



RULES OF AUTOCONTROL

The Articles of the Association were approved by the Constituent Assembly on May 11th, 1995. This is the last version that includes the modifications approved by the Annual General Meeting held on May 21th, 2014.

The Articles of the Association comply with the regime established by the Organic Law 1/2002, of March 22nd.

TITLE I GENERAL PROVISIONS

Article 1.- Name and legal regime.

With the name “AUTOCONTROL. ASOCIACIÓN PARA LA AUTORREGULACIÓN DE LA COMUNICACIÓN COMERCIAL” [AUTOCONTROL. ASSOCIATION FOR THE SELF-REGULATION OF COMMERCIAL COMMUNICATION], the voluntary nonprofit association is constituted and it shall be governed by these Rules and the Organic Law 1/2002 of March 22nd - which regulates the right of association - and by other regulations that may apply.

Article 2.- Territorial scope.

The scope of the Association shall extend throughout the Spanish territory, being the membership open to companies, organizations or associations that exist in Spain or in any other state and meet the requirements established in these rules.

Article 3.- Address.

The registered office of the Association is established in the city of Madrid, Calle Príncipe de Vergara, 109, 5th and 6th floor, and it may be changed by resolution of the General Assembly convened specifically for that purpose.

Article 4.- Duration.

The Association that is constituted shall last indefinitely, starting its operations on the day of the signature of the Constitution Act.

Article 5. - Object and purpose.

1.- The object of the Association is to help commercial communication become a particularly useful instrument in the economic process, ensuring respect for advertising ethics and for the rights of recipients of commercial communication, excluding de defense of professional interests.

2.- By way of information, the following goals of the Association are considered:

- a) To develop ethical codes, both general and sector-specific, which collect the basic rules of conduct that must be respected in commercial communications.
- b) To settle disputes and conflicts that may arise by performing a certain commercial communication and that are submitted to it by its members or third parties.
- c) To develop opinions, reports, studies of any kind or nature on issues concerning advertising, when they are requested either by a member of the association or by a third party.

- d) To be a party in proceedings to defend the objectives of the Association and the general interest, in compliance with the provisions governing commercial communications in Spain.
- e) To collaborate actively with the Government, public organizations and International Courts in order to make it possible for advertising to meet the standards by which it is governed, and, in general, to run instances, make proposals, suggestions or issue reports for these agencies and authorities in matters affecting commercial communication.
- f) To contribute to the development and improvement of Spanish legislation on commercial communication.
- g) To participate in national or international organizations that are of interest for the purposes of the Association.
- h) Any other complementary activity or an activity that is a consequence of the purposes stated in the previous sections.

Article 6.- Legal entity.

1.- The Association, from the day of its establishment, shall have full legal entity and capacity to act, in the exercise of which it is expressly empowered to:

- a) Acquire, hold and dispose of all types of goods.
- b) Enter into contracts, incur obligations and acquire rights.
- c) Perform actions, appear before the courts of any degree, order or jurisdiction and promote all kinds of appeals.
- d) Organize cultural activities and training for the benefit of its members.
- e) Perform any acts or legal transactions expressly not prohibited by legal standards.

2.- For the purposes of advertising and other purposes established by law, the Association will be entered in the corresponding register.

Article 7.- Asset Autonomy.

The Asociación para la Autorregulación de la Comunicación Comercial shall enjoy absolute asset autonomy.

TITLE II ABOUT MEMBERS

CHAPTER I CONDITIONS AND REQUIREMENTS FOR MEMBERS

Article 8.- Affiliation.

- 1.- The Association is composed of individual members and collectives.
- 2.- Public or private companies may become members of the Association, as individual members, whether they are advertisers, agencies, media or other commercial communication services.
- 3.- Private entities and associations that are interested in advertising self-regulation, whether they are of business or professional nature, may join the Association as collective members.

Article 9.- Groups of members for fee purposes.

Individual Associations may be included, for fee purposes, in different categories depending on advertising investment, turnover or income, which shall be established by the Board.

Article 10.- Achieving member status.

- 1.- Companies, organizations and associations listed in Article 8 which are duly constituted and legalized and which are admitted, upon request, by the Executive Committee of the Association, may become members.
- 2.- The Executive Committee of the Association may request any other information in order to check the suitability of companies, organizations and associations who wish to join the Association.
- 3.- Applications for membership shall be addressed to the Executive Committee and shall be in writing, indicating the applicant's identification data.
- 4.- The person who is to represent the member of the Association should be designated in the

application form; any change in the person designated to represent the member of the Association shall be notified in writing to the Association.

5.- The Executive Committee may accept or reject the application for admission of a partner. In case of refusal, it shall be substantiated and based on objective criteria, and the applicant may appeal within one month from the date of notification of the admission refusal, which shall be submitted to the Board of the Association for a final decision.

6.- All accepted admission applications will be published in the Magazine of the Association. The Association members may appeal that admission to the Board of the Association, within one month of its publication. In this case, the Board will make a final decision, after hearing the applicant.

7.- When a company, organization or association that has been a member and has quotas or services pending payment at the time it cancelled its membership, it shall pay those outstanding amounts before formalizing its reentry.

Article 11.- Cancel membership.

