



1.0 PURPOSE

This policy sets forth guidelines concerning the sale of Accounts Receivable, also known as factoring.

2.0 SCOPE

This policy applies to all Brink's, Inc. (Brink's) Corporate, regional, and country level business units.

3.0 RESPONSIBILITY

Overall responsibility for the policy lies with the BCO Controller. Continued compliance, successful implementation, and maintenance of financial records is the responsibility of business unit management. Corporate and Regional management are responsible for on-going monitoring of compliance with the policy.

4.0 POLICY

It is Brink's policy not to engage in the practice of Accounts Receivable factoring without prior written approval from Regional Financial Management, the BCO Controller, and the BCO Treasurer.

5.0 PROCEDURE

5.1 Background

Factoring is defined as a financial transaction in which a business unit sells its accounts receivables (i.e. invoices) at a discount to another party, a specialized financial organization, known as a factor. In general, factoring is an expensive form of obtaining financing, as the discount rate is typically higher than other available financing methods.

Factoring may also be referred to as *Accounts Receivable Financing*.

5.2 Use of Factoring

Although factoring can provide quick access to cash, this form of financing typically comes at a steep cost. Therefore, it shall be Brink's policy not to engage in the practice of factoring. Other lower-cost forms of financing are available to Brink's business units and will be arranged by the BCO Treasury Department.



If a business unit requires cash beyond normal financing or operating practices, Regional Finance Management shall assist local business unit management in submitting a Credit Facility Request (CFR).

6.0 ADVICE AND COUNSEL

Brink's Management includes accounting and finance professionals who are available to provide assistance and guidance to ensure compliance with this policy. Interpretation of guidance provided in this policy is the responsibility of the BCO Controller. Questions about this policy should first be directed to Regional Finance Management.

7.0 RELEVANT PROFESSIONAL LITERATURE

This policy is based on good business practice supported by a system of normal checks and balances.

8.0 DOCUMENTATION

If a business unit submits a request for Accounts Receivable Factoring, the request along with supporting documentation to include a justification and comparison with other forms of available financing arrangements, must be maintained at the local business unit level and may be subject to periodic review. Documentation must include the final approval with signatures from all required levels of management from the country, regional, Corporate, and BCO levels.