

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON JANUARY 22, 2001

Registration No.

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

CENTEX CONSTRUCTION PRODUCTS, INC.
(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

75-2520779
(I.R.S. Employer
Identification No.)

2728 NORTH HARWOOD
DALLAS, TEXAS 75201
(Address of principal executive offices, including zip code)

CENTEX CONSTRUCTION PRODUCTS, INC. 2000 STOCK OPTION PLAN
(Full title of the plan)

RAYMOND G. SMERGE
SECRETARY
2728 NORTH HARWOOD
DALLAS, TEXAS 75201
(Name and address of agent for service)

(214) 981-5000
(Telephone number, including area code, of agent for service)

CALCULATION OF REGISTRATION FEE

Title of securities to be registered (1)	Amount to be registered	Proposed maximum offering price per share (2)	Proposed maximum aggregate offering price (2)	Amount of registration fee
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Common Stock, par value \$.01 per share	1,000,000 shares	\$ 29.3125	\$ 29,312,500	\$ 7,328

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- (1) Pursuant to Rule 416 under the Securities Act of 1933, as amended (the "Securities Act"), this Registration Statement also covers such additional shares of Common Stock as may become issuable to prevent dilution resulting from stock splits, stock dividends or similar transactions.
- (2) Estimated solely for the purpose of calculating the registration fee pursuant to Rules 457(c) and (h) under the Securities Act, and computed on the basis of the average of the high and low sales prices of the Common Stock included in the New York Stock Exchange Composite Transactions Report for January 19, 2001 as published by The Wall Street Journal.

PART II
INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

ITEM 3. INCORPORATION OF DOCUMENTS BY REFERENCE.

The following documents have been filed with the Securities and Exchange Commission (the "Commission") by Centex Construction Products, Inc. (the "Company") and are incorporated herein by reference:

- (a) Annual Report on Form 10-K for the fiscal year ended March 31, 2000;
- (b) Quarterly Report on Form 10-Q for the quarter ended June 30, 2000;
- (c) Quarterly Report on Form 10-Q for the quarter ended September 30, 2000;
- (d) Current Report on Form 8-K dated November 16, 2000; and
- (e) Description of the Company's Common Stock, par value \$.01 per share, contained in the Registration Statement on Form 8-A of the Company (File No. 1-12984) dated March 29, 1994.

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

ITEM 4. DESCRIPTION OF SECURITIES.

Not applicable.

ITEM 5. INTERESTS OF NAMED EXPERTS AND COUNSEL.

James H. Graass has rendered a legal opinion, filed as Exhibit 5, with respect to the legality of the securities registered hereby. Mr. Graass is the Executive Vice President, General Counsel and Assistant Secretary of the Company. As of January 19, 2001, Mr. Graass held options to purchase up to 28,000 shares of the Company's Common Stock, none of which are currently exercisable. Mr. Graass also owned 16 shares of Common Stock of Centex Corporation ("Centex") and held options to purchase up to 16,550 shares of Centex Common Stock, of which 8,340 shares are currently exercisable. As of January 19, 2001, Centex owned approximately 65.3% of the outstanding shares of the Company's Common Stock.

ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Delaware General Corporation Law

Section 145(a) of the Delaware General Corporation Law (the "DGCL") provides that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.

Section 145(b) of the DGCL provides that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonable entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

Section 145(c) of the DGCL provides that to the extent that a director, officer, employee or agent of a corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in subsections (a) and (b) of Section 145, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

Section 145(d) of the DGCL provides that any indemnification under subsections (a) and (b) of Section 145 (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in subsections (a) and (b) of Section 145. Such determination shall be made (1) by the board of directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by the stockholders.

Section 145(e) of the DGCL provides that expenses (including attorneys' fees) incurred by an officer or director in defending any civil, criminal, administrative or investigative action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the corporation as authorized in Section 145. Such expenses (including attorneys' fees) incurred by other employees and agents may be so paid upon such terms and conditions, if any, as the board of directors deems appropriate.

Certificate of Incorporation

The Certificate of Incorporation of the Company provides that a director of the Company shall not be personally liable to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Company or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) for a transaction from which the director derived an improper personal benefit or (iv) in respect of certain unlawful dividend payments or stock purchases or redemptions. If the DGCL is amended to authorize the further elimination or limitation of the liability of directors, then the liability of a director of the Company, in addition to the limitation on personal liability described above, shall be limited to the fullest extent permitted by the DGCL, as so amended. Further, any repeal or modification of such provision of the Certificate of Incorporation by the stockholders of the Company shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director of the Company existing at the time of such repeal or modification.

Bylaws

The Bylaws of the Company provides that each person who was or is made a party or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she or a person of whom he or she is the legal representative, is or was or has agreed to become a director or officer of the Company or is or was servicing or has agreed to serve at the request of the Company as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director or officer or in any other capacity while serving or having agreed to serve as a director or officer, shall be indemnified and held harmless by the Company to the fullest extent authorized by the DGCL, as in effect or as it may be amended from time to time, against all expenses, liability and lost (including without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith, and such indemnification shall continue as to a person who had ceased to serve in the capacity which initially entitled such person to indemnity thereunder and shall inure to the benefit of his or her heirs, executors and administrators. The Bylaws also contain certain provisions designed to facilitate receipt of such benefits by any such persons.

Indemnification Agreements

The Company has entered into Indemnification Agreements (the "Indemnification Agreements") pursuant to which it will indemnify certain of its directors against judgments, claims, damages, losses and expenses incurred as a result of the fact that any director, in his capacity as such, is made or threatened to be made a party to any suit or proceeding. Such persons are indemnified to the fullest extent now or hereafter permitted by the DGCL. The Indemnification Agreements also provide for the advancement of certain expenses to such directors in connection with any such suit or proceeding.

Insurance

The Company has obtained a directors' and officers' liability insurance policy to insure its directors and officers against losses resulting from wrongful acts committed by them in their capacities as directors and officers of the Company, including liabilities arising under the Securities Act.

