



TranSystems

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February 29, 2008

Subject: Management's Report on Internal Control over Financial Reporting

TranSystems, though a privately-held company has embraced the internal control standards mandated for public corporations, and has been on a path of implementation of the applicable regulations throughout 2006 and 2007.

In December of 2005, the TranSystems' Board of Directors elected to implement most of the internal control regulations mandated for publicly owned companies. This election was made in order to anticipate client requests for such certification and to affirm the strong management practices in place at TranSystems. Proper corporate governance is at the heart of the thinking of the Board, management and employees of TranSystems.

The management of Transystems Corporation is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control system was designed to provide reasonable assurance to the company's management and the Board of Directors regarding the preparation and fair presentation of published financial statements in accordance with generally accepted accounting principles.

Management recognizes that there are inherent limitations in the effectiveness of any system of internal control, and accordingly, even effective internal control can provide only reasonable assurance with respect to financial statement preparation and fair presentation. Further, because of changes in conditions, the effectiveness of internal control may vary over time; thus, an assessment will occur on an annual basis.

Under the supervision and with the participation of our management, we successfully implemented the requirements and assessed the effectiveness of the company's internal control over financial reporting as of December 31, 2007. In making this assessment, we used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control – Integrated Framework*. Based upon our assessment, we conclude that, as of December 31, 2007 the company's internal control over financial reporting is effective, in all material respects, based upon these criteria.

A handwritten signature in black ink that reads "Angela E. Murphy".

Angela E. Murphy
Chief Financial Officer
Chief Administrative Officer