BRINKS CO
Form DEF 14A
March 17, 2009

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant x Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

x Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to §240.14a-12

The Brink s Company

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.

¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which the transaction applies:

(2) Aggregate number of securities to which the transaction applies:

(3) Per unit price or other underlying value of the transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of the transaction:

(5) Total fee paid:

¨ Fee paid previously with preliminary materials.

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

---

(2) Form, Schedule or Registration Statement No.:

---

(3) Filing Party:

---

(4) Date Filed:

The Brink s Company

1801 Bayberry Court

P.O. Box 18100

Richmond, VA 23226-8100

Michael T. Dan

Chairman,

President and Chief Executive Officer

March 16, 2009

To Our Shareholders:

You are cordially invited to attend the annual meeting of shareholders of The Brink s Company to be held at the Four Seasons Hotel Chicago, 120 East Delaware Place, Chicago, Illinois, on Friday, May 1, 2009, at 1:00 p.m., local time.

You will be asked to: (i) elect two directors for a term of two years; (ii) three directors for a term of three years; and (iii) approve an independent registered public accounting firm for the fiscal year ending December 31, 2009.

It is important that you vote, and we urge you to complete, sign, date and return the enclosed proxy in the envelope provided.

We appreciate your prompt response and cooperation.

Sincerely,

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD MAY 1, 2009

Notice Is Hereby Given that the annual meeting of shareholders of THE BRINK S COMPANY will be held on May 1, 2009, at 1:00 p.m., local time, at the Four Seasons Hotel Chicago, 120 East Delaware Place, Chicago, Illinois, for the following purposes:

1. To elect as directors the two nominees to the Board of Directors named in the accompanying proxy statement, for terms expiring in 2011.

2. To elect as directors the three nominees to the Board of Directors named in the accompanying proxy statement, for terms expiring in 2012.

3. To approve the selection of KPMG LLP as an independent registered public accounting firm to audit the accounts of the Company and its subsidiaries for the fiscal year ending December 31, 2009.

4. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

The close of business on March 12, 2009 has been fixed as the record date for determining the shareholders entitled to notice of and to vote at the annual meeting.

Whether or not you expect to attend the annual meeting in person, please complete, date and sign the enclosed proxy and return it in the enclosed envelope, which requires no additional postage if mailed in the United States. We appreciate your prompt response.

McAlister C. Marshall, II

Secretary

March 16, 2009

The Annual Report to Shareholders, including financial statements, is being mailed to shareholders of record as of the close of business on March 12, 2009, together with these proxy materials, commencing on or about March 23, 2009.

Important notice regarding the availability of proxy materials for the shareholder meeting to be held on May 1, 2009.

The proxy statement and annual report to shareholders are available at http://www.brinkscompany.com/py/proxy09.pdf and http://www.brinkscompany.com/ar/Brinks08.pdf.

YOUR VOTE IS IMPORTANT. PLEASE MARK, SIGN, DATE AND MAIL THE ENCLOSED PROXY CARD WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING. A RETURN ENVELOPE IS ENCLOSED FOR YOUR CONVENIENCE.

THE BRINK S COMPANY

PROXY STATEMENT

This proxy statement is furnished in connection with the solicitation by the Board of Directors of The Brink s Company (the Company) of proxies from holders of the Company s common stock (hereinafter Brink s Common Stock), to be voted at the annual meeting of shareholders to be held on May 1, 2009, at 1:00 p.m., local time, at the Four Seasons Hotel Chicago, 120 East Delaware Place, Chicago, Illinois (and at any adjournment or postponement thereof), for the purposes set forth in the accompanying notice of such meeting.

The close of business on March 12, 2009 has been fixed as the record date for determining the shareholders entitled to notice of and to vote at the annual meeting, and only shareholders of record at the close of business on that date will be entitled to vote at the meeting and any adjournment thereof. On March 12, 2009, the Company had outstanding 45,475,131 shares of Brink s Common Stock, the holders thereof being entitled to one vote per share on all matters that the Board of Directors knows will be presented for consideration at the annual meeting.

This proxy statement and the accompanying form of proxy and Annual Report to Shareholders are being mailed to shareholders of record as of the close of business on March 12, 2009, commencing on or about March 23, 2009. The mailing address of the principal executive office of the Company is 1801 Bayberry Court, P.O. Box 18100, Richmond, VA 23226-8100.