ITEM 7. EXEMPTION FROM REGISTRATION CLAIMED.

Not applicable.

ITEM 8. EXHIBITS.

The information required by this Item 8 is set forth in the Index to Exhibits accompanying this Registration Statement.

ITEM 9. UNDERTAKINGS.

The undersigned registrant hereby undertakes:

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

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

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

Provided, however, that paragraphs (1)(i) and (1)(ii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the registrant pursuant to section 13 or section 15(d) of the Exchange Act that are incorporated by reference in this Registration Statement.

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

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

(4) That, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Exchange Act) that is incorporated by reference in this Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(5) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the

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

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Dallas, State of Texas, as of January 22, 2001.

CENTEX CONSTRUCTION PRODUCTS, INC.

By: /s/ RICHARD D. JONES, JR.

Richard D. Jones, Jr.
President and Chief Executive Officer

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and officers of Centex Construction Products, Inc., a Delaware corporation, which is filing a Registration Statement on Form S-8 with the Securities and Exchange Commission under the provisions of the Securities Act of 1933, as amended (the "Securities Act"), hereby constitutes and appoints Laurence E. Hirsch and Richard D. Jones, Jr., and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, and in any and all capacities, to sign and file any and all amendments (including post-effective amendments) to this Registration Statement, with all exhibits thereto, and other documents in connection therewith with the Securities and Exchange Commission, it being understood that said attorneys-in-fact and agents, and each of them, shall have full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person and that each of the undersigned hereby ratifies and confirms all that said attorneys-in-fact and agents or any of them, or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

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

SIGNATURES -----	CAPACITY IN WHICH SIGNED -----	DATE ----
/s/ LAURENCE E. HIRSCH ----- Laurence E. Hirsch	Chairman of the Board and Director	January 22, 2001
/s/ RICHARD D. JONES, JR. ----- Richard D. Jones, Jr.	President, Chief Executive Officer and Director (Principal Executive Officer)	January 22, 2001
/s/ ARTHUR R. ZUNKER, JR. ----- Arthur R. Zunker, Jr.	Senior Vice President - Finance and Treasurer (Principal Financial and Principal Accounting Officer)	January 22, 2001
/s/ ROBERT L. CLARKE ----- Robert. L. Clarke	Director	January 22, 2001
/s/ DAVID W. QUINN ----- David W. Quinn	Director	January 22, 2001
/s/ HAROLD K. WORK ----- Harold K. Work	Director	January 22, 2001

INDEX TO EXHIBITS

EXHIBIT NUMBER -----	DESCRIPTION -----
4.1	Restated Certificate of Incorporation of Centex Construction Products, Inc. (the "Company"), filed as Exhibit 3.1 to the Registration Statement on Form S-8 (No. 33-82928) (the "S-8 Registration Statement") filed by the Company on August 16, 1994 and incorporated herein by reference.
4.2	Amended and Restated Bylaws of the Company, filed as Exhibit 3.2 to the S-8 Registration Statement and incorporated herein by reference.
4.3	Form of Certificate evidencing Common Stock of the Company, filed as Exhibit 4.1 to Amendment No. 3 to the Registration Statement on Form S-1 (No. 33-74816) filed by the Company on April 4, 1994 and incorporated by reference herein.
5	Opinion of James H. Graass, Esq.
10	Centex Construction Products, Inc. 2000 Stock Option Plan.
23.1	Consent of Arthur Andersen LLP.
23.2	Consent of James H. Graass, Esq. (contained in his opinion filed as Exhibit 5).
24	Power of attorney of certain signatories (included in signature page of this Registration Statement).

[CENTEX CONSTRUCTION PRODUCTS, INC. LETTERHEAD]

January 22, 2001

Securities and Exchange Commission
450 5th Street, N.W., Judiciary Plaza
Washington, DC 20549

RE: Registration of 1,000,000 Shares of Common Stock of Centex
Construction Products, Inc. under the Centex Construction
Products, Inc. 2000 Stock Option Plan

Ladies and Gentlemen:

As Executive Vice President, General Counsel and Assistant Secretary of Centex Construction Products, Inc. (the "Company"), I am familiar with the Centex Construction Products, Inc. 2000 Stock Option Plan (the "Plan") and the proposed offer and sale of 1,000,000 shares (the "Shares") of Common Stock, par value \$.01 per share, of the Company pursuant to the Plan.

I have also made such further investigations as I have deemed necessary to express the opinions herein stated.

I am of the opinion that the Shares which are hereafter issued upon exercise of options duly granted under and in accordance with the terms of the Plan will, upon the payment of the consideration therefor required by the terms of the Plan, be duly and validly issued, fully paid and non-assessable.

I consent to the use of this opinion as an Exhibit to the Registration Statement on Form S-8 being filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended, with respect to the Shares issuable thereunder, and to any references to me in such Registration Statement.

Very truly yours,

/s/ JAMES H. GRAASS

James H. Graass
Executive Vice President,
General Counsel and Assistant Secretary

CENTEX CONSTRUCTION PRODUCTS, INC.

2000 STOCK OPTION PLAN

1. PURPOSE

The purpose of the Plan is to assist Centex Construction Products, Inc., a Delaware corporation, in attracting and retaining as officers and key employees of the Company and its Affiliates, and as Non-employee Directors of the Company, individuals of training, experience and ability and to furnish additional incentive to such individuals by encouraging them to become owners of Shares of the Company's capital stock, by granting to such individuals Incentive Options, Non-qualified Options, Restricted Stock, or any combination of the foregoing.

2. DEFINITIONS

Unless the context otherwise requires, the following words as used herein shall have the following meanings:

"Act" -- The Securities Exchange Act of 1934, as amended.

"Affiliate" -- Any corporation or other entity which is a direct or indirect parent or subsidiary (including, without limitation, partnerships and limited liability companies) of the Company or of the parent of the Company.

"Agreement" -- The written agreement, whether delivered on paper or by electronic medium, between the Company and the Optionee evidencing the Option granted by the Company and the understanding of the parties with respect thereto.

