

LBC EXPRESS HOLDINGS, INC.
RELATED PARTY TRANSACTIONS COMMITTEE CHARTER

1.0 Related Party Transactions Committee

The Board establishes a Related Party Transaction (RPT) Committee, which should be tasked with reviewing all material related party transactions of the company and should be composed of at least three non-executive directors, two of whom should be independent, including the Chairman.

2.0 Functions and Responsibilities of the Related Party Transactions Committee

The following are the functions of the RPT Committee, among others:

- a. Evaluates on an ongoing basis existing relations between and among businesses and counterparties to ensure that all related parties are continuously identified, RPTs are monitored, and subsequent changes in relationships with counterparties (from non-related to related and vice versa) are captured. Related parties, RPTs and changes in relationships should be reflected in the relevant reports to the Board and regulators/supervisors;
- b. Evaluates all material RPTs to ensure that these are not undertaken on more favorable economic term (e.g., price, commissions, interest rates, fees, tenor, collateral requirement) to such related parties than similar transactions with non-related parties under of the company are misappropriated or misapplied, and to determine any potential reputational risk issues that may arise as a result of or in connection with the transactions. In evaluating RPTs, the Committee takes into account, among others, the following:
 1. The related party's relationship to the company and interest in the transaction;
 2. The material facts of the proposed RPT, including the proposed aggregate value of such transaction;
 3. The benefits to the corporation of the proposed RPT;
 4. The availability of other sources of comparable products or services; and
 5. An assessment of whether the proposed RPT is on terms and conditions that are comparable to the terms generally available to an unrelated party under similar circumstances. The company should have an effective price discovery system in place and exercise due diligence in determining a fair price for RPTs.
- c. Ensures that appropriate disclosure is made, and/or information is provided to regulating and supervising authorities relating to the company's RPT exposures, and policies on conflicts of interest or potential conflicts of interest. The disclosure should include information on the approach to managing material conflicts of interest that are inconsistent with such policies, and conflicts that could arise as a result of the company's affiliation or transactions with other related parties;
- d. Reports to the Board of Directors on a regular basis, the status and aggregate exposures to each related party, as well as the total amount of exposures to all related parties;
- e. Ensures that transactions with related parties, including write-off of exposures are subject to a periodic independent review or audit process; and
- f. Oversees the implementation of the system for identifying, monitoring, measuring, controlling, and reporting RPTs, including a periodic review of RPT policies and procedure

3.0 Meetings

The Committee shall meet in person or via telephone/video-conference at least quarterly and at such times and places as it considers appropriate. The Chairman of the Committee, any Committee member, or the Corporate Secretary of the Company may call a meeting of the Committee.

Attendance of at least two (2) Committee members shall constitute a quorum for the committee to transact business. The Committee shall act only on the affirmative vote of at least a majority of the members present at a meeting at which there is a quorum.

The Chairman of the Committee shall preside in all meetings of the Committee. In the absence of the Committee Chairman, the Committee members present shall elect one of their members as Chairman of the meeting.

4.0 Reporting Process

The Chairman of the Committee, or in his absence, the member elected by the members present in a meeting, shall report to the Board about Committee activities, issues, and related recommendations made by the Committee.

The Committee shall prepare an annual report of its activities to the Board for inclusion in the Company's annual report.

5.0 Performance Evaluation

The Committee shall conduct an annual self-assessment of its performance, including the performance of the Chairman, individual members and committees.

The Committee shall likewise revisit this Charter on a yearly basis to evaluate new standards in best governance practices. All proposed changes and amendments to this Charter shall require approval of the Board.

6.0 Amendment

This Charter shall not be amended, altered or varied unless such amendment, alteration or variation shall have been approved by a resolution of the Board.

7.0 Adoption by the Subsidiaries

This Charter may be adopted by the relevant subsidiaries of the Company taking into consideration: (a) their relevant business needs and operations; and (b) the relevant laws of the place of their incorporation.

Approved by:

MIGUEL A. CAMAHORT
President & CEO