The election of directors and the selection of an independent registered public accounting firm are the only matters that the Board of Directors knows will be presented for consideration at the annual meeting. The shares of Brink s Common Stock represented by proxies solicited by the Board of Directors will be voted in accordance with the recommendations of the Board of Directors on these matters unless otherwise specified in the proxy, and where the person solicited specifies a choice with respect to any matter to be acted upon, the shares of Brink s Common Stock will be voted in accordance with the specification so made. As to any other business that may properly come before the annual meeting, it is intended that proxies in the enclosed form will be voted in respect thereof in accordance with the judgment of the person voting the proxies.

The Company s bylaws provide that the chairman of the annual meeting will determine the order of business, the voting and other procedures to be observed at the annual meeting. The chairman is authorized to declare whether any business is properly brought before the annual meeting, and business not properly brought before the annual meeting will not be transacted.

The enclosed proxy is revocable at any time prior to its being voted by filing an instrument of revocation or a duly executed proxy bearing a later time. A proxy may also be revoked by attendance at the annual meeting and voting in person. Attendance at the annual meeting will not by itself constitute a revocation.

Votes cast by shareholders will be treated as confidential in accordance with a policy approved by the Board of Directors. Shareholder votes at the annual meeting will be tabulated by the Company s transfer agent, American Stock Transfer & Trust Company.

CORPORATE GOVERNANCE

Board of Directors

The Board of Directors has the responsibility for establishing broad corporate policies and for the overall performance of the Company, exercising its good faith business judgment of the best interests of the Company. Members of the Board are kept informed of the Company s business by various reports sent to them regularly, as well as by operating and financial reports made at Board and Committee meetings by the President and Chief Executive Officer and other officers and members of management. During 2008, the Board met eleven times.

Lead Director

As provided in the Company s Corporate Governance Policies, the Board has established the position of Lead Director, who is elected annually by the independent directors. The Lead Director, currently Mr. Barker, has the following roles and responsibilities:

- preside over meetings of the non-management and independent Board members and, as appropriate, provide prompt feedback to the Chief Executive Officer and Chairman;
- together with the Chief Executive Officer and Chairman, and with input from the non-management and independent Board members, prepare the Board s agenda;
- serve as a point of contact between non-management and independent Board members and the Chief Executive Officer and Chairman to report or raise matters;
- call executive sessions of the Board or of the non-management and independent Board members;
- serve as a sounding board and mentor to the Chief Executive Officer and Chairman;
- take the lead in assuring that the Board carries out its responsibilities in circumstances where the Chief Executive Officer and Chairman is incapacitated or otherwise unable to act; and
- consult with the Chairman of the Compensation and Benefits Committee to provide performance feedback and compensation information to the Chief Executive Officer and Chairman.

Executive Sessions of the Board of Directors

The non-management members of the Board of Directors meet regularly without management present. As provided in the Company s Corporate Governance Policies, the Board has designated Mr. Barker as the Lead Director, and Mr. Barker presides over each meeting of the non-management and independent Board members.

Director Attendance at Meetings

During 2008, all incumbent directors attended at least 75% of the total number of meetings of the Board of Directors and of the committees of the Board on which they served.

Director Attendance at Annual Meeting

The Company has no formal policy with regard to Board members attendance at annual meetings. Nine of the twelve directors then in office attended the 2008 annual meeting of shareholders.

Board Independence

For a director to be deemed independent, the Board of Directors of the Company must affirmatively determine, in accordance with the listing standards of the New York Stock Exchange, that the director has no material relationship with the Company, either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company. In making this determination, the Board of Directors has adopted the following categorical standards as part of its Corporate Governance Policies:

1. A director who is, or has been within the last three years, an employee of the Company, or whose immediate family member is, or has been within the last three years, an executive officer, of the Company, is not independent. Employment as an interim Chairman, Chief Executive Officer or other executive officer will not disqualify a director from being considered independent following such employment.

2. A director who has received or who has an immediate family member serving as an executive officer who has received, during any twelve-month period within the last three years, more than $120,000 in direct compensation from the Company (excluding director and committee fees and pensions or other forms of deferred compensation for prior service, provided such compensation is not contingent in any way on continued service), is not independent. Compensation received by a director for former service as an interim Chairman, Chief Executive Officer or other executive officer will not count toward the $120,000 limitation.

