

TRIPLE-S MANAGEMENT CORP

Form PRE 14A

March 11, 2005

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

Triple-S Management Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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**SEVENTH
ANNUAL MEETING OF SHAREHOLDERS
SUNDAY, APRIL 24, 2005**

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March 24, 2005

INVITATION TO THE
ANNUAL MEETING OF SHAREHOLDERS

Dear Shareholders:

The Board of Directors invites you to the Annual Meeting of Shareholders of Triple-S Management Corporation (Triple-S Management), which will be held on Sunday, April 24, 2005 at 9:00 am in the Ponce de León Rooms A, B, and C of the Condado Plaza Hotel, at 999 Ashford Avenue in San Juan, Puerto Rico.

It is very important that you attend and personally exercise your right to vote at the Annual Meeting. However, if you cannot attend, we urge you to sign, date, and return the Proxy Form solicited by the Board of Directors of Triple-S Management. You may send the Proxy Form to the attention of Dr. Jesús R. Sánchez-Colón, Secretary of the Board of Directors, at the following faxes or addresses:

Fax:

(787) 749-4191 or (787) 706-4023

In Person or By Messenger:

Office of the Secretary of the Board of Directors
Triple-S Management Corporation Principal Office Building
1441 FD Roosevelt Avenue, Sixth Floor
San Juan, Puerto Rico 00920

By Mail:

Office of the Secretary of the Board of Directors
Triple-S Management Corporation
PO Box 363628
San Juan, Puerto Rico 00936-3628

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Shareholders may personally register their Proxies at the Office of the Secretary of the Board of Directors of Triple-S Management, before the day set for the Annual Meeting and during Triple-S Management's office hours, Monday through Friday from eight o'clock in the morning (8:00 am) to four-thirty in the afternoon (4:30 pm), except Saturdays, Sundays, and holidays.

Shareholders will also have the opportunity to personally register their Proxies in the Panamá Room at the Condado Plaza Hotel in San Juan, Puerto Rico, on Saturday, April 23, 2005, from one o'clock (1:00 pm) until five o'clock in the afternoon (5:00 pm).

Those shareholders who do not register their Proxies before the day the Annual Meeting takes place, will be able to register them on Sunday, April 24, 2005, from seven-thirty in the morning (7:30 am).

In order to accelerate the process of computerized registration, we enclose the Proxy of the Board of Directors, printed with the name and the amount of shares registered for each shareholder. We are sure that this will contribute to the success of the proxy registration process.

The Board of Directors is counting on your participation. Your vote is important!

Sincerely,

Fernando J. Ysern-Borrás, MD
Chairman of the Board of Directors

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NOTICE FOR THE
ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON SUNDAY, APRIL 24, 2005

To the Shareholders of Triple-S Management:

Pursuant to Articles 5-1 and 5-3 of the By-laws of Triple-S Management, the Board of Directors invites you to attend the Annual Meeting of Shareholders to be held on Sunday, April 24, 2005 at 9:00 am in the Ponce de León Rooms A, B, and C of the Condado Plaza Hotel, at 999 Ashford Avenue in San Juan, Puerto Rico.

The Annual Meeting will take place in order to consider and vote on the following matters:

Matters to Be Acted Upon

The election of five (5) nominees to serve as members of the Board of Directors for a term of three (3) years.

Board of Directors Proposals

Resolution Number 1

Resolution Number 1 is presented by the Board of Directors of Triple-S Management to amend Article 5-1 of the By-laws of Triple-S Management to establish that the Annual Meeting of Shareholders may take place on the last Sunday of the month of April of each year, or, as an exception, at such other date which is closest to the last Sunday of the month of April as determined by the Board due to any legal requirement applicable to Triple-S Management.

Resolution Number 2

Resolution Number 2 is presented by the Board of Directors of Triple-S Management to amend Article 9-1 of the By-laws of Triple-S Management to harmonize its language with the Articles of Incorporation regarding the amount of issued and outstanding common shares with the right to vote required in order to approve certain amendments to the By-laws.

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Resolution Number 3

Currently, the Articles of Incorporation and By-laws provide that a shareholder of Triple-S Management may only transfer his/her common shares to his/her descendants who are physicians or dentists, if such descendant complies with the twenty-one (21) common shares limit per person.

Resolution Number 3 is presented by the Board of Directors of Triple-S Management to amend Article Eighth of the Articles of Incorporation and Articles 4-2 and 4-3 of the By-laws of Triple-S Management to allow the transfer to any physician or dentist of one or more common shares of a shareholder, during his/her lifetime or upon his/her death, if no kind of payment, service, obligation, or other inducement has been or will be provided or rendered, and if said physician or dentist complies with the twenty-one (21) common shares limit requirement.

