

TRIPLE-S MANAGEMENT CORPORATION
BOARD OF DIRECTORS
STANDARDS OF INDEPENDENCE

- (A) No director qualifies as "independent" unless Triple-S Management Corporation's Board of Directors affirmatively determines that he or she has no material relationship¹ with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company).
- (B) In addition, a director of Triple-S Management Corporation is not deemed independent if:
1. The director is, or has been within the last three years, an employee of the Company², or an immediate family member³ is, or has been within the last three years, an executive officer⁴, of the Company.⁵
 2. The director has received, or has an immediate family member who has received⁶, during any twelve-month period within the last three years, more than \$120,000 in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service).⁷
 3. (i) The director is a current partner or employee of a firm that is the Company's internal or external auditor; (ii) the director has an immediate family member who is a current partner of such a firm; (iii) the director has an immediate family member who is a current employee of such a firm and personally works on the Company's audit; or (iv) the director or an immediate family member was within the last three years a partner or employee of such a firm and personally worked on the Company's audit within that time.
 4. The director or an immediate family member is, or has been within the last three years, employed as an executive officer of another company at where any of the Company's present executive officers at the same time serves or served on that company's compensation committee.
 5. The director is a current employee, or an immediate family member of such director is a current executive officer, of a company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million or 2% of such other company's consolidated gross revenues.⁸

¹ "Material relationships" can include commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships, among others.

² References to the Company include any parent or subsidiary in a consolidated group with the Company or such other company as is relevant to any determination under these independent standards.

³ "Immediate family member" includes a person's spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law, and anyone (other than domestic employees) who shares such person's home. Individuals who are not longer immediate family members as a result of legal separation or divorce, or those who have died or become incapacitated, need not to be considered under this provision.

⁴ The term "executive officer" shall mean the Company's president, principal financial officer, principal accounting officer (or, if there is no such accounting officer, the controller), any vice-president of the issuer in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Company. Officers of the Company or subsidiaries shall be deemed executive officers of the Company if they perform such policy-making functions for the issuer.

⁵ Employment as an interim Chairman or CEO or other executive officer shall not disqualify a director from being considered independent following that employment.

⁶ Compensation received by an immediate family member for service as an employee of the Company (other than an executive officer) need not be considered in determining independence under this test.

⁷ Compensation received by a director for former service as an interim Chairman or CEO or other executive officer need not to be considered in determining independence under this test. Compensation received by an immediately family member for service as an employee of the Company (other than an executive officer) need not to be considered in determining independence under this test.

⁸ In applying this tes, both the payments and the consolidated gross revenues to be measured shall be those reported in the last completed fiscal year of such other company.