1.- A member of the Association may cancel the membership voluntarily, letting the Association know in writing. The withdrawal will be fully effective after a month of the reception of the notification in writing, or at a later date if it had been requested so by the applicant.

2.- The obligation to pay the membership fee corresponding to the year in progress shall be maintained if the membership fees had already been approved and the fiscal year had commenced when the withdrawal is communicated.

3.- The membership fees shall be payable from the beginning of the fiscal year, and they may be claimed if the requirement to that effect is not fulfilled within a month.

4.- The Board of Directors may decide to throw out a member of the Association after a hearing, when the requirements in order to obtain such condition are not being met anymore after it was admitted.

5.- The members that have not paid their membership fees or met their economic obligations with the Association by the end of the fiscal exercise shall automatically be unsubscribed.

6.- The members that, after the formalities required in these rules, are expelled from the Association will be unsubscribed.

Article 12.- Member status change.

The quantitative variations concerning the criteria stated in Article 9 shall result in the Executive Committee consequently changing the status of a member.

Against the agreement of a status change, the applicant may appeal within a month of the notification date, which shall be submitted to the Board of Directors of the Association, in order to make a final decision.

CHAPTER II RIGHTS AND OBLIGATIONS

Article 13.- Member Rights

Members will have the following rights:

- a) To elect and be elected for representative positions and to hold office in the Board of Directors of the Association through the person selected to be the representative by the corresponding associative bodies.
- b) To act as representatives when such right is conferred to them.
- c) To inform and be informed of the proceedings and status of the Association and of the formalities and issues affecting them. They may - in particular and at any given point - request all the relevant information about the assets and evolution of the Association from the governing bodies of the Association.
- d) Participate in the financial and administrative management of the Association in accordance with legal and statutory standards, having access to the minute books and to other accounting documents from the Association.
- e) State possible controversies to the competent bodies of the Association so that, if they deem it appropriate, they may undertake the corresponding actions.

- f) Attend to meetings, contributing with their votes and proposals to the agreements reached by the corresponding governing body.
- g) Have access to the technical services offered by the Association and receive support and collaboration in general interest issues.
- h) Require – if applicable – total and absolute confidentiality with regards to the data supplied to the Association. Members may refuse to disclose certain data when revealing such details may imply a serious risk to their interests.
- i) And, in general, the rights granted to them by the legal regulations in force and by these Rules.

Article 14.- Member Obligations.

Members shall be subject to the following obligations:

- a) Comply with the Rules and other legal regulations by which the Association is governed.
- b) Comply with validly adopted agreements, even though their vote might have been against them, and/or they might have not participated in the voting, or might have not attended the meeting in which such agreements were reached.
- c) Respect legal regulations in their commercial communications and, particularly, the Codes of Ethics approved by the Association.
- d) Comply with the resolutions adopted by the Advertising Jury, refraining in all cases from referring to them in their advertising activities, directly or indirectly.
- e) Comply with mediation agreements or commitments of discontinuance or modification and any other agreement adopted while a claim is being processed, as well as to respect all the provisions included in the Rules of the Advertising Jury.
- f) Cooperate in achieving the objectives of the Association, respecting the free expression of ideas and opinions of the members, and refraining from any activity contrary to the Rules or that may jeopardize the goals of the Association.
- g) Provide reliable and responsible information about matters that do not have a confidential nature or that may damage or pose a serious risk to them, when such information is required by the governing bodies of the Association or the Advertising Jury.
- h) Pay the required membership fees according to their status, as well as contribute to support the Association in the manner and amount determined by the corresponding body.
- i) Do not use trademarks or any other industrial and intellectual property rights owned by the Association, unless authorized by the governing bodies of the Association, as it is indicated by the Board. Under no circumstance, they shall be able to advertise that their commercial or advertising activity is guaranteed or endorsed by the Association, directly or indirectly.
- j) Provide accurate information with regards to the documents that are voluntarily handed out to the Association in order to process opinions from the Advertising Jury, create reports, studies of any class or nature about issues concerning advertising, including previous consulting or “Copy Advice” reports, whose development has been requested to Autocontrol.

CHAPTER III DISCIPLINARY REGIME

Article 15.-Punishable Assumptions.

1.- The following are considered minor infringements:

- a) Refuse to provide the data requested by the governing bodies of the Association or by the Advertising Jury, if such the refusal is not sufficiently justified in the opinion of the corresponding governing body.
- b) Simple disregard of the rules of coexistence in an association.
- c) Delay in complying with the resolutions from the Advertising Jury.
- d) Minor infringement of the rest of the obligations established in these rules, and especially those included in Article 14.

2.- The following are considered serious infringements:

- a) Serious disregard of the rules of coexistence in an association and, in particular, when there is an open confrontation with the rest of the members or when the Association may be discredited.
- b) Failure to comply or action contrary to the agreements adopted by the governing bodies of the Association.
- c) Failure to comply with the resolutions adopted by the Advertising Jury.
- d) Repeated failure to comply with the rules regulating commercial communication, as observed by the Jury or by competent Judicial or Administrative bodies.
- e) Make abusive use of the resolutions of the Jury or make them public before the Association does it or without the proper objectivity.
- f) Provide false information that may affect the outcome of the opinions from the Advertising Jury, reports, and studies of any kind or nature, including previous consultations or "Copy Advice" reports, issued by the Association.
- g) Serious breach of the obligations set forth in these Rules, and especially the ones included within article 14.

