



Code of Business Conduct and Ethics

Purpose

SOURCECORP, Incorporated (together with its subsidiaries, the "Company") requires employees, officers and directors to always do what is legal, ethical and honest in all Company-related duties, activities and contacts. The purposes of this Code are to focus employees, officers and directors on areas of ethical risk, provide guidance to help employees, officers and directors recognize and deal with ethical issues, provide mechanisms to report unethical conduct and foster a culture of honesty and accountability.

It is the policy of the Company to follow all statutes, ordinances, rules, and regulations applicable to it, and to require all its employees, officers and directors do the same. No code of conduct can replace the thoughtful behavior of an ethical employee, officer or director. Accordingly, dishonest or unethical conduct or conduct that is illegal will constitute a violation of this Code, regardless of whether this Code specifically addresses such conduct. Further, you should read this policy in conjunction with all of the Company's other policy statements and compliance procedures, including, for example, the Company's insider trading policy, confidentiality policy, affirmative action and equal employment opportunities policy, and policy against sexual harassment. This policy applies to all employees, officers and directors of the Company.

Compliance Officer

From time to time, one or more compliance officers (each a "Compliance Officer") will be designated to assist in the administration of this Code. For employees other than executive officers and directors, the Compliance Officer is the Vice President of Human Resources, Gary Patton (214-740-6551). For executive officers, the Compliance Officers are the President and Chief Executive Officer, Ed H. Bowman, Jr., and the General Counsel, Charles S. Gilbert. For directors, the Compliance Officers are the Chairman of the Nominating and Corporate Governance Committee, the Chairman of the Audit Committee and the Lead Independent Director.

Requests for Waiver of this Code

Any requests for a waiver of a provision of this Code must be submitted in writing to the Compliance Officer a reasonable period in advance of the proposed conduct for appropriate review. The Board must approve any waiver with respect to a director or executive officer, and if approved, such waiver may trigger a public disclosure requirement (depending on then applicable Securities and Exchange Commission (SEC) rules and Nasdaq listing standards).

Prohibited Conduct

Employees, officers and directors are prohibited from doing the following:



Engaging in unethical conduct (see examples below).

Violating any applicable statute, ordinance, rule, regulation or law when performing your duties for the Company.

Lying, misleading, or cheating co-workers, clients or customers, the Company, or people or firms and organizations with which we do business.

Stealing property or belongings of the Company, co-workers, clients or customers, or people or firms and organizations with which we do business.

Damaging the trust of the Company, of your co-workers, or of our customers and clients.

Engaging in conduct that creates a conflict of interest.

Conflicts of Interest

Employees, officers and directors are expected to avoid situations that create an actual or potential conflict, or even the appearance of an actual or potential conflict, between your personal interests and the interests of the Company. A conflict of interest exists where your loyalties or actions are divided between the Company's interests and those of another, such as a competitor, supplier, or customer. Both the fact and the appearance of a conflict of interest should be avoided.

While it is not feasible to describe all possible conflicts of interest that could develop, some of the more common conflicts that you should look out for and avoid include the following:

Accepting gifts, gratuities, or favors from outside vendors or from firms or organizations, or from representatives of firms or organizations that do business with, or which hope to do business with, the Company, with the exception of promotional items like calendars, pens, and coffee cups, and occasional social events such as meals, invitation or tickets to sports or other types of events, where there is a clear business purpose. You are not to make decisions or take actions that are caused by or influenced by offers of gifts, gratuities or favors to you or your family members or friends;

For certain positions, working for a competitor, supplier, or customer;

Engaging in self-employment in competition with the Company;

Using proprietary or confidential Company or client information for personal gain or to the Company's or client's detriment;

For certain positions, having a direct or indirect financial interest in or relationship with a competitor, customer, or supplier (except that ownership of less than five percent (5%) of the publicly traded stock of a corporation will not be considered a conflict);



Using Company assets or labor for personal benefit or gain;

Acquiring any interest in property or assets of any kind for the purpose of selling or leasing it to the Company;

Committing the Company to give its financial or other support to any outside activity or organization.

Disclosure of Possible Conflicts of Interest

If an employee or someone with whom the employee, officer or director has a close relationship (a family member -- someone related by blood, marriage, or adoption, or whose relationship with the employee is similar to that of persons who are related by blood, adoption or marriage -- or a close companion) has a financial or employment relationship with a competitor, customer, supplier, or potential supplier, the employee must disclose this fact in writing to the appropriate Compliance Officer so that a determination can be made regarding whether a conflict of interest exists. Employees, officers and directors should be aware that if they enter into a personal relationship with an employee of a competitor, supplier, or customer, a conflict of interest may exist, which requires full disclosure to the Company.

If you have any questions regarding whether a certain transaction, activity, or relationship constitutes a conflict of interest, you must discuss it with an appropriate Compliance Officer prior to engaging in any activity or conduct that may violate these guidelines. Any activity that is fully disclosed in writing to, and is approved by, the Compliance Officer, will not be deemed to involve a conflict of interest for the purposes of this Code.