3. (A) A director who is a current partner or employee of a firm that is the Company s internal or external auditor; (B) a director who has an immediate family member who is a current partner of such a firm; (C) a director who has an immediate family member who is a current employee of such a firm and personally works on the

Company s audit; or (D) a director who was or whose immediate family member was within the last three years a partner or employee of such a firm and personally worked on the Company s audit within that time, in any such instance ((A)-(D)) is not independent.

4. A director who is or has been within the last three years, or whose immediate family member is, or has been within the last three years, employed as an executive officer of another company where any of the Company s present executive officers at the same time serves or served on that company s compensation committee, is not independent.

5. A director who is a current employee, or whose immediate family member is a current executive officer, of a company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of $1 million, or 2% of such other company s consolidated gross revenues, is not independent.

The Board of Directors of the Company has affirmatively determined that all of the members of the Board of Directors, except Mr. Dan, are independent under the listing standards of the New York Stock Exchange and the categorical standards described above.

Audit and Ethics Committee

The Audit and Ethics Committee (the Audit Committee), established in accordance with section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the Exchange Act), operates under a written charter, which is available as described under Other Information Availability of Documents. The Audit Committee oversees the integrity of regular financial reports and other financial information provided by the Company to the Securities and Exchange Commission (the SEC) or the public, recommends the selection by shareholders at their annual meeting of an independent registered public accounting firm, confers with the Company s independent registered public accounting firm to review the plan and scope of their proposed audit as well as their findings and recommendations upon the completion of the audit, and meets with the independent registered public accounting firm and with appropriate Company financial personnel and internal auditors regarding the Company s internal controls, practices and procedures. The Audit Committee also oversees the Company s legal and business ethics compliance programs. The Audit Committee currently consists of Mr. Martin, as Chairman, and Messrs. Barker, Breslawsky and Hudson. The Board has examined the composition of the Audit Committee and found the members to meet the independence requirements set forth in the listing standards of the New York Stock Exchange and in accordance with the Audit Committee charter. The Board of Directors has identified Messrs. Martin, Barker, Breslawsky and Hudson as audit committee financial experts as that term is defined in the rules promulgated by the SEC. None of the Company s Audit Committee members simultaneously serve on more than two other public company audit committees. The Audit Committee met nine times during 2008.

Procedures for Pre-Approval of Audit and Non-Audit Services. The Audit Committee has adopted procedures for pre-approving certain specific audit and non-audit services provided by the independent registered public accounting firm. The pre-approved services are described in detail under three categories: audit and audit-related, tax services and agreed upon procedures. Requests for services are reviewed by the Company s Legal Department and Finance Department to ensure that they satisfy the requirements of the pre-approval policy. The Audit Committee is provided a detailed update of these audit and non-audit engagements at each regular meeting.

Procedures for Review and Approval of Related Person Transactions. The Company has adopted a policy regarding the review and approval of related person transactions. In the event that the Company proposes to enter into a related person transaction, the transaction must be recommended to the Audit Committee. As provided in its charter, the Audit Committee is required to review and approve each related person transaction and any disclosures that are required by Item 404 of Regulation S-K. The Audit Committee reviews each related person transaction on a case by case basis.

For purposes of this policy, a related person transaction has the same meaning as in Item 404 of Regulation S-K: a transaction, arrangement or relationship (or any series of related transactions, arrangements or relationships) in which the Company is, was or will be a participant and the amount involved exceeds $120,000 and in which any related person has, had or will have a direct or indirect material interest.

For purposes of this policy, a related person has the same meaning as in Item 404 of Regulation S-K: any person who was a director, a nominee for director or an executive officer of the Company during the Company s preceding fiscal year (or an immediate family member of such a director, nominee for director or executive officer of the Company) or a beneficial owner of more than five percent of the outstanding Brink s Common Stock (or an immediate family member of such owner).

Compensation and Benefits Committee

The Compensation and Benefits Committee (the Compensation Committee) operates under a written charter, which is available as described under Other Information Availability of Documents. The Compensation Committee is responsible for establishing and reviewing policies governing salaries and benefits, annual performance awards, incentive compensation and the terms and conditions of employment for the Chief Executive Officer and each of the other named executive officers. For a further discussion of the Compensation Committee, see Compensation Discussion and Analysis Process for Setting Executive Compensation. The Compensation Committee currently consists of Mr. Turner, as Chairman, and Messrs. Ackerman, Barker and Strang. The Board has examined the composition of the Compensation Committee and found the members to meet the independence requirements set forth in the listing standards of the New York Stock Exchange and in accordance with the Compensation Committee charter. The members of the Compensation Committee are non-employee directors (within the meaning of Rule 16b-3 of the Exchange Act) and outside directors (within the meaning of Section 162(m) of the Internal Revenue Code). The Compensation Committee met six times during 2008.

Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee, which was known as the Corporate Governance, Nominating and Management Development Committee until November 2008 (the Corporate Governance Committee), operates under a written charter, which is available as described under Other Information Availability of Documents. The Corporate Governance Committee oversees the governance of the Company and recommends to the Board nominees for election as directors and as senior executive officers of the Company, as well as reviewing the performance of incumbent directors in determining whether to recommend them to the Board for renomination. The Corporate Governance Committee currently consists of Mr. Breslawsky, as Chairman, Mrs. Alewine and Messrs. Strang and Turner. The Board has examined the composition of the Corporate Governance Committee and found the members to meet the independence requirements set forth in the listing standards of the New York Stock Exchange and in accordance with the Corporate Governance Committee charter. The Corporate Governance Committee met four times during 2008.

Director Compensation

It is the responsibility of the Corporate Governance Committee to recommend to the Board any changes in Board compensation. For a discussion of the process for determining Board compensation, elements of the compensation of the Board and the changes that occurred to Board compensation in 2008, see Director Compensation beginning on page 56.

Finance Committee

The Finance Committee was merged with the Strategy Committee in November 2008. It recommends to the Board dividend and other actions and policies regarding the financial affairs of the Company, is responsible for oversight of the Company s Pension-Retirement Plan and 401(k) Plan and any similar plans that may be maintained from time to time by the Company and monitors the Company s strategic direction. The Finance Committee also has general oversight responsibility for pension plans maintained by foreign and other subsidiaries of the Company. The Finance Committee has authority to adopt amendments to the Company s Pension-Retirement Plan, Pension Equalization Plan and 401(k) Plan. In carrying out these responsibilities, the Finance Committee coordinates with the appropriate financial, legal and administrative personnel of the Company, including the Company s Oversight Committee (a committee of senior management with shared responsibility over certain of the Company s retirement plans), as well as outside experts retained in connection with the administration of those plans. The Finance Committee currently consists of Mrs. Alewine, as Chairwoman, and Messrs. Ackerman, Hudson and Martin, none of whom is an officer or employee of the Company or any of its subsidiaries. The Finance Committee met five times during 2008.

Executive Committee

The Executive Committee of the Board may exercise substantially all the authority of the Board during the intervals between the meetings of the Board. The Executive Committee currently consists of Mr. Dan, as Chairman, and all other directors, except that a quorum of the Executive Committee consists of one-third of the number of members of the Executive Committee, three of whom must not be employees of the Company or any of its subsidiaries. The Executive Committee did not meet during 2008.

Director Nominating Process

The Company s Corporate Governance Policies contain information concerning the responsibilities of the Corporate Governance Committee with respect to identifying and evaluating director candidates. Both the Corporate Governance Committee Charter and the Corporate Governance Policies are available as described under Other Information Availability of Documents.

The Corporate Governance Committee s charter provides that the Corporate Governance Committee will consider director candidate recommendations by shareholders. Shareholders should submit any such recommendations for the Corporate Governance Committee through the method described below under Communications with Non-Management Members of the Board of Directors. In accordance with the Company s bylaws, any shareholder of record entitled to vote for the election of directors at the applicable meeting of shareholders may nominate persons for election to the Board of Directors, if such shareholder complies with the notice procedures set forth in the bylaws and summarized in the section of this proxy statement entitled Other Information Shareholder Proposals.

The Corporate Governance Committee evaluates all director candidates in accordance with the director membership criteria described in the Corporate Governance Policies. The Corporate Governance Committee evaluates any candidate s qualifications to serve as a member of the Board based on the skills and characteristics of individual Board members as well as the composition of the Board as a whole. In addition, the Corporate Governance Committee will evaluate a candidate s business experience, diversity, international background, the number of other directorships held and leadership capabilities, along with any other skills or experience that would be of assistance to management in operating the Company s business.

The Corporate Governance Committee employs several methods for identifying and evaluating director nominees. The Corporate Governance Committee periodically assesses whether any vacancies on the Board are expected due to retirement or otherwise and, in the event that vacancies are anticipated, the Committee considers possible director candidates. The Corporate Governance Committee has used professional search firms to identify candidates based upon the director membership criteria described in the Corporate Governance Policies.