"Board" -- The Board of Directors of the Company as the same may be constituted from time to time.

"Code" -- The Internal Revenue Code of 1986, as amended from time to time.

"Committee" -- The Stock Option Committee of the Board, composed solely of two or more Non-employee Directors appointed by the Board from time to time, or composed of the entire Board. When the Committee is so composed of the entire Board, the terms "Board" and "Committee," as used herein, shall be deemed synonymous.

"Company"-- Centex Construction Products, Inc., a Delaware corporation.

"Disability" -- Total and permanent disability as set forth in Section 22(e)(3) of the Code.

"Fair Market Value" -- The closing price per Share as of a particular date reported on the consolidated transaction reporting system for the New York Stock Exchange, or, if there shall have been no such sale so reported on that date, on the last preceding date on which such a sale was reported. For purposes of valuing Shares to be made subject to Incentive Options, the Fair Market Value of stock shall be determined without regard to any restriction other than one which, by its terms, will never lapse.

"Incentive Options" -- Stock Options that are intended to satisfy the requirements of Section 422 of the Code and Section 16 of the Plan.

"Non-employee Director" -- An individual who satisfies the requirements of Rule 16b-3 promulgated under the Act.

"Non-qualified Options" -- Stock Options that do not satisfy the requirements of Section 422 of the Code.

"Option" -- An option to purchase one or more Shares of the Company granted under and pursuant to the Plan. Such Option may be either an Incentive Option or a Non-qualified Option.

"Optionee" -- An individual who has been granted an Option under the Plan.

"Plan"-- This Centex Construction Products, Inc. 2000 Stock Option Plan.

"Permitted Transferees" -- (i) members of the Optionee's immediate family, (ii) one or more trusts for the benefit of such members of the Optionee's immediate family, (iii) partnerships in which such immediate family members are the only partners and (iv) limited liability companies in which such immediate family members are the only members. For the purposes of this definition "immediate family" shall mean the Optionee's spouse, parents, children (including adopted children) and grandchildren.

"Restricted Stock" -- Shares issued pursuant to Section 19 of the Plan.

"Share" -- A share of the Company's present one cent (\$0.01) par value common stock and any share or shares of capital stock or other securities of the Company hereafter issued or issuable upon, in respect of or in substitution or in exchange for each present share. Such Shares may be unissued or reacquired Shares, as the Board, in its sole and absolute discretion, shall from time to time determine.

3. ADMINISTRATION

Except as is herein expressly provided otherwise, the Plan shall be administered by the Board. The Board shall have full power and authority, in its sole and absolute discretion, to (a) interpret the Plan and (b) make all other determinations necessary or advisable for the

administration of the Plan. The Board may adopt such rules or guidelines as it deems appropriate to implement the Plan. Subject to the provisions hereof, the Committee shall have full power and authority, in its sole and absolute discretion to, (a) determine the terms and conditions of the respective Agreements, including provisions defining or otherwise relating to (i) subject to the specific provisions of the Plan, the term and the period or periods and extent of vesting of the Options, (ii) the extent to which the transferability of Shares issued upon exercise of Options is restricted, (iii) the effect of termination of employment or directorship upon the vesting of the Options, and (iv) the effect of approved leaves of absence (consistent with any applicable regulations of the Internal Revenue Service), (b) subject to Sections 8 and 10, accelerate, for any reason, regardless of whether the Agreement so provides, the time of vesting of any Option that has been granted, (c) construe the respective Agreements, and (d) to exercise the powers conferred on the Committee under Section 19. The determinations of the Board or Committee, as the case may be, shall be final and binding on all persons.

4. SHARES SUBJECT TO PLAN

- (a) A maximum of 1,000,000 Shares shall be subject to grants of Options and awards of Restricted Stock under the Plan; provided that such maximum shall be increased or decreased as provided in Section 12 hereof.
- (b) At any time and from time to time after the Plan takes effect, the Committee, pursuant to the provisions herein set forth, may grant Options and award Restricted Stock until the maximum number of Shares shall be exhausted or the Plan shall be sooner terminated; provided, however, that no Option shall be granted and no Restricted Stock shall be awarded after April 26, 2010.
- (c) If any Option expires or is canceled without being fully exercised, or if any Restricted Stock previously awarded is reacquired by the Company, the number of Shares with respect to which such Option shall not have been exercised prior to its expiration or cancellation and the number of Shares of such Restricted Stock so reacquired may again be optioned or awarded pursuant to the provisions hereof.
- (d) Any Shares withheld pursuant to Section 18(b) hereof shall be available after such withholding for being optioned or awarded pursuant to the provisions hereof.

5. ELIGIBILITY

Eligibility for receipt of a grant of Options under the Plan shall be confined to (a) a limited number of persons who are employed by the Company, or one or more of its Affiliates and who are officers of or who, in the opinion of the Committee, hold other key positions in or for the Company or one or more of its Affiliates and (b) directors of the Company, including directors who are not employees of the Company or its Affiliates; provided that only employees of the Company or its Affiliates shall be eligible for the grant of Incentive

Options. In addition, an individual who becomes a director of the Company, but who is not at the time he becomes a director also an employee of the Company, shall not be eligible for a grant of Options or an award of Restricted Stock, and shall not be eligible for the grant of an option, stock allocation, or stock appreciation right under any other plan of the Company or its affiliates (within the meaning of Rule 12b-2 promulgated under the Act) until the Board expressly declares such person eligible by resolution. In no event may an Option be granted to an individual who is not an employee of the Company or an Affiliate or a director of the Company.