Resolution Number 4

Resolution Number 4 is presented by the Board of Directors of Triple-S Management to amend and renumber Articles Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelfth, and Thirteenth of the Articles of Incorporation of Triple-S Management to establish that the authorized capital of Triple-S Management will be divided into two classes of common shares: (1) Voting Common Shares, which are the common shares authorized by Triple-S Management since its origins, in other words, the existing common shares, and (2) Non-Voting Common Shares, which are not available for purchase, since they will only be issued so that one or more of the voting common shares of a shareholder may be exchanged, upon his/her death, for an equal amount of non-voting common shares for the benefit of his/her heirs or surviving spouse when they are not physicians or dentists, subject to, among other requirements to be complied with, the twenty-one (21) common shares per person limit. In addition, this Resolution will include the revisions of some provisions in order to improve or correct the text or language of the Articles of Incorporation.

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Resolution Number 5

Resolution Number 5 is presented by the Board of Directors of Triple-S Management to amend Chapters 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10 of the By-laws of Triple-S Management to establish that the authorized capital of Triple-S Management will be divided into two classes of common shares: (1) Voting Common Shares, which are the common shares authorized by Triple-S Management since its origins, in other words, the existing common shares, and (2) Non-Voting Common Shares, which are not available for purchase, since they will only be issued so that one or more of the voting common shares of a shareholder may be exchanged, upon his/her death, for an equal amount of non-voting common shares for the benefit of his/her heirs or surviving spouse when they are not physicians or dentists, subject to, among other requirements to be complied with, the twenty-one (21) common shares per person limit. In addition, this Resolution will include the revisions of some provisions in order to improve or correct the text or language of the By-laws.

Shareholder s Proposals

Resolution Number 6

Resolution Number 6 is presented by Leslie H. López Vélez, DDS, shareholder of Triple-S Management, to amend Articles Sixth, Seventh, and Thirteenth of the Articles of Incorporation and Articles 4-1 and 9-1 of the By-laws of Triple-S Management in order to reduce from three-fourths (3/4) to two-thirds (2/3) the amount of issued and outstanding common shares with the right to vote required to approve certain amendments to Article Sixth of the Articles of Incorporation and Article 4-1 of the By-laws.

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The Board of Directors has set March 15, 2005 as the date to determine which shareholders have the right to receive notice of, and vote at the Annual Meeting on April 24, 2005.

The Proposals are described in the accompanying Proxy Statement. We encourage you to read them before voting. The Board of Directors has carefully considered each of the Proposals and recommends that you vote **In Favor** of the Election of Directors and Resolutions Number 1, 2, 3, 4, 5, and 6.

San Juan, Puerto Rico
March 24, 2005

By Order of the Board of Directors

Fernando J. Ysern-Borrás, MD
Chairman of the Board of Directors

Jesús R. Sánchez-Colón, DMD
Secretary of the Board of Directors

**We cordially invite you to attend the Annual Meeting.
It is important that your shares be present or represented, regardless of the amount that
you own. Even if you are considering attending the Annual Meeting, we urge you to
promptly complete, sign, date, and return the enclosed Proxy Form.**

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PROXY STATEMENT

FOR THE ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD ON SUNDAY, APRIL 24, 2005

To the Shareholders of Triple-S Management:

This Proxy Statement is furnished to the Shareholders of Triple-S Management Corporation (Triple-S Management) in connection with the Annual Meeting of Shareholders (the Annual Meeting) to be held on Sunday, April 24, 2005 at 9:00 am in the Ponce de León Rooms A, B, and C of the Condado Plaza Hotel, at 999 Ashford Avenue in San Juan, Puerto Rico, or any postponement, recess, suspension, or adjournment of said Annual Meeting.

The Board of Directors of Triple-S Management solicits your proxy for the Annual Meeting. We urge you to sign, date, and return the enclosed Proxy Form. The shareholders may send the Proxy Form to the following faxes or addresses:

FAX:

(787) 749-4191 or (787) 706-4023

IN PERSON OR BY MESSENGER:

Office of the Secretary of the Board of Directors
Triple-S Management Corporation Principal Office Building
1441 FD Roosevelt Avenue, Sixth Floor
San Juan, Puerto Rico 00920

BY MAIL:

Office of the Secretary of the Board of Directors
Triple-S Management Corporation
PO Box 363628
San Juan, Puerto Rico 00936-3628

ATTENTION:

Jesús R. Sánchez-Colón, DMD
Secretary of the Board of Directors

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The members of the Board of Directors, designated as proxy holders in the Proxy Form, any one of them or their substitutes, will have the power and authority to vote the shares of the shareholder that grants the proxy to the Board of Directors. The Board of Directors will have the right to act and vote as if the shareholder would be present at the Annual Meeting, or any postponement, recess, suspension, or adjournment of said Annual Meeting.

The Proxy Form will not be valid unless the shareholder signs it and Triple-S Management receives it on time to be voted at the Annual Meeting, or at any postponement, recess, suspension, or adjournment of the same. The proxy being solicited may only be voted at the Annual Meeting of Shareholders to be held on April 24, 2005, or at any postponement, recess, suspension, or adjournment of said Annual Meeting.