Employee Responsibility

Every employee, officer and director has the responsibility to assist in implementing this policy by adhering to all applicable laws and high ethical standards, and by reporting any violations in the manner described below. You are expected to do your best work, to work and cooperate for the benefit of the Company, and to use good judgment.

Reporting Violations

Employees, officers and directors who witness illegal, unethical or dishonest actions, or any other violation of this Code, by any employee, officer or director are to immediately report such information to the appropriate Compliance Officer, providing as much detail as possible so that an investigation may be undertaken. You also may report such violations through the Ethics Hotline.

Ethics Hotline

We know it may be difficult for you to approach the Company about potential illegal or unethical practices. Therefore, the Company has established an Ethics Hotline to assist in ensuring that the Company continues to meet ethical standards. The Hotline program, called "It's Your Call," provides you a toll-free number to call in anonymously to a confidential hotline to report any potentially illegal or unethical



practices. The Hotline is operated by a neutral outside contractor, not company employees, and is available 24 hours per day and seven days per week at 1-877-265-5209.

Illegal or unethical activities include, but are not limited to:

- Theft of personal or Company property
- Conflicts of Interest
- Safety or health hazards that present potential danger to employees
- Vandalism or sabotage
- Physical abuse
- Harassment or Discrimination
- Fraudulent insurance claims
- Falsification of Company records
- Insider Trading
- Breach of confidentiality or disclosure of confidential information to the public or a competitor
- Use or sale of illegal drugs
- The payment of kickbacks, payoff or any other type of collusion
- Any violation of this Code

Once you have placed the call, a hotline agent will contact the appropriate personnel at Corporate to investigate the issue(s).

Please contact the appropriate Compliance Officer should you have any questions about this program.

Company Response

The Company will investigate reports made under this policy. Any employee, officer or director who does not act in an honest, ethical, and lawful manner when performing duties for the Company or otherwise violates this policy is subject to corrective action, up to and including dismissal.

Policy Against Retaliation

The Company prohibits retaliation against any employee, officer or director who makes a good-faith report pursuant to this policy, even if it turns out after investigation that there has not been a violation of law or this Code.

The Company also does not allow any employee, officer or director to treat any employee or former employee or applicant adversely for (1) providing information, causing information to be provided, or otherwise assisting in an investigation conducted by the Company, a Federal regulatory or law enforcement agency, any member of Congress or any committee of Congress, or (2) filing, causing to be filed, testifying, participating in, or otherwise assisting in a proceeding filed or about to be filed where this investigation and/or proceeding relates to conduct that the employee reasonably believes constitutes a violation of Federal anti-fraud laws or



any rule or regulation of the SEC. All employees, officers and directors who experience or witness any conduct they believe to be retaliatory should immediately follow the reporting procedures stated above.

Acceptance of Policy

All Company employees, officers and directors have a personal responsibility to conduct themselves in compliance with this policy and to report any observations of conduct inconsistent with this policy. If you have any questions concerning this policy, then please contact the appropriate Compliance Officer.

Financial Reporting

If you participate, directly or indirectly, in the preparation of the financial and other disclosures that the Company makes to the public, including its filings with the SEC and its press releases, you must, in addition to complying with all applicable laws, rules and regulations, follow these guidelines:

The Company's accounting and related financial reporting shall be prepared with the highest levels of honesty, integrity and trustworthiness. Accounting and reporting should be prepared in a manner that is understandable, full, fair, candid, conservative, accurate, relevant and timely.

In connection with such reporting you shall comply with the rules and regulations of federal, state and local governments, and other appropriate private and public regulatory agencies, including without limitation, the rules and regulations of the SEC. As a publicly traded company, *SOURCECORP* files quarterly and annual financial statements and other reports with the SEC under Sections 13(a) and 15(d) of the Securities Exchange Act of 1934, as amended, and from time to time files reports under the Securities Act of 1933, as amended. The financial statements filed as a result of this Act will be presented in accordance with generally accepted accounting principles, and present fairly, in all material respects, the financial condition and operating results of the Company. Related disclosures, such as Management's Discussion and Analysis, will clearly communicate performance in a manner the average investor can understand.

You shall consistently apply the Company's applicable accounting policies and procedures throughout the Company. Risk management and risk minimization will remain key principles of our financial governance. Through a strong set of controls you should endeavor to challenge, in a constructive manner, every facet of our organization's financial reporting and health. Our discipline will be reinforced through ongoing assessments by the Directors of Accounting and their teams, as well as our quality assurance and internal audit programs. Our external auditors will provide another level of guidance.



The Company and its management will, and you should, support an environment that encourages open discussion, an exchange of ideas and a thorough analysis of results among the finance, operations and senior management teams. Throughout

the organization you shall maintain a standard of excellence and strive for continued improvement in the quality of our accounting and reporting.

Successful adherence to the standards in our Code is dependent upon the caliber and quality of finance, operations and senior management teams. There may be times when there are disagreements between team members. These issues should be resolved in a respectful, constructive and ethical manner. If a resolution cannot be reached, the individuals should contact the Chief Accounting Officer, the Chief Financial Officer, the Director of Internal Audit, or the General Counsel.

Acknowledgement

I have read and support the Code of Business Conduct and Ethics.

Signature

Date