6. GRANTING OF OPTIONS

- (a) From time to time while the Plan is in effect, the Committee may in its absolute discretion, select from among the persons eligible to receive a grant of Options under the Plan (including persons who have already received such grants of Options) such one or more of them as in the opinion of the Committee should be granted Options. The Committee shall thereupon, likewise in its absolute discretion, determine the number of Shares to be allotted for option to each person so selected; provided, however, that the total number of Shares subject to Options granted to any one person, including a director of the Company, when aggregated with the number of Shares of Restricted Stock awarded to such person, shall not exceed 10% of the Shares then subject to the Plan.
- (b) Each person so selected shall be offered an Option to purchase the number of Shares so allotted to him, upon such terms and conditions, consistent with the provisions of the Plan, as the Committee may specify.
- (c) Each person who accepts an Option offered to him shall enter into an Agreement with the Company, in such form as the Committee may prescribe, setting forth the terms and conditions of the Option, whereupon such person shall become a participant in the Plan. In the event an individual is granted both one or more Incentive Options and one or more Non-qualified Options, such grants shall be evidenced by separate Agreements, one each for the Incentive Option grants and one each for the Non-qualified Options grants. The date which the Committee specifies to be the grant date of an Option to an individual shall constitute the date on which the Option covered by such Agreement is granted. In no event, however, shall an Optionee gain any rights in addition to those specified by the Committee in its grant, regardless of the time that may pass between the grant of the Option and the actual execution of the Agreement by the Company and the Optionee.

7. OPTION PRICE

The option price for each Share covered by each Incentive Option shall not be less than the greater of (a) the par value of each such Share or (b) the Fair Market Value of the Share at the time such Option is granted, except as provided hereinafter. The option price for each

Share covered by each Non-qualified Option shall not be less than the greater of (a) the par value of each such Share or (b) 85% of the Fair Market Value of the Share at the time the Option is granted; provided, however, that the number of Shares covered by Non-qualified Options granted under the Plan that have an option price less than the Fair Market Value of a Share at the time the respective Option is granted shall not exceed 10% of the total number of Shares authorized to be issued under the Plan. If the Company or an Affiliate agrees to substitute a new Option under the Plan for an old Option, or to assume an old Option, by reason of a corporate merger, consolidation, acquisition of property or stock, separation, reorganization, or liquidation (any of such events being referred to herein as a "Corporate Transaction"), the option price of the Shares covered by each such new Option or assumed Option may be different than the Fair Market Value of the Shares at the time the Option is granted as determined by reference to a formula, established at the time of the Corporate Transaction, which will give effect to such substitution or assumption; provided, however, in no event shall --

- (a) the excess of the aggregate Fair Market Value of the Shares subject to the Option immediately after the substitution or assumption over the aggregate option price of such Shares be more than the excess of the aggregate Fair Market Value of all Shares subject to the Option immediately prior to the substitution or assumption over the aggregate option price of such Shares; and
- (b) in the case of an Incentive Option, the new Option or the assumption of the old Option give the Optionee additional benefits which he would not have under the old Option; and
- (c) the ratio of the option price to the Fair Market Value of the Shares subject to the Option immediately after the substitution or assumption be more favorable to the Optionee than the ratio of the option price to the Fair Market Value of the Shares subject to the old Option immediately prior to such substitution or assumption, on a Share by Share basis.

Notwithstanding the above, the provisions of this Section 7 with respect to the Option price in the event of a Corporate Transaction shall, in case of an Incentive Option, be subject to the requirements of Section 424(a) of the Code and the Treasury regulations and revenue rulings promulgated thereunder. In the case of an Incentive Option, in the event of a conflict between the terms of this Section 7 and the above cited statute, regulations, and rulings, or in the event of an omission in this Section 7 of a provision required by said laws, the latter shall control in all respects and are hereby incorporated herein by reference as if set out at length.

8. OPTION PERIOD

- (a) Each Option shall run for such period of time as the Committee may specify, but in no event for longer than ten (10) years from the date when the Option is granted,

including the period of time provided in subsections (i), (ii) and (iii) of this Section 8(a); and subject to such limits, and the further condition that, unless designated otherwise by the Committee, no Incentive Option shall become exercisable prior to one year from the date of its grant,

- (i) Except as provided below in this subsection (i), all rights to exercise an Option shall terminate within three (3) months for an Incentive Option and within four (4) months for a Non-qualified Option after the date the Optionee ceases to be an employee of at least one of the employers in the group of employers consisting of the Company and its Affiliates, or after the date the Optionee ceases to be a director of the Company, whichever may occur later, for any reason other than death or Disability, except that, in the case of a Non-qualified Option (A) that is held by an Optionee who is, on the date of cessation referred to in this clause, an officer or director of the Company (within the meanings thereof under Section 16(b) of the Act), all rights to exercise such Non-qualified Option shall terminate seven (7) months after the date the Optionee ceases to be an employee of at least one of the employers in the group of employers consisting of the Company and its Affiliates or the Optionee ceases to be a director of the Company; (B) that is held by an Optionee who on the date of retirement from the Board (and if also an employee from full-time employment) is at least 62 years old and has at least ten (10) years of service with the Company or its Affiliates, then (i) all shares subject to such Non-qualified Option will vest on such retirement date, and all rights to exercise such Non-qualified Option shall terminate three (3) years after the date the Optionee retires from the Board, and (ii) with respect to any director who does not meet both such criteria, shares subject to such Non-qualified Option will continue to vest in accordance with its terms for a period of three (3) years following such retirement date, and all rights to exercise such Non-qualified Option shall terminate three (3) years after the date the Optionee retires from the Board; (C) the Committee may, in its discretion, grant a new Non-qualified Option or amend an outstanding Non-qualified Option to provide an extended period of time during which an Optionee can exercise such Non-qualified Option to the maximum permissible exercise period (ten (10) years from the date when the Option was originally granted) for which such Option would have been exercisable in the absence of the Optionee's ceasing to be an employee of the Company and its Affiliates or ceasing to be a director of the Company; and (D) if the employment of the Optionee is terminated for cause, the Option, covering both vested and unvested shares, shall immediately terminate and thereafter be null and void for all purposes.
- (ii) If the Optionee ceases to be employed by at least one of the employers in the group of employers consisting of the Company and its Affiliates, or ceases to be a director of the Company, whichever may occur later, by reason of his

death, all rights to exercise any Incentive Option held by such Optionee shall terminate three (3) months after his death and all rights to exercise any Non-qualified Option held by such Optionee shall terminate fifteen (15) months after his death.