The Board of Directors pledges to vote the shares represented in every proxy granted to the Board of Directors by any shareholder. The vote will be exercised pursuant to the instructions received from the shareholder granting the proxy if the shareholder indicates in said proxy whether he/she chooses to approve, disapprove, or abstain from the matters that will be under consideration at the Annual Meeting. If the shareholder does not indicate whether he/she chooses to approve, disapprove, or abstain from the matters that will be under consideration at the Annual Meeting, the Board of Directors will vote **In Favor** of the Election of Directors and **In Favor** of Resolution Number 1, 2, 3, 4, 5, and 6 (the proposals).

The Board of Directors is not aware of any other business that may properly come before the Annual Meeting, other than the matters indicated in this Proxy Statement. However, the Board of Directors hereby notifies shareholders that if the amount of issued and outstanding shares required to consider and vote for any of the proposals are not registered at the Annual Meeting on April 24, 2005, it intends to request an adjournment of the meeting, **only in respect to such proposals**, in order to solicit additional proxies in favor of such proposal(s). In such event, shareholders will consider and vote only for those proposals (including the election of five (5) nominees to serve as members of the Board of Directors) for which the minimum amount of issued and outstanding shares that are required for their approval are registered on the date of the Annual Meeting. After the voting of such proposals takes place and the results of the vote are announced to the shareholders, the Board of Directors will proceed to request the adjournment of the Annual Meeting.

In the event the shareholders approve the adjournment of the Annual Meeting, the Board of Directors will convene the adjourned Annual Meeting at a later date, and shareholders may, on such date, consider and vote on any of the remaining proposals contained in this Proxy Statement.

The Board of Directors informs you that if any matter, other than those indicated above, should properly come before the Annual Meeting, or any postponement, recess, suspension, or adjournment of the same, Proxies solicited hereby will be voted according to the best judgment of the Board of Directors.

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The Board of Directors urges shareholders to complete the Proxy Form attached hereto. However, the Puerto Rico General Corporations Law of 1995, as amended, affords every shareholder of a corporation organized under said statute the right to be represented at a shareholders meeting by completing any document (proxy), if and when said document (proxy) complies with the requirements set forth in said law.

If a shareholder signs a Proxy Form without expressly designating the name of the proxy holder and sends it to Triple-S Management, said proxy will be considered as being granted in favor of the Board of Directors. These Proxies will be voted at the Annual Meeting as indicated in this Proxy Statement.

MAILING DATE

On March 24, 2005, the Board of Directors of Triple-S Management will send this Proxy Statement, the Notice for the Annual Meeting of Shareholders, and the Proxy Form to the Shareholders entitled to vote at the Annual Meeting.

RECORD DATE

The Board of Directors has set March 15, 2005 as the date to determine which shareholders have the right to receive the Notice of the Annual Meeting of Shareholders and vote at the same.

SOLICITATION OF PROXIES

The Board of Directors of Triple-S Management will conduct the solicitation of proxies. The solicitation of proxies will take place pursuant to the applicable requirements established in the Articles of Incorporation and By-laws of Triple-S Management, as well as the applicable provisions of the Puerto Rico General Corporations Law of 1995, as amended, the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

As of the mailing date of this Proxy Statement, no Director has given written notice to the Board of Directors that such Director intends to oppose any action taken or to be taken by the Board.

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METHOD OF SOLICITATION

In addition to soliciting proxies by mail, the Board of Directors of Triple-S Management may solicit proxies in person, by phone, by fax, or by any other means of communication.

The Board of Directors may also solicit proxies through employees or persons hired to do such work. These persons may visit the shareholders in order to collect the proxies and send them to the Office of the Secretary of the Board of Directors. If a shareholder has not received the Notice for the Annual Meeting of Shareholders, the Proxy Statement or any other document, these persons will give copies of said documents to such shareholders, will briefly explain the contents of the documents, and will urge the shareholder to vote **In Favor** of the Election of Directors and Resolution Number 1, 2, 3, 4, 5, and 6.

Triple-S Management will pay the cost of the solicitation of proxies, which it estimates to be approximately Seventy-Five Thousand Dollars (\$75,000).

REVOCABILITY OF PROXIES

Ordinarily, the shareholders have the right to revoke a proxy at any time before it is voted. Any shareholder may revoke his/her proxy by giving written notice to the Secretary of the Board of Directors.

The notice to revoke the proxy may be delivered in person or by messenger to the following address: Office of the Secretary of the Board of Directors, Triple-S Management Corporation Principal Office Building, 1441 FD Roosevelt Avenue, Sixth Floor, San Juan, Puerto Rico 00920. The shareholder may also send the notice to revoke the proxy by fax at (787) 749-4191 or (787) 706-4023, or by mail at the Office of the Secretary of the Board of Directors, Triple-S Management Corporation, PO Box 363628, San Juan, Puerto Rico 00936-3628.

