Company's interest. The affected Director must refrain from participating in the resolutions or decisions regarding the transaction to which the conflict relates.

2. Directors also must disclose such direct or indirect interests as either they or the related persons referred to in article 231 of the Capital Companies Act may have in the capital of a company with a business that is the same as, or comparable or complementary to the business constituting the corporate purpose, and also will disclose the offices or functions they fill or perform therein.

3. The conflicts of interest contemplated in the preceding subsections will be reported in the notes to the financial statements.

Article 30. Use of corporate assets

Directors may not use the assets of the Company or use their position in the Company to obtain an economic advantage, unless appropriate compensation is paid.

Article 31. Non-public information

A Director will observe the rules of conduct established in securities market legislation and, in particular, those set forth in the Company's Internal Regulations of Conduct in Matters Related to Securities Markets regarding the handling of inside information and confidential information.

Article 32. Corporate opportunity

1. A Director may not, for its own benefit or for a related person, take advantage of investments or any transactions involving Company property that it learns of as a result of the performance of its duties, if the investment or transaction has been offered to the Company or the Company is interested therein, unless the company has rejected the investment or transaction uninfluenced by the director. For purposes of this rule a related person is one included within article 231 of the Capital Companies Act.

Article 33. Indirect transactions

A Director violates his duty of loyalty to the Company if, with prior knowledge, he allows or does not disclose the existence of transactions undertaken by the persons indicated in article 29.1 of these Regulations, that have not been submitted to the conditions and controls contemplated in the preceding articles.

Article 34. Director reporting duties

1. Directors must advise the Company of the shares of the Company they own directly or indirectly through the persons indicated in article 231 of the Capital Companies Act, all in accordance with the Internal Regulations of Conduct in Matters Related to the Securities Markets.

2. A Director also must advise the Company of the positions in which it serves on the boards of directors of other companies with a kind of business that is the same as or comparable or complementary to the one constituting the corporate purpose and, in general, of such facts, circumstances or situations as may be relevant to the Director's acting as an administrator of the Company in accordance with the provisions of these Regulations.

Article 35. Transactions with significant shareholders

1. Any transaction of the Company with Directors and significant shareholders will be subject to authorisation of the Board of Directors, which may condition it on a prior report from the Audit Committee.

2. The Board of Directors, before authorising the company to engage in any transaction of this kind, will evaluate the transaction from the point of view of equal treatment of shareholders and market conditions.

CHAPTER X - BOARD RELATIONSHIPS

Article 36. Relationships with shareholders

1. The Board of Directors will provide appropriate channels for receiving proposals from shareholders related to the management of the Company.
2. Through some of its Directors, with the collaboration of the members of senior management that it deems to be appropriate, the Board may organise informational meetings on the progress of the Company and its Group, for shareholders residing in the most important financial markets, either in Spain or other countries.
3. Public proxy solicitations by the Board of Directors or any of its members must explain the sense in which the proxy will vote if the shareholders do not give instructions.
4. The Board of Directors will promote shareholders' informed participation in General Shareholders Meetings and will adopt such measures as may be appropriate to allow the General Shareholders Meeting to effectively exercise its authority in accordance with law and the Articles of Association. In particular, the Board of Directors will adopt the following measures:
 - a. It will strive to make available to the shareholders, prior to the Meeting, all information that is legally required, and all information that, even though not legally required, may be of interest and reasonably can be provided.
 - b. It will respond, with utmost diligence, to requests for information made by shareholders prior to the Meeting.
 - c. Also with utmost diligence, it will answer questions posed by shareholders when the Meeting is held.

Article 37. Relationships with institutional shareholders

1. The Board of Directors will also establish appropriate mechanisms for the regular interchange of information with institutional investors who are among the Company's shareholders.
2. In no event may the relationships between the Board of Directors and institutional shareholders result in the delivery to the latter of any information that might give them a privilege or advantage over other shareholders.

Article 38. Relationships with markets

1. The Board of Directors, by way of making material disclosures to the Alternative Stock Market, and to other corresponding authorities, if any, and on the corporate website, will immediately advise the public of any material information on the terms established in the regulations applicable to the Company.
2. The Board of Directors will take the necessary steps to ensure that the semi-annual, quarterly and any other financial information that it deems prudent to disclose to the markets, is prepared in accordance with the same professional practices, principles and policies as the annual accounts and is equally reliable.
3. The Board of Directors will include information in its annual public documentation regarding the Company's governance rules and the degree of compliance therewith.

Article 39. Relationships with auditors

1. The Audit Committee is to propose to the Board of Directors, for submission to the General Shareholders Meeting, the appointment (indicating the terms and scope of the professional engagement), renewal and removal of the auditor, and supervise performance of the audit agreement in accordance with article 13.2 of the Board of Directors Regulations.
2. The Audit Committee will refrain from proposing to the Board of Directors, and the latter in turn will refrain from submitting to the Meeting, appointment as the auditor of the Company of any audit firm that is subject to grounds of

incompatibility in accordance with the audit legislation, as well as those firms the fees of which expected to be paid by the Company, in all categories, are greater than five percent of their total revenue for the most recent financial year.

3. The Board of Directors will see to it that the financial statements ultimately are prepared in such manner that they do not give rise to qualifications by the auditor. Nevertheless, when the Board deems that it must maintain its position, it will publicly explain the content and scope of the discrepancy.

ANNEX I

ACCEPTANCE COMMITMENT

Mr. [●]
Secretary of the Board
ZINKIA ENTERTAINMENT S.A.
[]
Madrid
[Place], on [●] [●] [●]

I hereby advise you that I have been duly informed of the content of the Board of Directors Regulations of ZINKIA ENTERTAINMENT S.A. I am familiar with, understand and accept them, covenanting to comply with such obligations as are imposed on me by virtue thereof.

With nothing further, I remain very truly yours,
Signed: _____
[Name]
[Director/Senior Manager/Secretary]