



## 1.0 PURPOSE

This policy establishes standards for declaring, approving, recording, and paying dividends.

## 2.0 SCOPE

This policy applies to all intra-company dividends among Brink's majority or wholly-owned business units.

This policy does not apply to The Brink's Company (BCO) dividends.

## 3.0 RESPONSIBILITY

Overall responsibility for the policy lies with the BCO Treasurer. 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

All dividends must be approved prior to local declaration, recordation, and/or payment. Dividends must also be declared, recorded, and paid accurately and timely.

## 5.0 PROCEDURE

### 5.1 Background

Dividends are payments made by an entity to the company's shareholders which represent any upstream distribution of earnings or capital.

### 5.2 Approval

Prior to declaring any dividend, approval must be obtained from the BCO Treasurer and Chief Tax Counsel through Regional Management using the *Local Business Unit Dividend Approval form* located at **Exhibit A**. In addition, all dividends must be subject to local or statutory approval requirements as stipulated in the business unit's charter or similar organizational documents.

### 5.3 Declaration

Once properly approved, dividends must be declared by the local Board of Directors and/or the company's shareholder(s) as required by local law. On the declaration date, the Board of Directors will also announce the *date of record* and *payment date*. The *date of record* is the date when the shareholders of record are entitled to the upcoming dividend payment. Only the owners of shares on that date



will receive the dividend. The *payment date* is the date that the dividend will be received by shareholders.

A copy of the resolution or other official evidence declaring a dividend must be sent to the Paralegal, BCO, Legal Department. It may be sent via fax at (804) 289-9765, mail, or electronically.

***Whenever feasible and if legally allowed, dividends should be declared and paid on the same day.***

#### 5.4 **Recording of Dividends**

On the day that the Board of Directors or shareholder(s) officially declare(s) a dividend payable to shareholders of record (declaration date), a liability is created. The Brink's business unit records the following in local currency:

DR	Retained Earnings
CR	Inter-company payable to the Brink's related parent shareholder
CR	Dividend payable to the non-Brink's related shareholder (if applicable)

The Brink's related parent shareholder records an inter-company receivable on the declaration date in local currency as follows:

DR	Inter-company receivable from subsidiary
CR	Dividend Income

#### 5.5 **Valuation**

It is Brink's policy to use the spot rate in effect as of the declaration date in recording the transaction. Therefore, when recording dividends, the Brink's related parent shareholder should use the applicable rate at which the transaction could be settled at the declaration date. The Brink's related parent shareholder must also record subsequent transaction gains or losses associated with any exchange rate changes that occur between the declaration date and the payment date.

#### 5.6 **Payment**

It is also Brink's policy to avoid any unnecessary risk associated with foreign exchange rate changes. As a result, all reasonable efforts must be made by the business unit to pay dividends on or as close to the dividend declaration date as possible.

On the payment date announced by the Board of Directors or shareholders, dividends must be paid to the shareholders of record. Payments should be subject to existing cash disbursement processes including evidence of management approval, declaration by the local Board of Directors or shareholders, and shareholder records to support the payment. Once paid, the liability is removed from the Balance Sheet.



## 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 Treasurer. Questions about this policy should first be directed to Regional Finance Management.

## 7.0 RELEVANT PROFESSIONAL LITERATURE

Relevant professional literature for this policy includes U.S. GAAP guidance, SEC guidance, and other relevant U.S. laws and regulations that define accounting and reporting requirements for companies publicly owned and traded within the U.S.

Specific U.S. GAAP pronouncements include:

FAS 52	Foreign Currency Translation
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## 8.0 DOCUMENTATION

Documentation and evidence of appropriate management and Board of Director approval along with shareholder information for dividends declared and paid must be maintained at the local business unit.



### Local Business Unit Dividend Approval Form

Business Unit: \_\_\_\_\_ Declaration Date: \_\_\_\_\_  
 Amount of Dividend \_\_\_\_\_ Date of Record: \_\_\_\_\_  
 (local currency): \_\_\_\_\_ Payment Date: \_\_\_\_\_  
 Date Submitted: \_\_\_\_\_  
 Prepared By: \_\_\_\_\_

#### **Executive Summary**

*Provide a brief description of the dividend request including a complete description of the process and timeline.*

#### **For BCO Use Only**

Declaration date: \_\_\_\_\_ Payment date: \_\_\_\_\_  
 Declaration process: \_\_\_\_\_  
 Tax costs and planning issues identified: \_\_\_\_\_  
 Foreign exchange exposures identified: \_\_\_\_\_  
 \_\_\_\_\_ mitigated \_\_\_\_\_ hedged \_\_\_\_\_ considered acceptable

#### **Approval:**

	<u>Signature</u>	<u>Date</u>
Country CFO	_____	_____
Regional CFO	_____	_____
BCO Treasury	_____	_____
BCO Tax	_____	_____