On February 8, 2007, the Company and Pirate Capital LLC entered into a letter agreement pursuant to which Thomas R. Hudson Jr. was appointed to the Board and was nominated and recommended by the Board for election to the Board at the Company s 2007 annual meeting of shareholders. Pirate Capital LLC agreed to withdraw its previously submitted nominations.

On February 25, 2008, the Company and MMI Investments, L.P. (MMI) entered into a settlement agreement pursuant to which Carroll R. Wetzel, Jr. was nominated and recommended for election to the Board at the 2008 annual meeting of shareholders. Upon the consummation of the Company s spin-off of Brink s Home Security (BHS), Mr. Wetzel was appointed to the board of directors of the entity that held BHS following the consummation of the spinoff, and Mr. Wetzel resigned from the Board effective upon consummation of the spin-off. At that time, Robert J. Strang was appointed to the Board as Mr. Wetzel s replacement. MMI withdrew its previously submitted nominations.

The Company also agreed to reimburse MMI for certain expenses incurred in connection with its shareholder proposals, including payments made by MMI to Messrs. Strang and Wetzel to serve as its nominees, as well as costs associated with the termination of the arrangements between MMI and Messrs. Strang and Wetzel. Messrs. Strang and Wetzel have confirmed to the Company that, as consideration for agreeing to serve as MMI s nominees, they each received from MMI a $25,000 up-front payment, 7,500 stock appreciation rights linked to the value of Brink s Common Stock, and reimbursement of reasonable expenses associated with the nominations up to $5,000. Each was also to receive from MMI an additional 2,500 stock appreciation rights if any MMI nominee was elected to the Board of Directors of the Company. Mr. Wetzel has confirmed to the Company that on February 29, 2008, Mr. Wetzel and MMI terminated these agreements and Mr. Strang has confirmed to the Company that on February 27, 2008, Mr. Strang and MMI terminated these agreements. Pursuant to the termination agreements, Messrs. Strang and Wetzel each received a cash payment from MMI of $200,000 in lieu of the stock appreciation rights they were to receive or might have received from MMI under the previous arrangements.

Michael J. Herling, who was elected by the Board of Directors as a director effective January 22, 2009, was evaluated as a candidate for the Board of Directors at the suggestion of one of the non-management directors. Based on its own review of this candidate, the Corporate Governance Committee recommended the election of Mr. Herling as a director and his inclusion on the proxy card.

Thomas C. Schievelbein, who was elected by the Board of Directors as a director effective March 9, 2009, was evaluated as a candidate for the Board of Directors at the suggestion of one of the non-management directors. Based on its own review of this candidate, the Corporate Governance Committee recommended the election of Mr. Schievelbein as a director and his inclusion on the proxy card.

The Company did not receive any notice of a director candidate recommended by a shareholder or group of shareholders owning more than 5% of the Company s voting common stock for at least one year as of the date of recommendation on or prior to November 20, 2008, the date that is 120 days before the anniversary of the prior year s release of the proxy statement.

Communications with Non-Management Members of the Board of Directors

The Company s Corporate Governance Policies set forth a process by which shareholders and other interested third parties can send communications to the non-management members of the Board of Directors. When interested third parties have concerns, they may make them known to the non-management directors by communicating via written correspondence sent by U.S. mail attention Lead Director at the Company s Richmond, Virginia address. All such correspondence is provided to the Lead Director at, or prior to, the next executive session held at a regular Board meeting.

PROPOSALS OF THE BOARD

The following proposals are expected to be presented to the meeting. Holders of Brink s Common Stock will have one vote per share. Absent voting instructions from a shareholder, a broker may or may not vote shares held by a broker in street name (Brokers Shares) in its discretion depending on the proposals before the meeting. Under the rules of the New York Stock Exchange, a broker may vote Brokers Shares in its discretion on routine matters. The Company believes that the election of directors and the approval of the independent registered public accounting firm are routine matters on which brokers will be permitted to vote on behalf of their clients if no voting instructions are furnished. Under the rules of the New York Stock Exchange, however, a broker may not be able to vote on proposals that are not considered routine. When a proposal is not a routine matter and the broker has not received voting instructions with respect to that proposal, the broker cannot vote on that proposal.