Article 16.- Reoccurrence.

1.- Reoccurrence will be considered an aggravating circumstance that may be taken into consideration when the corresponding penalty for the infringement is set.

2.- The commission of three infringements in a year will lead to the last one being qualified as being one degree immediately above the one that initially corresponds to it.

Article 17.- Penalties.

1.- The following penalties shall be applied in case of minor infringements:

- a) Private warning.
- b) Public warning.
- c) Temporary suspension of a managing position of up to 6 months.
- d) Temporary suspension of active and passive voting rights of up to 6 months.

2.- The following penalties shall be applied in case of serious infringements:

- a) Temporary suspension of a managing position for a period between 6 months and one year.
- b) Temporary suspension of active and passive voting rights for a period between 6 months and one year.
- c) Temporary suspension of membership for a maximum period of one year.

3.- The following penalties could be applied in case of very serious infringements:

- a) Temporary suspension of a managing position for a period between one and two years.
- b) Temporary suspension of active and passive voting rights for a period between one and two years.
- c) Temporary suspension of membership for a maximum period between one and two years.
- d) Exclusion from the Association.

Article 18.- Competence to impose penalties.

1.- It will correspond to the Commission of Disciplinary Affairs to decide whether it is necessary to initiate a disciplinary proceeding, *ex officio* or upon a complaint from any person with a legitimate interest.

2.- The Commission of Disciplinary Affairs will appoint an instructor in the agreement to initiate a disciplinary proceeding, who will have the competency to initiate such disciplinary proceeding and to formulate a resolution proposal.

3.- The Executive Committee shall hold the disciplinary competency, except for the exclusion penalty, in which case its agreements may be appealed to the Board of Directors.

4.- When the proposed penalty is the exclusion from the Association, the disciplinary competency will correspond to the Board of Directors, and its agreements may be appealed to the General Assembly.

5.- The agreements reached by the Executive Committee, the Board of Directors or the General Assembly when solving the appeals provided in this chapter shall be final and executive, so no further appeals will proceed.

Article 19.- Disciplinary Proceeding.

1.- The disciplinary proceeding shall be initiated by the Commission of Disciplinary Affairs, *ex officio* or upon a complaint from any person with a legitimate interest.

2.- In the agreement to initiate a disciplinary proceeding the following limits, at least, shall be recorded:

- a) Reasons that have motivated the opening of a disciplinary proceeding.
- b) Qualification of the facts.
- c) Eventual penalties that might be imposed.
- d) Right of the member affected to make as many allegations as the member deems appropriate and the period to present them.
- e) Appointment of the instructor.

3.- Once the disciplinary proceeding is initiated, the agreement shall be sent to the member affected, who will be able to present as many pleas as deemed appropriate in a maximum period of the days.

4.- Upon receiving the allegations from the affected member, and once the tests have been performed by the instructor, he/she shall propose the Commission of Disciplinary Affairs to conclude the disciplinary action, if he/she understands that the facts have not been confirmed or that they do not constitute an infringement. If the Commission of Disciplinary Affairs agrees the conclusion of the disciplinary action, it shall be communicated to those affected that they will be able to present their appeal to the Executive Committee within 5 days from the notification. If such appeal is presented, it will be notified to the other party or other parties affected in case they wanted to present further allegations no later than 5 days from the reception of the notification. The Executive Committee shall solve such appeal.

5.- Should the disciplinary action continue, the instructor shall elevate a resolution proposal in a maximum period of one month from the date of the agreement to initiate such action or of the agreement by the Executive Committee confirming the action, including, at least, the following items:

- a) Proven facts.
- b) Judicial qualification.
- c) Proposed penalty.

6.- The resolution proposal shall be brought by the instructor to the governing body that, in each case, may have disciplinary competencies.

7.- The governing body with disciplinary competency shall adopt a resolution, which must be motivated, by an absolute majority of its members, present or represented. If the parties involved are part of the governing bodies that have to make a decision about disciplinary actions, they shall refrain from participating.

8.- The resolution adopted by the governing body with disciplinary competency shall be notified immediately to the affected member of the Association and to the complainant, in its case, who

will be able to appeal according to the provisions included in the present Rules, within ten days from the date of the notification.

9.- The Secretary of the Commission of Disciplinary Affairs will be the General Manager of the Association or the member of the Technical Team in which he/she delegates.

10.- For all other cases not included in this article, whatever is decided in the rules of disciplinary proceedings approved by the Board of Directors will be applied.

11.- When the General Assembly, the Board of Directors or the Executive Committee are convened and there are going to be any disciplinary actions taken, these actions shall be specifically included in the meetings' agenda.

Article 20.- Suspension of membership.

1.- In those cases in which there is a suspension disciplinary action agreed by the competent governing body, it shall mean the loss of all the rights corresponding to members, depending on the type of suspension as agreed in these Rules.

2.- The full rights as partner shall be recovered automatically once the period agreed in the disciplinary agreement has passed, provided the member had fulfilled the financial obligations during the suspension period.

3.- The suspended member may continue using the services of the Association.

4.- The suspended member shall continue complying with his/her obligations as a Member, including the payment of fees and other financial compromises with the Association.

TÍTULO III

CHAPTER I

ASSOCIATION GOVERNING BODIES

Article 21.- Governing bodies and Management.