Any shareholder who has revoked a proxy and attends the Annual Meeting may vote in person if he/she registers to vote at or before the Annual Meeting. In addition, if a Shareholder attends and registers to vote at the Annual Meeting, the proxy granted to the Board of Directors will be revoked, and the Shareholder will be able to vote his/her shares in person.

A proxy granted at a later date, will revoke a proxy granted at an earlier date.

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**SOLICITATIONS INDEPENDENT FROM THE
SOLICITATION OF THE BOARD OF DIRECTORS**

The Board of Directors informs the shareholders that if they wish to conduct a proxy solicitation independent from the solicitation being conducted by the Board of Directors through this Proxy Statement and the Proxy Form, they must comply with the requirements set forth in the Articles of Incorporation and By-laws of Triple-S Management, the Puerto Rico General Corporations Law of 1995, as amended, the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

ISSUED AND OUTSTANDING SHARES

The only outstanding voting securities of Triple-S Management are shares of its Common Stock, with a par value of Forty Dollars (\$40) per share.

As of March 15, 2005, there were 8,904 issued and outstanding shares of Voting Common Stock.

SHAREHOLDERS RIGHT TO VOTE

At the Annual Meeting, each shareholder will be entitled to as many votes as the amount of shares that are registered under his/her name in the corporate books of Triple-S Management.

The right to vote at the Annual Meeting may be exercised in person or by proxy. No proxy will be valid unless it is issued with the shareholder's signature and is received in time to be voted at the Annual Meeting, or any postponement, recess, suspension, or adjournment of the same.

The Articles of Incorporation and By-laws of Triple-S Management expressly prohibit cumulative voting.

QUORUM

Pursuant to Article 5-5 of the By-laws, a majority of the issued and outstanding shares at the time the Annual Meeting is set to begin will constitute a quorum. In terms of the percentage of issued and outstanding shares, this means that at 9:00 am, fifty percent plus one share (50% + 1) of the issued and outstanding voting shares must be present at the Annual Meeting to constitute a quorum.

As of March 15, 2005, Triple-S Management had 8,904 issued and outstanding shares. Therefore, at 9:00 am, 4,453 issued and outstanding shares registered to vote at the Annual Meeting will constitute a quorum.

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The By-laws also provide that if at the time set in the Notice for the Annual Meeting of Shareholders to begin the Annual Meeting (9:00 am) a quorum is not present, there will be a thirty-minute recess (until 9:30 am). At the end of the thirty minutes, one-third (1/3) of the issued and outstanding shares that are registered to vote at the Annual Meeting will constitute a quorum. Therefore, at 9:30 am 2,968 issued and outstanding shares that are registered to vote at the Annual Meeting will constitute a quorum.

Article 5-5 of the By-laws provides that if a quorum is not present at that time, the Annual Meeting will be scheduled thirty (30) days hence. At this second Notice for the Annual Meeting, one-third (1/3) of the issued and outstanding shares registered to vote at the Annual Meeting will constitute a quorum. If a quorum is not present at this meeting, the Board of Directors may scheduled as many meetings as necessary until the requirement of a quorum of one-third (1/3) of the issued and outstanding shares registered to vote at the Annual Meeting, is met.

PRINCIPAL HOLDERS OF THE SHARES

As of March 15, 2005 there is no entity or entities which, by itself or as a group, as these terms are defined in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended, are beneficial owners of five percent (5%) or more of the shares of common stock of Triple-S Management.

The following table shows the total amount of shares beneficially owned by the Directors and Executive Officers of Triple-S Management and its Subsidiaries (the Corporation), as individuals, as well as the total number of shares beneficially owned by all of the Directors and the Executive Officers of the Corporation as a group.

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Name of Directors of Triple-S Management	Shares	Percentage
Fernando J. Ysern-Borrás, MD	1	*
Valeriano Alicea-Cruz, MD	2	*
José Arturo Álvarez-Gallardo	1	*
Mario S Belaval	1	*
Arturo R. Córdova-López, MD	1	*
Carmen Ana Culpeper-Ramírez	1	*
Porfirio E. Díaz-Torres, MD	3	*
Manuel Figueroa-Collazo, PE, PhD	1	*
Vicente J. León-Irizarry, CPA	1	*
Fernando L. Longo-Rodríguez, MD	2	*
Wilfredo López-Hernández, MD	2	*
Manuel A. Marcial-Seoane, MD	2	*
Miguel Nazario-Franco	1	*
Juan E. Rodríguez-Díaz, Esq.	1	*
Wilmer Rodríguez-Silva, MD	15	*
Ramón M. Ruiz-Comas, CPA	1	*
Jesús R. Sánchez-Colón, DMD	1	*
Adamina Soto-Martínez, CPA	1	*
Manuel Suárez-Méndez, PE	1	*

**Name of Nominee for Member of the Board of
Directors of Triple-S Management**

	Shares	Percentage
José Hawayek-Alemañy, MD§	10	*

* Less than 1%.