- (iii) If the employment of the Optionee with the Company or any of its Affiliates shall terminate as a result of a Disability, he may, within three (3) months thereafter exercise any Incentive Option held by such Optionee, and within six (6) months following such date, exercise any Non-qualified Option held by such Optionee, in each case, to the extent he was entitled to exercise such Option on the date of termination of employment. To the extent that he was not entitled to exercise such Option, or if he does not exercise such Option (which he was entitled to exercise) within the time specified herein, the Option shall terminate.
- (iv) If an Option is granted with a term shorter than ten (10) years, the Committee may extend the term of the Option, but for not more than ten (10) years from the date when the Option was originally granted.

9. OPTIONS NOT TRANSFERABLE

No Option or interest therein shall be transferable by the person to whom it is granted otherwise than by will or by the applicable laws of descent and distribution. Notwithstanding the foregoing, the Committee may, in its sole discretion, provide in the Agreement relating to the grant of a Non-qualified Option that the Optionee may transfer such Option, without consideration, to Permitted Transferees.

10. EXERCISE OF OPTIONS

- (a) During the lifetime of an Optionee only he or his guardian or legal representative or transferee may exercise an Option granted to him. In the event of his death, any then exercisable portion of his Option may, within fifteen (15) months thereafter, or earlier date of termination of the Option, be exercised in whole or in part by any person empowered to do so under the deceased Optionee's will or under the applicable laws of descent and distribution.
- (b) At any time, and from time to time, during the period when any Option, or a portion thereof, is exercisable, such Option, or portion thereof, may be exercised in whole or in part provided, however, that the Committee may require any Option which is partially exercised to be so exercised with respect to at least a stated minimum number of Shares.
- (c) Each exercise of an Option or portion or part thereof shall be evidenced by a notice in writing to the Company accompanied by payment in full of the option price of the

Shares then being purchased. Payment in full shall mean payment of the full amount due, either in cash, by certified check or cashier's check or, with the consent of the Committee, with Shares owned by the Optionee, including an actual or deemed multiple series of exchanges of such Shares.

- (d) No Shares shall be issued until full payment therefor has been made, and an Optionee shall have none of the rights of a stockholder until Shares are issued to him.
- (e) Nothing herein or in any Agreement executed or Option granted hereunder shall require the Company to issue any Shares upon exercise of an Option if such issuance would, in the opinion of counsel for the Company, constitute a violation of the Securities Act of 1933, as amended, or any similar or superseding statute or statutes, or any other applicable statute or regulation, as then in effect. Upon the exercise of an Option or portion or part thereof, the Optionee shall give to the Company satisfactory evidence that he is acquiring such Shares for the purpose of investment only and not with a view to their distribution provided, however, if or to the extent that the Shares subject to the Option shall be included in a registration statement filed by the Company, or one of its Affiliates, such investment representation shall be abrogated.

11. DELIVERY OF STOCK CERTIFICATES

As promptly as may be practicable after an Option, or a portion or part thereof, has been exercised as hereinabove provided, the Company shall make delivery of one or more certificates, either by delivery of a physical certificate or an electronic transfer to a broker, for the appropriate number of Shares. In the event that an Optionee exercises both an Incentive Option, or a portion thereof, and a Non-qualified Option, or a portion thereof, separate stock certificates shall be issued, one for the Shares subject to the Incentive Option and one for the Shares subject to the Non-qualified Option.

12. CHANGES IN COMPANY'S SHARES AND CERTAIN CORPORATE TRANSACTIONS

- (a) If at any time while the Plan is in effect there shall be an increase or decrease in the number of issued and outstanding Shares of the Company effected without receipt of consideration therefor by the Company, through the declaration of a stock dividend or through any recapitalization or merger or otherwise in which the Company is the surviving corporation, resulting in a stock split-up, combination or exchange of Shares of the Company, then and in each such event:
 - (i) an appropriate adjustment shall be made automatically in the maximum number of Shares then subject to being optioned or awarded as Restricted Stock under the Plan, to the end that the same proportion of the Company's issued and outstanding Shares shall continue to be subject to being so optioned and awarded;

- (ii) an appropriate adjustment shall be made automatically in the number of Shares and the option price per Share thereof then subject to purchase pursuant to each Option previously granted, to the end that the same proportion of the Company's issued and outstanding Shares in each such instance shall remain subject to purchase at the same aggregate option price; and
- (iii) in the case of Incentive Options, any such adjustments shall in all respects satisfy the requirements of Section 424(a) of the Code and the Treasury regulations and revenue rulings promulgated thereunder.

Except as is otherwise expressly provided herein, the issuance by the Company of shares of its capital stock of any class, or securities convertible into shares of capital stock of any class, either in connection with a direct sale or upon the exercise of rights or warrants to subscribe therefor, or upon conversion of shares or obligations of the Company convertible into such shares or other securities, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number of or option price of Shares then subject to outstanding Options granted under the Plan. Furthermore, the presence of outstanding Options granted under the Plan shall not affect in any manner the right or power of the Company to make, authorize or consummate (i) any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business; (ii) any merger or consolidation of the Company; (iii) any issuance by the Company of debt securities or preferred or preference stock which would rank above the Shares subject to outstanding Options granted under the Plan; (iv) the dissolution or liquidation of the Company; (v) any sale, transfer or assignment of all or any part of the assets or business of the Company; or (vi) any other corporate act or proceeding, whether of a similar character or otherwise.