1.- The Association will have the following governing bodies: General Assembly, Board of Directors, Executive Committee, Commission of Disciplinary Affairs, President and Vice-Presidents.

2.- The managing body of the Association will be the General Manager.

Article 22.- Advertising Jury.

An Advertising Jury is created as a specialized and independent out of court body in order to settle disputes and claims related to commercial communication.

CHAPTER II

GENERAL ASSEMBLY

Article 23.- General Assembly: Nature and composition.

1.- The General Assembly is the body that expresses the social will of the Association, and its decisions - legally adopted - are binding on all members.

2.- The General Assembly shall be constituted by all members of the Association and shall be chaired by the President.

3.- If a member cannot attend a General Assembly meeting, he/she may delegate his/her representation through a document certifying it so that it is handed out to the Secretary of the Assembly before the meeting takes place. The delegation shall designate the delegate and will only be valid for the indicated meeting.

Article 24.- Functions.

The General Assembly shall develop the following functions:

- a) Approve and amend the Rules and agree, if it should be the case, the dissolution of the Association.
- b) Adopt agreements concerning the representation, management and defense of the Association, without prejudice to the faculty of delegating those issues deemed appropriate in the Board of Directors and other managing bodies.
- c) Choose the components of the Board of Directors and agree, at any time, its separation.
- d) Know of the activities of the Board of Directors and the rest of governing bodies.
- e) Approve extraordinary admission fees and, should it be the case, an extraordinary levy proposed by the Board of Directors.
- f) Approve the balance sheets, statements of accounts, memoirs and reports submitted by the corresponding body.
- g) Approve or deny a proposal by the Board of Directors to join a federation or form a confederation with one or many associations.
- h) Approve, should it be the case, internal regime rules that may develop these Rules by proposal from the Board of Directors.
- i) Solve the claims related to the resolutions from the Board of Directors, included in these Rules.
- j) Any other function that is specifically assigned to it by these Rules.
- k) Approve the Codes of Ethics of the Association and ratify the Agreements reached by the Board of Directors compromising the intervention of the Association, through the Jury and/or its Technical and Legal Team, in applying the Deontological Codes of other Entities with which such cooperation is agreed.

Article 25.- Ordinary General Assembly.

1.- The Ordinary General Assembly shall compulsorily meet once a year in order to:

- a) Approve, if appropriate, the annual accounts and memoir, that must be elaborated in the first quarter after closing the fiscal year.
- b) Approve, if appropriate, the management of the Board of Directors.

2.- The Ordinary Assembly may also discuss any other issue included in the agenda.

Article 26.- Extraordinary General Assembly.

- 1.- The Assembly may be called extraordinarily if the President determines so. It will not be possible to discuss matters that are not included in the agenda of the meeting.
- 2.- Furthermore, the President shall call an extraordinary Assembly upon written request and expressing the issues to be discussed, when at least one fourth of the members of the Association request it so by express request from the majority of the Board of Directors. In both cases, the President or the General Manager shall call the Assembly in his/her name in a maximum period of fifteen days, upon receiving the request to call it or upon the date of the agreement reached by the Board of Directors. In emergency cases, the maximum time limit shall be seven days.

Article 27.- Calls for meetings.

- 1.- The Ordinary General Assembly and, if it is the case, the Extraordinary General Assembly, shall be called by the President or, if he/she delegates, by the General Manager. The issues to be discussed in the Assembly shall be set in the agenda of the call.
- 2.- The call for the Ordinary General Assembly shall be done at least fifteen days before the proposed day of the meeting. The call for the Extraordinary General Assembly shall be done by the indications in article 26.

Article 28.- Constitution.

1.- The Ordinary or Extraordinary General Assembly will be validly constituted, in a first call, when half of the members of the Association are present or represented. And, in a second call, regardless of the number of attendees. Between both calls, at least half an hour shall have passed.

2.- When the General Assembly should discuss a modification of the Rules, the change of address outside of the city included in such Rules or the dissolution of the Association, it will be necessary, for its valid constitution, that more than half of the members attend in a first call. The attendance of one third of the members would be enough in a second call.

3.- The General Assembly will be chaired by the President of the Association and, in case he/she is absent, by a Vice-President or by the member that is designated to act as such by the Assembly.

4.- The General Manager of the Association will act as Secretary of the Assembly. If he/she was absent, it will be a member appointed by the President.

Article 29.- Votes.

Each member shall hold one vote.

Article 30.- Majorities.

1.- Unless otherwise stated in these Rules, the agreements will be reached by simple majority of the members present or represented in the Assembly.

2.- However, with regards to agreements related to modifications of the Rules, change of address outside of the city included in such Rules, resolution of disciplinary issues or dissolution of the Association, the favorable vote of the absolute majority of members present or represented at the Assembly shall be required.

Article 31.- Minutes.

The Secretary of the Assembly shall write the minutes of each meeting, including a summary of the issues discussed and those interventions where there was a request to record them, as well as the contents of the agreements adopted and the voting results. The Minutes of the meeting will include an appendix with a List of all Attendees.

The minutes of the meeting shall be sent to all the members of the Association, so that, in a maximum period of seven days after receiving it, they may make as many objections as they deem appropriate.