These persons are Directors representing the community and have received one share of common stock in order to comply with the requirement established in the By-laws which provides that the Directors must be Shareholders.

CPA Ramón M. Ruiz-Comas is the President and Chief Executive Officer (CEO). Pursuant to the provisions of the Articles of Incorporation and By-laws, the President of Triple-S Management must be a member of the Board of Directors as long as such person is serving as President. Therefore, the President of Triple-S Management is a Director representing the community and has received one share of common stock (less than 1%).

§ Nominee for member of the Board of Directors of Triple-S Management.

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Name of the Executive Officers of the Corporation	Shares	Percentage
Ramón M. Ruiz-Comas, CPA**	1	**
Héctor R. Ramos-Díaz, Esq.	0	0
Juan José Román-Jiménez, CPA	0	0
Socorro Rivas-Rodríguez, CPA	0	0
Alejandro E. Franco-Linares, MD	4	
Luis A. Marini-Mir, DMD	1	
Roberto O. Morales-Tirado, Esq.	0	0
Eva G. Salgado-Micheo	0	0
Carlos D. Torres-Díaz	0	0
Total shares of Triple-S Management owned by the Directors, the Nominee for Member of the Board of Directors, and the Executive Officers of the Corporation.	54	

** CPA Ramón M. Ruiz-Comas is the President and Chief Executive Officer (CEO) of Triple-S Management. Pursuant to the provisions of the Articles of Incorporation and By-laws, the President of Triple-S Management must be a member of the Board of Directors as long as such person is serving as President. Therefore, the President of Triple-S Management is a Director representing the community and has received one share of common stock (less than 1%).

Executive Officers of Triple-S Management.

Less than 1%.

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MATTERS TO BE ACTED UPON

ELECTION OF DIRECTORS

Board of Directors

The Articles of Incorporation and By-laws state that the Board of Directors shall consist of nineteen persons, ten of which must be representatives of the community, as such term is defined by the Blue Cross and Blue Shield Association (BCBSA). The other nine Directors must be physicians or dentists.

Directors Whose Terms Will Expire in 2007

1. Mario S Belaval
2. Carmen Ana Culpeper-Ramírez
3. Manuel Figueroa-Collazo, PE, PhD
4. Miguel Nazario-Franco
5. Juan E. Rodríguez-Díaz, Esq.
6. Ramón M. Ruiz-Comas, CPA
7. Manuel Suárez-Méndez, PE
8. Fernando J. Ysern-Borrás, MD

Directors Whose Terms Will Expire in 2006

1. Valeriano Alicea-Cruz, MD
2. José Arturo Álvarez-Gallardo
3. Porfirio E. Díaz-Torres, MD
4. Vicente J. León-Irizarry, CPA
5. Fernando L. Longo-Rodríguez, MD
6. Jesús R. Sánchez-Colón, DMD

Nominees for Election as Directors in 2005

At the Annual Meeting, five (5) Directors will be elected by ballot, each to serve a term of three years until April 2008.

Of the five Directors whose terms expire, four are physicians (Dr. Arturo R. Córdova-López, Dr. Wilfredo López-Hernández, Dr. Manuel A. Marcial-Seoane, and Dr. Wilmer Rodríguez-Silva) and one is a representative of the community (CPA Adamina Soto-Martínez).

As a requirement of the BCBSA, of which Triple-S Management and Triple-S, Inc. are members, those directors representing the community cannot be physicians or dentists, nor service providers, employees, or members of the Board of Directors of any participant or health care services provider.

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The Nominations Committee of the Board of Directors of Triple-S Management met and evaluated all recommended candidates for the position of Director. After their evaluation, the Committee submitted a report to the Board of Directors, who recommends the following nominees for election:

Four nominees to be Directors as physicians or dentists

1. Arturo R. Córdova-López, MD
2. José Hawayek-Alemañy, MD
3. Wilfredo López-Hernández, MD
4. Wilmer Rodríguez-Silva, MD

One nominee to be Director as representative of the community

1. Adamina Soto-Martínez, CPA

Dr. Arturo R. Córdova-López, Dr. Wilfredo López-Hernández, Dr. Wilmer Rodríguez-Silva, and CPA Adamina Soto-Martínez currently serve as members of the Board of Directors. Their contribution and experience as members of the Board of Triple-S Management are important for the continuity of the work accomplished at the Board. They have not served for more than nine years, nor have they been elected more than three times. Because of the abovementioned facts, the Board of Directors nominates these Directors for reelection.

For a detailed explanation of Tenure Requirements, please refer to [Tenure of Directors](#) below.

