

LOPEZ HOLDINGS CORPORATION

COMPENSATION AND REMUNERATION COMMITTEE CHARTER

I. Composition of the Committee

The Board of Directors shall create a Compensation and Remuneration Committee which shall be composed of at least three (3) members, a majority of whom shall be independent directors. The Chairman of the Committee shall be appointed by the Board and shall be an independent director.

The Chairman shall preside during the meetings. The Committee shall appoint a Secretary, who may or may not be a director or member of the Committee, to prepare minutes of meetings of the Committee and keep appropriate books and records thereof, if necessary.

The Board, or the Committee, may appoint one or more persons to serve as advisor(s) to the Committee. The identity, independence, absence of conflict of interest on the part of such advisor(s) shall be disclosed. Advisors shall attend and speak during the meetings, but have no voting rights on any action of the Committee.

II. Duties and Responsibilities

The Compensation and Remuneration Committee shall have the principal function of studying and recommending an appropriate compensation and/or rewards system. The Committee shall establish a policy on the compensation and remuneration of directors, the President, and other key senior officers to ensure that their compensation is/are consistent with the Corporation's culture, strategy and the business environment in which it operates. The remuneration structure shall have a proper mix of short-term and long-term incentives, and in the case of the President and senior officers, are tied to performance measures and other elements of their respective performance scorecards.

The Committee shall oversee the development and implementation of compensation and incentives programs.

The Committee shall, as may be necessary, review the potential career paths for selected executives and corporate officers and a management succession plan as developed by the Chief Executive Officer and/or Chief Operating Officer.

The Committee will review any performance evaluation system for senior officers as developed by the Human Resources Department.

III. Meetings; Quorum

The Committee shall only act as a committee and the individual members thereof shall have no powers as such. A majority of the whole number of members shall constitute a quorum for the transaction of business and every decision of a majority of the quorum duly assembled shall be valid as an act of the Committee. Each member shall have one (1) vote. In case of a deadlock in the voting, the Chairman of the Committee shall break the deadlock by casting a second vote.

Regular meetings may be held at such time and place and upon such notice, if any, as the Committee may prescribe. However, at the minimum, the Committee should meet twice a year. Special meetings may be called by the Chairman of the committee or by request of a majority of the Committee members with at least one day's notice of the time and place of the meeting, given personally or by letter, telegram, telephone, electronic mail, short messaging system or facsimile. Meetings may be held at any time and place without notice if all the members are present or if those not present waive notice in writing before or after the meeting.

Meetings may be held in person or via telephone or video conference. Summaries of matters discussed at such meetings are to be presented at the next succeeding meeting of the Board. Relevant information on meetings shall be included in the Corporation's annual report.