After this period, if the objections have not been communicated to the Secretary, the Minutes will be approved and the document will be transcribed in the Official Book of Minutes after the President's approval.

If there are objections to the Minutes, a Delegate Commission shall be constituted to definitely approve the document.

The Commission shall be composed of the representatives of the members of the Association that, being members of the current Board of Directors, were present in the Assembly and it shall be chaired by the current President of the Association. Such Commission shall be in charge of reviewing the observations communicated in the Minutes and of approving their content. The Secretary of the Commission will be the General Manager of the Association.

CHAPTER III BOARD OF DIRECTORS

Article 32.- The Board of Directors. Nature and composition.

- 1.- The Association shall be managed and administered by a Board of Directors elected by the General Assembly, among the members of the Association and integrated by a maximum of 38 members, from which up to 18 may be Advertisers, up to 8 may be Collective Association Members, up to 6 may be Advertising Agencies and up to 6 may be Media. Members adhered to the Association as "Other Services for Commercial Communication" may present their candidacy in one of the other groups.
- 2.- The Members of the Board shall be nominally elected from those appointed as representatives of each of the members of the Association. Their eventual replacement by another representative of their entity will require the previous agreement by the Board of Directors and, if so, it shall be effective until the celebration of the next closer Assembly.
- 3.- The Board of Directors will appoint from amongst its members a President, a Treasurer and four Vice-Presidents, to be elected, respectively, one among the Advertisers, another among the Media and another among the Associations.

Article 33.- Functions of the Board of Directors.

- 1.- The Board of Directors is competent to regulate its own performance and it may perform as many acts as deemed appropriate or judged convenient in order to comply with and develop the objectives of the Association, except those that are within the exclusive competence of the General Assembly.
- 2.- The Board of Directors will be responsible for the actions and functions listed next:
 - a) Set up the strategy of the Association, pointing out the general guidelines for its activity.
 - b) Approve and manage the programs and action plans of the Association.
 - c) Approve the subject matters that the Ethic Codes of the Association should address.
 - d) Execute the agreements reached by the General Assembly.
 - e) Represent and defend the interests of the Association, acting appropriately, as long as those functions are not specifically attributed to the General Assembly.
 - f) Solve the appeals regarding the admission of new members to the Association.
 - g) Regulate the mechanisms to collect and manage payments, as well as the opening, disposition and cancellation of bank accounts determining - without detracting from the competencies provided by these Rules for the rest of Bodies - their powers and authority in these realms and establishing the disposition limits of each of them.
 - h) Approve the Association's budget and yearly or ordinary fees.
 - i) Supervising the financial management by periodically analyzing the evolution of the Association's treasury, as well as the budget execution.
 - j) Prepare the yearly activity report.
 - k) Prepare the balance sheets and budget settlements so that they are approved by the General Assembly.
 - l) Assume the disciplinary functions reserved for the Board in these Rules.
 - m) Inspect and ensure the normal service operation.
 - n) In case of extreme urgency, adopt decisions concerning matters whose competence corresponds to the General Assembly, informing about it in the first session held by the General Assembly, which should be convened by the Board of Directors in seven days.
 - ñ) The appointment and revocation of the members of the Executive Committee and the attribution of competences to it.
 - o) The appointment and dismissal of the General Manager, setting her/his responsibilities and emoluments.
 - p) Adopt agreements related to the acquisition, disposition or tax on real estate, being able to decide on the capacity and limits to hire the different Governance and Managing Bodies of the Association and invest any kind of power.

- q) Subscribe agreements with Public Administration Bodies.
- r) Subscribe agreements with other entities in order to assume ethic tasks involving the participation of the Advertising Jury or the Technical and Legal Team of the Association.
- s) Appoint and, should it be the case, renew the President of the Advertising Jury and its members, as well as the President and members of the corresponding sections. Such appointments shall be submitted to the General Assembly so that they are confirmed.
- t) Approve the rules of procedure in order to settle disputes before the Advertising Jury.
- u) Be aware of the management of the Executive Committee and, in particular, the agreements reached concerning disciplinary issues, legal actions in defense of the interests of the Association and the execution of measures derived from the resolutions of the Advertising Jury or the Agreements reached with the Public Administration or other entities.
- v) The convening of the General Assembly, under the terms provided in these Rules.

Article 34.- Terms of Office.

- 1.- All members of the Board of Directors shall be elected for a term of two years.
- 2.- The term of office for the President, Vice-President and Treasurer of the Board of Directors shall be of two years. Once this period expires, they may be reelected for the same position, without interruption, only for a new period of two years. In the event such reelection takes place, two years shall pass before the persons who have carried out those functions are re-submitted for reelection to the same position.
- 3.- In the renewal of the positions of board members, the dispositions of article 32 of these Rules shall be necessarily respected.

Article 35.- Vacancies.

In the event that there is ever a vacancy in the Board of Directors, in the interval between two General Assemblies, vacancies may be filled by members of the Association that are appointed by the Board of Directors. Such appointment will be provisional and shall be confirmed by the first General Assembly, ordinary or extraordinary, that is convened. In such case, the term of office for the new members of the Board of Directors shall be the same as the term remaining for the member who is being substituted.

Article 36.- Meetings.