The Board of Directors has nominated Dr. José Hawayek-Alemañy. This nominee would substitute Dr. Manuel A. Marcial-Seoane, who for personal reasons, has declined to be considered for an additional term on the Board of Directors.

The Board of Directors understands that all of the nominees may be elected as directors and may each serve for a term of three years since they comply with all the requirements for such position.

The persons named as proxy holders in the Proxy Form attached hereto, or any substitute proxy holder, must vote the Proxies pursuant to the instructions received from the shareholder granting the proxy. If a shareholder does not indicate any choice of vote with regards to the Election of Directors, the Board of Directors will vote in favor of the five nominees recommended for election in this Proxy Statement.

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If for any reason, not known at this time, any of the nominees was not available for election, the proxy solicited hereby confers discretionary authority on the Board of Directors to vote the proxy with respect to the election of another person as director in substitution of any nominee that is not available for election. In such event, proxies will be voted according to the best judgment of the Board of Directors.

Vote and Recommendation

The Directors will be elected by a majority of the affirmative votes of the issued and outstanding voting shares that are present or represented by proxy at the Annual Meeting, pursuant to Section A of Article 7-1 of the By-laws of Triple-S Management and Article 7.06(C) of the General Corporations Law of 1995, as amended.

The Board of Directors recommends that you vote **In Favor** of the election of each of its nominees to the Board of Directors.

DIRECTORS AND EXECUTIVE OFFICERS

The business and affairs of Triple-S Management are governed by its Board of Directors, which in accordance with its Articles of Incorporation and By-laws, currently, consists of nineteen Directors.

Directors are elected on a staggered basis every three years at the Annual Meeting of Shareholders. The last election of Directors was held on April 25, 2004.

The Board of Directors may appoint new Directors to fill vacancies that occur when a Director cannot continue serving on the Board of Directors for any reason. Any such new Director will serve for the remainder of the term of the Director being substituted. On December 6, 2004, the Board of Directors appointed Mr. Juan E. Rodríguez-Díaz, Esq., to serve as director and fill the vacancy left by Mr. José Davison-Lampón, Esq., who passed away on September 14, 2004. Mr. Rodríguez-Díaz is considered a member of the Board representing the community, as was Mr. Davison-Lampón.

Triple-S Management's President and Chief Executive Officer (CEO) is appointed by the Board of Directors and holds the office at the Board's discretion.

Scheduled meetings of Triple-S Management's Board of Directors are held at least once a month. Special Board meetings are held when convened by the Chairman of the Board, or by at least five Board members.

Listed below are Triple-S Management's current Directors and Executive Officers:

Table of Contents**Triple-S Management Corporation**

Name	Age	Office
Board of Directors		
Fernando J. Ysern-Borrás, MD	49	Director, Chairman of the Board
Valeriano Alicea-Cruz, MD	59	Director
José Arturo Álvarez-Gallardo	62	Director
Mario S Belaval	66	Director
Arturo R. Córdova-López, MD	61	Director, Assistant Secretary
Carmen Ana Culpeper-Ramírez	59	Director
Porfirio E. Díaz-Torres, MD	63	Director
Manuel Figueroa-Collazo, PE, PhD	53	Director
Vicente J. León-Irizarry, CPA	66	Director, Treasurer
Fernando L. Longo-Rodríguez, MD	65	Director
Wilfredo López-Hernández, MD	61	Director
Manuel A. Marcial-Seoane, MD	50	Director
Miguel Nazario-Franco	58	Director
Juan E. Rodríguez-Díaz, Esq.	63	Director
Wilmer Rodríguez-Silva, MD	51	Director, Vice-Chairman
Ramón M. Ruiz-Comas, CPA	48	Director, President and CEO
Jesús R. Sánchez-Colón, DMD	49	Director, Secretary
Adamina Soto-Martínez, CPA	57	Director, Assistant Treasurer
Manuel Suárez-Méndez, PE	59	Director
Executive Officers		
Ramón M. Ruiz-Comas, CPA	48	President and CEO
Héctor R. Ramos-Díaz, Esq.	57	Senior Vice-President for Corporate Affairs
Juan José Román-Jiménez, CPA	40	Finance Vice-President and Chief Financial Officer

Triple-S Management is a holding company that conducts its business through its wholly-owned subsidiary corporations: Triple-S, Inc., Seguros de Vida Triple-S, Inc., Seguros Triple-S, Inc., Interactive Systems, Inc., and Triple-C, Inc.

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Listed below is certain biographical information of the Directors of Triple-S Management showing their experience in the last five (5) years.

Fernando J. Ysern-Borrás, MD

He is currently the Chairman of the Boards of Directors of Triple-S Management and Triple-S, Inc.

Since 1998 and 1999, he serves on the Boards of Directors of Triple-S, Inc. and Triple-S Management, respectively.