- (b) Notwithstanding anything to the contrary above, a dissolution or liquidation of the Company, a merger (other than a merger effecting a reincorporation of the Company in another state) or consolidation in which the Company is not the surviving corporation (or survives only as a subsidiary of another corporation in a transaction in which the stockholders of the parent of the Company and their proportionate interests therein immediately after the transaction are not substantially identical to the stockholders of the Company and their proportionate interests therein immediately prior to the transaction), a transaction in which another corporation (other than Centex Corporation or one of its affiliates (as defined in the Act)) becomes the owner of 50% or more of the total combined voting power of all classes of stock of the Company, or a change in control (as specified below), shall cause every Option then outstanding to become exercisable in full, subject to the limitation on the aggregate Fair Market Value of Shares that may become first exercisable during any calendar year set forth in Section 16 hereof, immediately prior to such dissolution, liquidation,

merger, consolidation, transaction, or change in control, to the extent not theretofore exercised, without regard to the determination as to the periods and installments of exercisability contained in the Agreements if (and only if) such Options have not at that time expired or been terminated. For purposes of this Section 12(b), a change in control shall be deemed to have taken place if: (i) a third person (other than Centex Corporation or one of its affiliates (as defined in the Act)), including a "group" as defined in Section 13(d)(3) of the Act, becomes the beneficial owner of Shares of the Company having 50% or more of the total number of votes that may be cast for the election of directors of the Company; or (ii) as a result of, or in connection with, a contested election for directors, the persons who were directors of the Company immediately before such election shall cease to constitute a majority of the Board. Notwithstanding the foregoing provisions of this paragraph, in the event of any such dissolution, merger, consolidation, transaction, or change in control, the Board may completely satisfy all obligations of the Company and its Affiliates with respect to any Option outstanding on the date of such event by delivering to the Optionee cash in an amount equal to the difference between the aggregate exercise price for Shares under the Option and the Fair Market Value of such Shares on the date of such event, such payment to be made within a reasonable time after such event.

13. EFFECTIVE DATE

The Plan shall be effective on April 26, 2000, the date of its adoption by the Board, but shall be submitted to the stockholders of the Company for ratification at the next regular or special meeting thereof to be held within twelve (12) months after the Board shall have adopted the Plan. If at such a meeting of the stockholders of the Company a quorum is present, in person or by proxy, the Plan shall be presented for ratification, and unless at such a meeting the Plan is ratified by the affirmative vote of a majority of the outstanding \$0.01 par value common stock of the Company, then and in such event, the Plan and all Options granted under the Plan and all awards of Restricted Stock under the Plan shall become null and void and of no further force or effect.

14. AMENDMENT, SUSPENSION OR TERMINATION

- (a) Subject to the other terms and conditions of the Plan and the limitations set forth in Section 14(b) hereof, the Board may at any time amend, suspend or terminate the Plan; provided, however, that after the stockholders have ratified the Plan, the Board may not, without approval of the stockholders of the Company, amend the Plan so as to:
 - (i) Increase the maximum number of Shares subject thereto, as specified in Sections 4(a) and 12 hereof; or

(ii) Increase the proportionate number of Shares which may be purchased pursuant to an Option by any one person or awarded as Restricted Stock to any one person, as specified in Section 6(a) or Section 19(a) hereof.

(b) Neither the Board nor the Committee may amend the Plan or any Agreement to reduce the option price of an outstanding Option or modify, impair or cancel any existing Option without the consent of the holder thereof.

15. REQUIREMENTS OF LAW

Notwithstanding anything contained herein to the contrary, the Company shall not be required to sell or issue Shares under any Option if the issuance thereof would constitute a violation by the Optionee or the Company of any provisions of any law or regulation of any governmental authority or any national securities exchange; and as a condition of any sale or issuance of Shares under Option the Company may require such agreements or undertakings, if any, as the Company may deem necessary or advisable to ensure compliance with any such law or regulation.

16. INCENTIVE STOCK OPTIONS

The Committee, in its discretion, may designate any Option granted under the Plan as an Incentive Option intended to qualify under Section 422 of the Code. Any provision of the Plan to the contrary notwithstanding, (i) no Incentive Option shall be granted to any person who, at the time such Incentive Option is granted, owns stock possessing more than 10 percent of the total combined voting power of all classes of stock of the Company or any Affiliate unless the purchase price under such Incentive Option is at least 110 percent of the Fair Market Value of the Shares subject to an Incentive Option at the date of its grant and such Incentive Option is not exercisable after the expiration of five years from the date of its grant, and (ii) the aggregate Fair Market Value of the Shares subject to such Incentive Option and the aggregate Fair Market Value of the shares of stock of any Affiliate (or a predecessor of the Company or an Affiliate) subject to any other incentive stock option (within the meaning of Section 422 of the Code) of the Company and its Affiliates (or a predecessor corporation of any such corporation), that may become first exercisable in any calendar year, shall not (with respect to any Optionee) exceed \$100,000, determined as of the date the Incentive Option is granted. For purposes of this Section 16, "predecessor corporation" means a corporation that was a party to a transaction described in Section 424(a) of the Code (or which would be so described if a substitution or assumption under such section had been effected) with the Company, or a corporation which, at the time the new incentive stock option (within the meaning of Section 422 of the Code) is granted, is an Affiliate of the Company or a predecessor corporation of any such corporations.

17. MODIFICATION OF OPTIONS

Subject to the terms and conditions of and within the limitations of the Plan, the Committee may modify, extend or renew outstanding Options granted under the Plan, or accept the surrender of Options outstanding hereunder (to the extent not theretofore exercised) and authorize the granting of new Options hereunder in substitution therefor (to the extent not theretofore exercised), provided that to the extent existing Options are exchanged for new Options, the total Options exchanged will not exceed 10% of all Options then outstanding. Notwithstanding the foregoing provisions of this Section 17, no modification of an Option granted hereunder shall, without the consent of the Optionee, alter or impair any rights or obligations under any Option theretofore granted hereunder to such Optionee under the Plan, except as may be necessary, with respect to Incentive Options, to satisfy the requirements of Section 422 of the Code.

18. AGREEMENT PROVISIONS

- (a) Each Agreement shall contain such provisions (including, without limitation, restrictions or the removal of restrictions upon the exercise of the Option and the transfer of shares thereby acquired) as the Committee shall deem advisable. Each Agreement shall identify the Option evidenced thereby as an Incentive Option or Non-qualified Option, as the case may be. Incentive Options and Non-qualified Options may not both be covered by a single Agreement. Each such Agreement relating to Incentive Options granted hereunder shall contain such limitations and restrictions upon the exercise of the Incentive Option as shall be necessary for the Incentive Option to which such Agreement related to constitute an incentive stock option, as defined in Section 422 of the Code.
- (b) Each Agreement relating to an Incentive Option shall contain a covenant by the Optionee immediately to notify the Company in writing of any disqualifying disposition (within the meaning of Section 421(b) of the Code) of an Incentive Option.