In order for the meeting to be conducted, a majority of the outstanding shares of Brink s Common Stock as of the record date must be present in person or represented by proxy at the meeting. This is referred to as a quorum. Abstentions, withheld votes and Brokers Shares are included in determining the number of votes present. Brokers Shares that are not voted on any matter will not be included in determining whether a quorum is present.

Proposal No. 1 Election of Directors: in order to be elected, nominees for director must receive a plurality of the votes cast by those present in person or represented by proxy at the meeting and entitled to vote thereon. Abstentions and Brokers Shares that are not voted on Proposal No. 1 will not be included in determining the number of votes cast and will not affect the outcome of the vote.

Proposal No. 2 Approval of the Selection of an Independent Registered Public Accounting Firm: in order for the proposal to pass, it must receive more votes cast in favor of such proposal by holders of the shares present in person or represented by proxy at the meeting and entitled to vote thereon than votes cast in opposition to such proposal by such holders. Abstentions and Brokers Shares that are not voted on Proposal No. 2 will not be counted in determining the number of votes cast and will not affect the outcome of the vote.

PROPOSAL NO. 1 ELECTION OF DIRECTORS

In accordance with the Company s charter and bylaws, the Board of Directors is divided into three classes, with the term of office of one of the three classes of directors expiring each year and with each class being elected for a three-year term.

The Corporate Governance Committee has recommended, and the Board of Directors has approved, the following nominees for election as directors: Messrs. Ackerman and Strang, each for a two-year term expiring in 2011, and Mrs. Alewine and Messrs. Herling and Schievelbein, each for a three-year term expiring in 2012. Mrs. Alewine and Messrs. Ackerman, Herling, Schievelbein and Strang presently serve as directors.

The Board of Directors has no reason to believe that any of the nominees are not available or will not serve if elected. If any of them should become unavailable to serve as a director, full discretion is reserved to the persons named as proxies to vote for such other persons as may be properly nominated.

Set forth below is information concerning the age, principal occupation and employment during the past five years, other directorships and positions with the Company of each nominee and director, the year in which he or she first became a director of the Company and his or her term of office as a director.

**NOMINEES FOR ELECTION
AS DIRECTORS FOR A TWO-YEAR TERM
EXPIRING IN 2011**

(2), (4), (5)

ROGER G. ACKERMAN, 70, is the retired Chairman and Chief Executive Officer of Corning Incorporated, a company engaged in specialty glass, ceramics and communications. He retired as Chairman of the Board of Corning Incorporated in June 2001. From 1996 through 2000, Mr. Ackerman served as Chief Executive Officer of Corning Incorporated, prior to which he served as President and Chief Operating Officer from 1992 to 1996. He is a director of Massachusetts Mutual Life Insurance Company. Mr. Ackerman has been a director of The Brink s Company since 1991.

(2), (3), (4)

ROBERT J. STRANG, 52, is Chief Executive Officer of Investigative Management Group, a Unit of Strang Hayes Holding Corp., a provider of corporate security and intelligence gathering services in the high-end investigative market, and has held that position since 2003. Prior to his current position, he co-founded and was a principal of Strang Hayes Consulting from 1989 until its sale to SPX Corporation in 2001 and was also with the United States Department of Justice from 1979 until 1989. Mr. Strang is currently a Director for the New York City Economic Development Corporation. Mr. Strang has been a director of The Brink s Company since 2008.

**NOMINEES FOR ELECTION
AS DIRECTORS FOR A THREE-YEAR TERM
EXPIRING IN 2012**

(3), (4), (5)

BETTY C. ALEWINE, 60, is the retired President and Chief Executive Officer of COMSAT Corporation, a provider of global satellite services and digital networking services and technology. Mrs. Alewine served as President and Chief Executive Officer of COMSAT from 1996 until August 2000, when the company was acquired by Lockheed Martin Corporation. She served as President of COMSAT s largest operating unit from 1994 to 1996. She is a director of New York Life Insurance Company and Rockwell Automation, Inc. Mrs. Alewine has been a director of The Brink s Company since 2000.

(4) **MICHAEL J. HERLING**, 51, is a founding partner of Finn Dixon & Herling LLP, a law firm that provides corporate, transactional, securities, investment management, lending, tax, executive compensation and benefits and litigation counsel, and has held that position since 1987. He is currently a member of the Board of Directors of DynaVox Systems, LLC and a member of the Board of Trustees of Colgate University. Mr. Herling has been a director of The Brink s Company since 2009.