Doctor Ysern-Borrás also serves on the Boards of Directors of Seguros de Vida Triple-S, Inc., Seguros Triple-S, Inc., Interactive Systems, Inc., Triple-C, Inc., Smart Solutions Insurance Agency Corp. (a wholly owned subsidiary of Seguros de Vida Triple-S, Inc.), and Signature Insurance Agency, Inc. (a wholly-owned subsidiary of Seguros Triple-S, Inc.).

Since 1986, he has worked in *Grupo Pediátrico* of Caguas, Puerto Rico.

He has worked in several hospitals and has been Director of the Pediatric Department in the Inter-American Hospital of Advanced Medicine.

He has held positions as Assistant Professor at the University of Puerto Rico, School of Medicine, the San Juan Bautista School of Medicine, and Adolescent Medicine Fellowship Director at the Caguas Regional Hospital.

He was President of the Health and Social Welfare Commission while he served as member of the Municipal Assembly of Caguas.

He is member of the Puerto Rico Medical Association and the American Academy of Pediatrics.

Doctor Ysern-Borrás holds an MD degree from the University of Puerto Rico, School of Medicine.

He has a specialty degree in Pediatrics from the University Pediatrics Hospital in Río Piedras, Puerto Rico, and a subspecialty in Adolescent Medicine.

He is also Board Certified in Pediatrics.

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Valeriano Alicea-Cruz, MD

Since 2000, he serves on the Boards of Directors of Triple-S Management and of Triple-S, Inc.

Currently, he is the Chairman of the Board of Directors of Interactive Systems, Inc.

He is also Secretary of the Board of Directors of Seguros de Vida Triple-S, Inc., and Vice-Chairman of the Board of Directors of Smart Solutions Insurance Agency Corp., (a wholly-owned subsidiary of Seguros de Vida Triple-S, Inc.).

He is an Ophthalmologist with a private practice since 1975, and has offices in two municipalities of Puerto Rico.

He was President of the Puerto Rico Medical Association.

He has served on the Medical Board of the Department of Transportation and Public Works, the Boards of Directors of *Ojos, Inc.*, the Puerto Rico Medical Association, the American Academy of Ophthalmology, and the Puerto Rican Society of Ophthalmology.

He is a member of the American Academy of Ophthalmology, the Society of Physicians graduated from the University of Puerto Rico and the Pan-American Association of Ophthalmology.

Doctor Alicea-Cruz holds a BS degree from the University of Puerto Rico, an MD degree from the University of Puerto Rico, School of Medicine, and a Postgraduate Degree in Ophthalmology from the Puerto Rico Medical Center and Affiliate Hospitals.

José Arturo Álvarez-Gallardo

Since 2000, he serves on the Boards of Directors of Triple-S Management and Triple-S, Inc.

He is currently Treasurer of the Board of Directors of Interactive Systems, Inc.

Since 1964, Mr. Álvarez-Gallardo has served in various positions with *Méndez & Co., Inc.*, where he is the President since 1998.

He has served on the Boards of Directors of *Méndez & Co., Inc.*, Bamco Products Corporation, International Shipping Agency, Menaco Corporation, and Méndez Realty, Inc.

Mr. Álvarez-Gallardo holds a BBA degree in Business Administration from Iona College.

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Mario S Belaval

Since 1998 and 1999, he serves on the Boards of Directors of Triple-S, Inc. and Triple-S Management, respectively.

He serves on the Board of Directors of Seguros de Vida Triple-S, Inc.

Since 2002, he is a consultant of Miradero Capital Partners.

He was a consultant of the Economic Development Bank of Puerto Rico from February 1997 to February 2001.

He was Chairman of the Board of Directors of Bacardí Corporation from December 1996 to December 2001.

Mr. Belaval has served as director of the Puerto Rico Investors Tax-Free Family of Funds since March, 1995, of the Tax Free Puerto Rico Family of Funds since February, 2001, and of UBS IRA Select Growth and Income Puerto Rico Fund since April, 1998.

Mr. Belaval holds a BS degree in Economics from Franklin and Marshall College in Pennsylvania.

Arturo R. Córdova-López, MD

Since 1999, he is Assistant Secretary of the Boards of Directors of Triple-S Management and Triple-S, Inc.

He currently is Secretary of the Board of Directors of Seguros Triple-S, Inc. and Director and Vice-Chairman of the Board of Directors of Signature Insurance Agency, Inc. (a wholly-owned subsidiary of Seguros Triple-S, Inc.).

In addition, doctor Córdova-López is an Adhonorem Associate Professor of Medicine at the University of Puerto Rico, School of Medicine, since 1986.

Doctor Córdova-López has served as a Staff Pneumologist and Critical Care Consultant at Pavía Hospital since 1990.

He is member of the American Thoracic Society, the American College of Physicians, the American Lung Association, the College of Physicians and Surgeons of Puerto Rico, and the American College of Chest Physicians (ACCP), where he is the immediate past Governor for Puerto Rico for the ACCP.