19. RESTRICTED STOCK

- (a) Shares of Restricted Stock may be awarded by the Committee to such individuals as are eligible for grants of Options, as the Committee may determine at any time and from time to time before the termination of the Plan. The total number of Shares of Restricted Stock awarded to any one person, including directors of the Company, when aggregated with the number of Shares subject to Options in favor of such person, shall not exceed shall not exceed 10% of the Shares then subject to the Plan.
- (b) A Share of Restricted Stock is a Share that does not irrevocably vest in the holder or that may not be sold, exchanged, pledged, transferred, assigned or otherwise encumbered or disposed of until the terms and conditions set by the Committee at the

time of the award of the Restricted Stock have been satisfied. A Share of Restricted Stock shall be subject to a minimum three-year vesting period and shall contain such other restrictions, terms and conditions as the Committee may establish, which may include, without limitation, the rendition of services to the Company or its Affiliates for a specified time or the achievement of specific goals. The Committee may, when it deems it appropriate, require the recipient of an award of Restricted Stock to enter into an agreement with the Company evidencing the understanding of the parties with respect to such award.

If an individual receives Shares of Restricted Stock, whether or not escrowed as provided below, the individual shall be the record owner of such Shares and shall have all the rights of a stockholder with respect to such Shares (unless the escrow agreement, if any, specifically provides otherwise), including the right to vote and the right to receive dividends or other distributions made or paid with respect to such Shares. Any certificate or certificates representing Shares of Restricted Stock shall bear a legend similar to the following:

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN
ISSUED PURSUANT TO THE TERMS OF THE CENTEX
CONSTRUCTION PRODUCTS, INC. 2000 STOCK OPTION PLAN
AND MAY NOT BE SOLD, PLEDGED, TRANSFERRED, ASSIGNED
OR OTHERWISE ENCUMBERED IN ANY MANNER EXCEPT AS SET
FORTH IN THE TERMS OF SUCH AWARD DATED
_____, 20____ .

In order to enforce the restrictions, terms and conditions that may be applicable to an individual's Shares of Restricted Stock, the Committee may require the individual, upon the receipt of a certificate or certificates representing such Shares, or at any time thereafter, to deposit such certificate or certificates, together with stock powers and other instruments of transfer, appropriately endorsed in blank, with the Company or an escrow agent designated by the Company under an escrow agreement in such form as shall be determined by the Committee.

After the satisfaction of the terms and conditions set by the Committee at the time of an award of Restricted Stock to an individual, which award is not subject to a non-lapse feature, a new certificate, without the legend set forth above, for the number of Shares that are no longer subject to such restrictions, terms and conditions shall be delivered to the individual, either by delivery of a physical certificate or an electronic transfer to a broker.

If an individual to whom Restricted Stock has been awarded dies after satisfaction of the terms and conditions for the payment of all or a portion of the award but prior to the actual payment of all or such portion thereof, such payment shall be made to the individual's beneficiary or beneficiaries at the time and in the same manner that such payment would have been made to the individual.

The Committee may cancel all or any portion of any outstanding restrictions prior to the expiration of such restrictions with respect to any or all of the Shares of Restricted Stock awarded to an individual hereunder only upon the individual's death, Disability or retirement on or after the earlier of (i) such Optionee reaching age 65 or (ii) such time as the sum of the Optionee's age and years of service equals 70, provided such individual is at least 55. With respect to the occurrence of any event specified in the last paragraph of Section 12 hereof, the restrictions, if any, applicable to any outstanding Shares awarded as Restricted Stock shall lapse immediately prior to the occurrence of the event.

- (c) Subject to the provisions of Section 19(b) hereof, if an individual to whom Restricted Stock has been awarded ceases to be employed by at least one of the employers in the group of employers consisting of the Company and its Affiliates, or ceases to be a director of the Company, whichever may occur later, for any reason prior to the satisfaction of any terms and conditions of an award, any Restricted Stock remaining subject to restrictions shall thereupon be forfeited by the individual and transferred to, and reacquired by, the Company or an Affiliate at no cost to the Company or the Affiliate. In such event, the individual, or in the event of his death, his personal representative, shall forthwith deliver to the Secretary of the Company the certificates for the Shares of Restricted Stock remaining subject to such restrictions, accompanied by such instruments of transfer, if any, as may reasonably be required by the Secretary of the Company.
- (d) In case of any consolidation or merger of another corporation into the Company in which the Company is the surviving corporation and in which there is a reclassification or change (including a change to the right to receive cash or other property) of the Shares (other than a change in par value, or from par value to no par value, or as a result of a subdivision or combination, but including any change in such shares into two or more classes or series of shares), the Committee may provide that payment of Restricted Stock shall take the form of the kind and amount of shares of stock and other securities (including those of any new direct or indirect parent of the Company), property, cash or any combination thereof receivable upon such reclassification, change, consolidation or merger.

20. TAX WITHHOLDING

The Company shall have the right to take whatever affirmative actions are required, in the opinion of the Board or Committee, to enable the Company or appropriate Affiliate to satisfy its payroll tax withholding requirements, including but not limited to withholding cash from a same-day-sale exercise of an Option and/or on exercise of an Option, withholding Shares otherwise issuable to the Optionee. The Committee may also permit withholding to be satisfied by the transfer to the Company of Shares theretofore owned by the holder of the Non-qualified Option with respect to which withholding is required. If Shares, either covered by the Option or theretofore owned by the holder, are used to satisfy tax

withholding, such Shares shall be valued based on the Fair Market Value when the tax withholding is required to be made. If Shares subject to a substantial risk of forfeiture (as defined in Section 83(c)(1) or (c)(3) of the Code) are issuable on exercise of the Option and the Optionee does not make a timely election under Section 83(b) of the Code with respect thereto, the tax withholding is required to be made as of the date on which the substantial risk of forfeiture lapses.