- 1.- The President or, by her/his delegation, the General Manager, shall convene the meetings, at least seven days prior to the date set, sending the comprehensive agenda of the issues to be discussed. However, if the urgency or severity of the matters requires so, the President may convene the Board of Directors without a written notice.
- 2.- Attendance to the meetings is mandatory. Failure to attend three meetings in a row or four meetings in one term shall result in automatic removal from the position held.
- 3.- The Board of Directors shall be validly constituted, in any case, when the majority of its members attend, between members present and those represented by others.
- 4.- Without prejudice to the provisions of section 2 in this article, each member of the Board of Directors may represent one or more different members in the meetings of the Board of Directors, as long as he/she demonstrates that he/she is duly authorized.

Article 37.- Agreements.

The resolutions of the Board of Directors shall be adopted by a majority of the members present or represented.

Art. 38.- Minutes.

The Secretary of the Board of Directors, who will be the General Manager of the Association, shall produce the corresponding minutes of the meetings, which will include the list of

attendees, a summary of the deliberations, voting results and content of the agreements reached. The minutes shall be shared with each member of the Board so that, in a maximum period of seven days counting from the date of reception, the member may communicate any objections to it. If such communication does not take place within this period, the minutes will be approved and transcribed in the Official Book with the approval of the President.

Should there be objections, the minutes shall be approved in the next meeting in which, in any case, the eventually agreed approval will be confirmed.

CHAPTER IV ABOUT THE EXECUTIVE COMMITTEE

Article 39. The Executive Committee.

1.- The Board of Directors, by a majority of its members present or represented, will appoint the Executive Committee.

2.- It shall consist of the President, the four Vice-Presidents, the Treasurer and five Members. Their appointment is personal and they cannot be substituted or replaced by any other people different from the people selected by the Board of Directors.

3.- Their term of office shall be of two years as long as they belong, during such period, to the Board of Directors of the Association.

4.- The Executive Committee shall perform the functions attributed in these Rules, managing the daily activities of the Association and overseeing the General Manager in his/her functions. It shall report regularly to the Board of Directors.

5.- In addition to the provisions of these Rules, the Executive Committee will perform the following functions:

a) Adopt the measures that may be needed in order to execute the agreements reached by the Assembly or the Board of Directors and those decisions about the activity of the Association that are necessary for its proper operation.

b) Decide on the admission of new members to the Association.

c) Decide on whether it is necessary to start legal actions in defense of the legitimate objectives and interests of the Association, bestowing the necessary powers to that effect.

d) Be informed regularly of the activity of ethic control performed by the Advertising Jury or the Technical and Legal Team of the Association, ensuring their independence and safeguarding the confidentiality of the information they have access to due to their activity.

e) Exercise the disciplinary powers conferred upon it by these Rules.

f) Periodically receive information about the financial management of the Association, without prejudice of the competencies of the Treasurer and the General Manager.

g) Oversee employee management in the Association, without prejudice of the competencies of the General Manager.

h) Monitor the agreements reached by the Association with the Public Administration or other entities.

i) Execute measures derived from the resolutions of the Jury or from the agreements signed with the Public Administration or other entities.

j) Grant all kinds of powers in the framework of its competencies or delegate specific functions in other governing Bodies of the Association.

k) Appear in front of any kind of authority and legal body, promoting investigations or filing complaints in any court, being able to delegate on the President, or on any of its members or on the General Manager in order to represent the Association.

l) Any other function attributed to hem by these Rules or delegated by the Board of Directors, as well as those that are not expressly attributed to other Governing Bodies.

CHAPTER V ABOUT THE COMMISSION OF DISCIPLINARY AFFAIRS

Article 40.- Commission of Disciplinary Affairs.

- 1.- The Commission of Disciplinary Affairs shall take care of the adoption - *ex officio* or upon a complaint filed by someone with a legitimate interest - of disciplinary procedures and the filing of sanctions in accordance to articles 18 and 19, as well as the rest of disciplinary powers provided in these Rules.
- 2.- The Commission of Disciplinary Affairs shall consist of a President and two Members appointed by the Board of Directors. Their appointment is personal and they shall not be substituted or replaced by other people different from the people designated by the Board of Directors. The members of the Commission of Disciplinary Affairs shall abstain in case of a conflict of interests.
- 3.- The term of office for the members of the Commission of Disciplinary Affairs will be two years.
- 4.- The Board of Directors will dismiss or substitute the members of the Commission of Disciplinary Affairs.

CHAPTER VI PRESIDENT, VICE-PRESIDENTS AND TREASURER

Article 41.- President.

- 1.- The President, or whomever substitutes the President statutorily, shall chair the Executive Committee, the Board of Directors and the General Assembly, and will represent the Association.
- 2.- The President, or whomever substitutes the President statutorily, will have the following responsibilities:
 - a) Ensure the prestige and good name of the Association.
 - b) Direct the discussions, set the order of the meetings and implement the resolutions of the Board of Directors.
 - c) Represent the Association in any kind of event or contract and grant powers, with a previous agreement by the corresponding Governing Body.
 - d) Set the agenda for the General Assembly and Board of Directors meetings, and check the minutes and certifications of the meetings.
 - e) Promote and develop the initiative for a good governance of the Association.
 - f) Relate to as many Public or Private Bodies as needed in order to defend the interests of the Association and represent the Association before Public or Private Bodies, as well as all kinds of entities or jurisdictions.
 - g) Shall be able to delegate in the Vice-Presidents, Treasurer or General Manager the responsibilities he/she deems appropriate and to grant them the necessary powers to do so.
 - h) Invite to the Board of Directors meetings as non-voting members those persons or entities deemed appropriate for the benefit or the purpose, functions and aims of the Association.
 - i) Any other function attributed by these Rules and the legal rules in place or delegated by the Board of Directors or the Executive Committee.
- 3.- The President shall report annually on his/her activity and the activity of the Board of Directors to the General Assembly, before which he/she shall be held responsible for the decisions and agreements adopted by the Board of Directors.