He holds a BS degree in Electrical Engineering from the University of Puerto Rico, an MD degree from the same institution, and a MS degree in Epidemiology from the Harvard University School of Public Health.

He is Board Certified in internal medicine, pulmonary diseases, and critical care and managed care medicine.

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Carmen Ana Culpeper-Ramírez

She currently serves on the Boards of Directors of Triple-S Management, Triple-S, Inc., Interactive Systems, Inc., and Seguros de Vida Triple-S, Inc.

Since April 2004, she is the Director of the Small Business Administration (SBA) for the Puerto Rico and U. S. Virgin Islands District.

From 2000 to March 2004, she was President and Chief Executive Officer of C. Culpeper & Associates, a management consulting business, which offers organizational development, project and financial management services.

She serves as member of the Boards of Directors of Levitt Homes, Inc. and Intech de Puerto Rico.

Previous to being appointed to the Small Business Administration, she served as Chairman of the Board of the San Juan Human Capital Development Board.

Ms. Culpeper-Ramírez has served as member of the Board of Directors of Banco Santander Puerto Rico and Centennial Communications Corporation.

Ms. Culpeper-Ramírez worked for two years (from 1997 to 1999) as President of the Puerto Rico Telephone Company, the tenth largest telephone company in the United States, and was responsible for its sale to GTE/Verizon.

She also served as President of the Puerto Rico Chamber of Commerce (for the term 1999 to 2000).

She holds a BBA in Finance from the University of Puerto Rico and an MBA from the University of Pennsylvania, Wharton School of Business (International Business).

Porfirio E. Díaz-Torres, MD

Since 2000, he serves on the Boards of Directors of Triple-S Management and Triple-S, Inc.

He is currently Chairman of the Boards of Directors of Seguros de Vida Triple-S, Inc. and Smart Solutions Insurance Agency Corp., a wholly-owned subsidiary of Seguros de Vida Triple-S, Inc.

Since 1988, doctor Díaz-Torres serves as the Director of the Cardiology Division of the Cardiology and Nuclear Center in San Juan, Puerto Rico.

Doctor Díaz-Torres is also President of Old Harbor Brewery of Puerto Rico, Inc., and Di Rome Productions, Inc.

He was Vice-President of the Inter-American College of Cardiology and President of the Puerto Rican Society of Cardiology.

He is an active member of the American College of Cardiologists and American Medical Association.

He is active in the medical staff of *Centro Cardiovascular de Puerto Rico y del Caribe*, and Auxilio Mutuo Hospital.

Doctor Díaz-Torres holds a BBA degree in Business Administration from the University of Puerto Rico and an MD degree from *Universidad Central del Este*, Dominican Republic.

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Manuel Figueroa-Collazo, PE, PhD

Since 2004, he serves on the Boards of Directors of Triple-S Management, Triple-S, Inc., and Seguros Triple-S, Inc.

He is also Vice-Chairman of the Board of Directors of Interactive Systems, Inc.

Since 1999, Mr. Figueroa-Collazo is President of Virtual Educational Resources, Inc., a software development and ISP Company located in Caguas, Puerto Rico.

Mr. Figueroa-Collazo is also director of the Boards of *Corredor Tecnológico del Este*, Puerto Rico Products Association, EPSCOR, and *Vivero de Tecnología y Ciencia de Puerto Rico*.

He has eleven years of experience in senior management positions and over twenty years of exposure at all management levels within the communications and systems industries.

He was Product Manager for AT&T Network Systems and for AT&T Bell Laboratories.

Mr. Figueroa-Collazo holds a BS, MS, and PhD in Electrical Engineering from the Florida Institute of Technology, and he attended Advanced Management Programs in INSEAD Fontainebleau, France, and University of Pennsylvania, Wharton School of Business.

Vicente J. León-Irizarry, CPA

Since 2000, he serves on the Boards of Directors of Triple-S Management, Triple-S, Inc., and Seguros Triple-S, Inc.

He is currently Treasurer of the Boards of Directors of Triple-S Management, Triple-S, Inc., and Seguros Triple-S, Inc.

He is also Assistant Treasurer of the Board of Directors of Triple-C, Inc.

He is a Certified Public Accountant (CPA).

Since January 2002, he is a business consultant.

He worked as consultant of Falcón-Sánchez & Associates, a certified public accountants firm, from February 2000 to December 2001, and as a business consultant from January 1999 to February 2000.

He is member of the Puerto Rico Society of Certified Public Accountants.

He holds a BBA degree in Business Administration with a major in Accounting from the University of Puerto Rico.

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Fernando L. Longo-Rodríguez, MD

Since 1997 and 1999, he serves on the Boards of Directors of Triple-S, Inc. and Triple-S Management, respectively.

He was Chairman of the Boards of Directors of Triple-S Management and Triple-S, Inc., from 1999 to 2002.

He is Vice-Chairman of the Board of Directors of Triple-C, Inc.