21. GENERAL

- (a) The proceeds received by the Company from the sale of Shares pursuant to Options shall be used for general corporate purposes.
- (b) Nothing contained in the Plan, or in any Agreement, shall confer upon any Optionee or recipient of Restricted Stock the right to continue in the employ of the Company or any Affiliate, or interfere in any way with the rights of the Company or any Affiliate to terminate his employment at any time.
- (c) Neither the members of the Board nor any member of the Committee shall be liable for any act, omission, or determination taken or made in good faith with respect to the Plan or any Option or Restricted Stock granted under it; and the members of the Board and the Committee shall be entitled to indemnification and reimbursement by the Company in respect of any claim, loss, damage or expense (including counsel fees) arising therefrom to the full extent permitted by law and under any directors and officers liability or similar insurance coverage that may be in effect from time to time.
- (d) As partial consideration for the granting of each Option or award of Restricted Stock hereunder, the Optionee or recipient shall agree with the Company that he will keep confidential all information and knowledge which he has relating to the manner and amount of his participation in the Plan; provided, however, that such information may be disclosed as required by law or given in confidence to the individual's spouse, tax or financial advisors, or to a financial institution to the extent that such information is necessary to secure a loan. In the event any breach of this promise comes to the attention of the Committee, it shall take into consideration such breach, in determining whether to grant any future Option or award any future Restricted Stock to such individual, as a factor militating against the advisability of granting any such future Option or awarding any such future Restricted Stock to such individual.
- (e) Participation in the Plan shall not preclude an individual from eligibility in any other stock option plan of the Company or any Affiliate or any old age benefit, insurance, pension, profit sharing, retirement, bonus, or other extra compensation plans which the Company or any Affiliate has adopted, or may, at any time, adopt for the benefit of its employees or directors.

- (f) Any payment of cash or any issuance or transfer of Shares to the Optionee, or to his legal representative, heir, legatee, or distributee, in accordance with the provisions hereof, shall, to the extent thereof, be in full satisfaction of all claims of such persons hereunder. The Board or Committee may require any Optionee, legal representative, heir, legatee, or distributee, as a condition precedent to such payment, to execute a release and receipt therefor in such form as it shall determine.
- (g) Neither the Committee nor the Board nor the Company guarantees the Shares from loss or depreciation.
- (h) All expenses incident to the administration, termination, or protection of the Plan, including, but not limited to, legal and accounting fees, shall be paid by the Company or its Affiliates.
- (i) Records of the Company and its Affiliates regarding an individual's period of employment, termination of employment and the reason therefor, leaves of absence, re-employment, tenure as a director and other matters shall be conclusive for all purposes hereunder, unless determined by the Board or Committee to be incorrect.
- (j) The Company and its Affiliates shall, upon request or as may be specifically required hereunder, furnish or cause to be furnished, all of the information or documentation which is necessary or required by the Board or Committee to perform its duties and functions under the Plan.
- (k) The Company assumes no obligation or responsibility to an Optionee or recipient of Restricted Stock or his personal representatives, heirs, legatees, or distributees for any act of, or failure to act on the part of, the Board or Committee.
- (l) Any action required of the Company shall be by resolution of its Board or by a person authorized to act by resolution of the Board. Any action required of the Committee shall be by resolution of the Committee or by a person authorized to act by resolution of the Committee.
- (m) If any provision of the Plan or any Agreement is held to be illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions of the Plan or the Agreement, as the case may be, but such provision shall be fully severable and the Plan or the Agreement, as the case may be, shall be construed and enforced as if the illegal or invalid provision had never been included herein or therein.
- (n) Whenever any notice is required or permitted hereunder, such notice must be in writing and personally delivered or sent by mail. Any notice required or permitted to be delivered hereunder shall be deemed to be delivered on the date on which it is personally delivered, or, whether actually received or not, on the third business day after it is deposited in the United States mail, certified or registered, postage prepaid,

addressed to the person who is to receive it at the address which such person has theretofore specified by written notice delivered in accordance herewith. The Company, an Optionee or a recipient of Restricted Stock may change, at any time and from time to time, by written notice to the other, the address which it or he had theretofore specified for receiving notices. Until changed in accordance herewith, the Company and each Optionee and recipient of Restricted Stock shall specify as its and his address for receiving notices the address set forth in the Agreement pertaining to the shares of Stock to which such notice relates.

- (o) Any person entitled to notice hereunder may waive such notice.
- (p) The Plan shall be binding upon the Optionee or recipient of Restricted Stock, his heirs, legatees, and legal representatives, upon the Company, its successors, and assigns, and upon the Board and Committee, and their successors.
- (q) The titles and headings of Sections and paragraphs are included for convenience of reference only and are not to be considered in construction of the provisions hereof.
- (r) All questions arising with respect to the provisions of the Plan shall be determined by application of the laws of the State of Delaware except to the extent Delaware law is preempted by federal law. The obligation of the Company to sell and deliver Shares hereunder is subject to applicable laws and to the approval of any governmental authority required in connection with the authorization, issuance, sale, or delivery of such Shares.
- (s) Words used in the masculine shall apply to the feminine where applicable, and wherever the context of the Plan dictates, the plural shall be read as the singular and the singular as the plural.
- (t) Transactions related to the Plan, including but not limited to the delivery and acceptance of any Agreement and the exercise of any Option, whether in whole or in part, may be evidenced by either signed documentation or on-line transactions through the Stock Option Benefit Services Web Site of the Company's designated broker, PaineWebber Incorporated, or the successor thereof.

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this Form S-8 registration statement of our report dated May 15, 2000 incorporated by reference in the Centex Construction Products, Inc. Form 10-K for the year ended March 31, 2000, and to all references to our Firm included in this registration statement.

ARTHUR ANDERSEN LLP

Dallas, Texas,
January 19, 2001