Article 42.- Vice-Presidents.

There will be four Vice-Presidents who shall substitute the President in case of absence, illness or vacancy. The Vice-Presidents will represent Announcers, Agencies, Media and Associations and, the substitution of the President, shall it be the case, will be done in the same order.

Article 43.- Treasurer.

1.- The Board of Directors will elect, among its members, a Treasurer.

2.- The Treasurer will have the following responsibilities:

- a) Supervise the accounting and the billing and payment documents.
- b) Take care of the custody of the funds and intervene in the payments in the form agreed by the Board of Directors.
- c) Manage the accounting of the Association.
- d) Draft the general budget.

CHAPTER VII THE GENERAL MANAGER

Article 44.- Nature.

1.- The General Manager is the Managing Body of the Association. The person who holds this position shall not belong to any company, association or entity of the Association.

2.- The General Manager shall be appointed and dismissed by the Board of Directors, being able to participate in their meetings, but without voting rights. Moreover, he/she will be the Secretary of the rest of Governing Bodies of the Association.

Article 45.- Functions.

1.- The General Manager will act as Executive and Managing Body of the Association and its Governing Bodies. He/she shall perform the functions assigned by these Rules and those that the President or the rest of Bodies of the Association delegate on him/her.

2.- By way of example, the General Manager shall have the following functions:

- a) Take care of the financial management of the Association, ordering receipts and payments, under the terms established by the Board of Directors.
- b) Develop all the activities needed in order to complete all performance programs for the Association and establish its strategy, as well as making the objectives and benefits of the Association widely known in order to increase the interest on it.
- c) Analyze and propose specific actions, as well as prepare the necessary relationships to be established, aimed at making it possible that the Association reaches the level of prestige and the representative strength that, by way of its objective, deserves in the realm of commercial communication.
- d) Convene, on behalf of the President, the meetings of the General Assembly and other Bodies of the Association and act as Secretary of them, recording the corresponding Minutes, and being also able to issue certificates on their contents.
- e) Update the Book of Minutes and the rest of official documents of the Association.
- f) Ensure that inside of the Association current laws established in these Rules are respected, warning of possible agreements that might violate the legal or statutory dispositions.
- g) Collect and elaborate all the data and information that shall be submitted to members or other national or international organisms. As such, receive and distribute among the members the documents of their interest when needed.
- h) Collect payments from members and third parties as well as other financial resources.

- i) Keep the Board of Directors and General Assembly updated about the financial situation of the Association by presenting a balance sheet and a profit and loss account to the Assembly once a year, and whenever the Assembly requests it.
- j) Collaborate with the President and the Board of Directors in the elaboration of the annual report of activities of the Association and in whatever other functions that are entrusted to it in order to achieve the Association's objectives.
- k) Management of the Technical and Legal Team of the Association, being able to hire and fire personnel under the supervision of the President and the Treasurer, within budgetary limits established by the Board of Directors. The Executive Committee will be updated by him/her.
- l) Monitor the agreements signed by the Association with the Administration and other entities under the supervision of the Executive Committee.

CHAPTER VIII

THE ADVERTISING JURY

Article 46- Nature and functions.

1.- The Advertising Jury is a body specialized on ethical and advertising matters composed of independent people, with the attributions specified in its Rules. As a specialized body, the Advertising Jury will enjoy complete independence in its functions.

2.- Members of the Advertising Jury should abstain in case of conflict of interests. For this purpose, the Board of Directors shall establish in the Rules of the Advertising Jury the causes and procedures for the abstention or challenge of its members; as well as the impossibility to maintain any employment relationship with the associated companies at the time of their appointment or during their mandate.

3.- It will have the following attributions:

a) To elaborate drafts of Ethical Codes and other rules of conduct in matter of commercial communication that shall be presented in front of the Board of Directors of the Association in order to process them.

b) To solve complaints and controversies related to commercial communications presented or released by members or non-members that expressly or implicitly accepted its competence, by an alleged infringement of the codes and conduct rules approved by the Association.

c) To deliver an opinion that expresses its non-binding deontological opinion on commercial communication correctness made by non-members, when requested by any person with a legitimate interest, and those who had refused to participate in the procedure exposed in the paragraph above.

d) To deliver a technical or deontological opinion on the different advertising issues requested by the Association.

e) To act as an arbitrator in those advertising issues that are brought before it.

f) Any other function explicitly entrusted to it by the Board of Directors on commercial communication issues.

Article 47- Structure.

1.- The Advertising Jury is composed of a President, between three and six Vice-Presidents and between nine and twenty impartial Members. Each Vice-President will be President of a Section permanently.

