



## **Employee Complaint Procedures for Accounting and Auditing Matters**

Any employee of Transcend Services, Inc. (the “Company”) may submit a good faith complaint regarding accounting or auditing matters to the management of the Company without fear of dismissal or retaliation of any kind. The Company is committed to achieving compliance with all applicable securities laws and regulations, accounting standards, accounting controls and audit practices. The Company’s Audit Committee will oversee treatment of employee concerns in this area.

In order to facilitate the reporting of employee complaints, the Company’s Audit Committee has established the following procedures for (1) the receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters (“Accounting Matters”) and (2) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

### **Receipt of Employee Complaints**

Employees with complaints regarding Accounting Matters may report their complaints to the Audit Committee of the Board of Directors of the Company on a confidential or anonymous basis in one of two ways:

- In writing via mail to the following address:

Audit Committee of the Board of Directors  
Transcend Services, Inc.  
One Glenlake Parkway, Suite 1325  
Atlanta, GA 30328

- Via a report line operated by an independent, third-party service called The Network. In the United States, the report line can be reached by dialing toll-free 1-877-888-0002.

### **Scope of Matters Covered by These Procedures**

These procedures relate to employee complaints relating to any questionable accounting or auditing matters, including, without limitation, the following:

- fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company;

- fraud or deliberate error in the recording and maintaining of financial records of the Company;
- deficiencies in or noncompliance with the Company's internal accounting controls;
- misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the Company; or
- deviation from full and fair reporting of the Company's financial condition.

### **Treatment of Complaints**

- Upon receipt of a complaint, an Audit Committee representative will (i) determine whether the complaint actually pertains to Accounting Matters and (ii) when possible, acknowledge receipt of the complaint to the sender.
- Complaints relating to Accounting Matters will be reviewed under Audit Committee direction and oversight by the Chairman of the Audit Committee or such other persons as the Audit Committee determines to be appropriate. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review.
- Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Audit Committee.
- The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of employment based upon any lawful actions of such employee with respect to good faith reporting of complaints regarding Accounting Matters or otherwise as specified in Section 806 of the Sarbanes-Oxley Act of 2002.

### **Reporting and Retention of Complaints and Investigations**

- The Audit Committee representative will maintain a log of all complaints, tracking their receipt, investigation and resolution and shall prepare a periodic summary report thereof for the Audit Committee. Copies of complaints and such log will be maintained in accordance with the Company's document retention policy.

**This policy does not create a contract for any specific duration of employment or a contract for benefits. This policy does not limit or alter the at-will employment relationship in any way. Either you or the Company may terminate the employment relationship at any time, with or without cause or notice.**