2.- The President, Vice-President and Members of the Advertising Jury will be appointed and renewed by the Board of Directors of the Association for the Self-regulation of Commercial Communications, by simple majority.

3.- The duration of the roles of the President, Vice-President and Members of the Advertising Jury is two years, and could be reappointed for another term. The Members shall be partially renewed every year.

Article 48 – Jury’s operation.

- 1.- The Advertising Jury may act in Plenary sessions or in sessions by Sections.
- 2.- The Advertising Jury will be composed of between three and six Sections, each one chaired by a Vice-President.

Article 49 – Competences.

- 1.- The Sections will be competent, among other issues, to solve complaints by infringement of the codes and conduct rules adopted by the Association. They shall also be competent to deliver non-binding advisory opinions on the correctness of commercial communications of non-member third parties, in accordance with its rules. Moreover, the Section on duty per shift will be competent to solve the reviews of prior consultation reports issued by the Technical and Legal Team that advertisers could request.
- 2.- The Plenary will be competent to solve the appeals brought against the resolutions or to review the opinions issued by the Sections.

Article 50 – Procedures.

- 1.- The Procedure shall be initiated *ex officio*, by application or by request from any person with a legitimate interest in proceeding in relation to a specific commercial communication.
- 2.- The Advertising Jury shall also hear and solve cross-border complaints, according to the procedures established by the European Advertising Standards Alliance.
- 3.- The Board of Directors shall establish the Rules of the Advertising Jury by simple majority. Such Rules shall include the procedural provisions before it, as well as the different stages concerning the rights of the parties involved, trying to avoid their defenselessness. Those Rules may contain temporary measures to cease or immediately forbid the controversial commercial communication.

Article 51 – Resolutions.

- 1.- It is possible to pursue an appeal in front of the Plenary against the resolution of a Section.
- 2.- Jury’s resolutions will be binding for all members and for those non-members that accepted the competence of the Jury. In any case, it shall be understood that there is an express acceptance of the Jury’s competence on the part of the non-member companies or associations in those cases when a complaint is submitted to the Jury, as well as in those cases when an appeal is submitted against a Section’s resolution after a complaint has been filed.
- 3.- The resolution that determines the breach of the prosecuted advertising act shall have one or all of the following pronouncements:
 - a) Declaration of unlawfulness of the prosecuted commercial communication.
 - b) A warning.
 - c) Urge the advertiser to cease definitely the commercial communication or to correct it.
 - d) Spread the resolution in the way that the Board of Directors deems appropriate in those cases in which, in the Advertising Jury’s opinion, there is an especially serious matter.
- 4.- The Board of Directors will monitor and impose the observance of definitive resolutions of the Advertising Jury in an effective way, taking the necessary measures.
- 5.- The resolutions of the Advertising Jury issued as consequence of complaints by breach of the Conduct Codes shall be sent to the concerned parties and members. Moreover, resolutions shall be published as established in the Rules of the Advertising Jury.

Article 52 – Opinions.

- 1.- The Plenary of the Jury could be asked to review the content of the non-binding opinions issued by the Sections in the terms laid down in its Rules.

2.- Non-binding opinions issued by the Sections or by the Advertising Jury Plenary shall be communicated to the applicant and, when the Jury or the Governing bodies of the Association deem it appropriate, they shall be sent to the competent administrative or judicial authorities.

TITLE IV ECONOMIC SYSTEM AND DISSOLUTION

Article 53.- Financial resources.

1.- All members must support the Association in the manner and in the amount established, and always according to the category that they belong to.

2.- In particular, the following constitute economic resources:

- a) Annual, regular, extraordinary and admission fees, as well as occasional financial contributions agreed.
- b) Interests and products of the social funds and goods.
- c) Donations, gifts, inheritances and legacies received.
- d) Subsidies granted by public or private entities and organisms.
- e) Charges for the services provided by the Association to members and non-members.
- f) Any other resulting from the exercise of the functions and activities of the Association.

Article 54.- Budgets and resource management.

1.- The economic life of the Association is subject to the financial regulation, according to the budgets approved.

2.- The Association shall manage its financial resources according with what is established in these Rules, complying with the obligations undertaken. Likewise, it shall keep the corresponding accounting ledgers.

3.- The financial activities of the Association shall coincide with the calendar year. As an exception, the first exercise will start the day of the Association's creation and will end on December 31st of the same year.

4.- There shall be a yearly Audit of the accounts of the Association that shall be presented to the General Assembly. It shall be also available for any other members.

5.- The Association shall have a Social Fund aimed at taking care of the eventual responsibilities with social, legal or labor-related character. The surplus that could result from any given exercise shall be assigned, totally or partially, to the Social Fund.

Article 55.- Dissolution.

The Association may be dissolved voluntarily when agreed by the General Assembly. In this case, an absolute majority of the votes present or represented in the Assembly will be required.

Article 56.- Liquidation.

The liquidation process shall be carried out so that the Board of Directors is constituted as the liquidation commission, closing the balance at the date of the extinction of the Association. The assets at the time of the extinction shall be destined to the purposes agreed by the Assembly in the dissolution agreement. If there shall be no agreement such assets will be destined to those purposes agreed by the Board of Directors. In any event, the assets at the time of the extinction will be destined to charitable or altruistic purposes, being expressly excluded the possibility of sharing benefits among the members.