(4) **THOMAS C. SCHIEVELBEIN**, 55, is a business consultant and has served in this capacity since November 2004. He is the retired President of Northrop Grumman Newport News, a subsidiary of the Northrop Grumman Corporation, a global defense company. Mr. Schievelbein served as President of Northrop Grumman Newport News from November 2001 until his retirement in November 2004. From October 1995 to October 2001, he served as Executive Vice President and Chief Operating Officer of Newport News Shipbuilding, Inc. He is a director of McDermott International, Inc. and New York Life Insurance Company. Mr. Schievelbein has been a director of The Brink s Company since 2009.

CONTINUING DIRECTORS

(1), (3), (4) **MARC C. BRESLAWSKY**, 66, is the retired Chairman and Chief Executive Officer of Imagistics International Inc., a company engaged in direct sales, service and marketing of enterprise office imaging and document solutions. Mr. Breslawsky served as Chairman and Chief Executive Officer of Imagistics International Inc. from 2001 until 2005, when the company was acquired by Océ N.V. From 1996 to 2001, he was President and Chief Operating Officer of Pitney Bowes Inc., and Vice Chairman from 1994 to 1996. He is a director of The United Illuminating Company and C.R. Bard, Inc. Mr. Breslawsky has been a director of The Brink s Company since 1999. His current term as a director of the Company expires in 2011.

(4) **MICHAEL T. DAN**, 58, is Chairman of the Board, President and Chief Executive Officer of the Company. Prior to his election as President and Chief Executive Officer of the Company in February 1998, he served as President and Chief Executive Officer of Brink s, Incorporated beginning in 1993. He is a director of Principal Financial Group, Inc. and Principal Life Insurance Company. Mr. Dan has been a director of The Brink s Company since 1998. His current term as a director of the Company expires in 2011.

(1), (4), (5) **THOMAS R. HUDSON JR.**, 43, is the Manager of Pirate Capital LLC, a company that provides investment management services to investment partnerships and other entities, which he founded in 2002. From 1999 to 2001, Mr. Hudson served as a Managing Director at Amroc Investments, LLC, an investment firm specializing in the distressed debt area, where he directed all distressed research and managed the bank loan trading desk. From 1997 to 1999, he served as a Vice President and Portfolio Manager at Goldman, Sachs & Co., a brokerage firm, and was responsible for investing and trading a $500 million portfolio of distressed, domestic and international private assets. From 1993 to 1997, he served as a Vice President and Portfolio Manager at Merrill, Lynch, Pierce, Fenner & Smith Incorporated, a brokerage firm, and was responsible for investing and trading a $200 million portfolio of distressed, domestic, private assets. Mr. Hudson also served as Chairman of the Loan Syndications and Trading Association s Distressed Debt Committee from 1996 to 1999. Currently, Mr. Hudson sits on the boards of The Pep Boys Manny, Moe & Jack and the Centurion Foundation. Mr. Hudson has been a director of The Brink s Company since 2007. His current term as a director of the Company expires in 2010.

(1), (4), (5) **MURRAY D. MARTIN**, 61, is the Chairman, President and Chief Executive Officer of Pitney Bowes Inc., a provider of integrated mailstream management solutions, and has held that position since January 2009. Prior to his current position, Mr. Martin served as President and Chief Executive Officer of Pitney Bowes Inc. from May 2007 to December 2008 and President and Chief Operating Officer of Pitney Bowes Inc. from October 2004 to May 2007. From January 2001 to October 2004, he served as Executive Vice President and Group President of Global Mailstream Solutions, a division of Pitney Bowes Inc. From January 1998 to January 2001, he was President of Pitney Bowes International. He is a director of Pitney Bowes Inc. Mr. Martin has been a director of The Brink s Company since 2005. His current term as a director of the Company expires in 2010.

(2), (3), (4) **RONALD L. TURNER**, 62, is the retired Chairman, President and Chief Executive Officer of Ceridian Corporation, an information services company that provides outsourcing services to the human resources, transportation and retail markets, and operates in the U.S., Canada and Europe. Mr. Turner served as Chairman, President and Chief Executive Officer of Ceridian Corporation from January 2000 until his retirement in October 2006; Chief Operating Officer from April 1998 to January 2000; and Executive Vice President of Operations from March 1997 to April 1998. He is a director of Circuit City Stores, Inc. Mr. Turner has been a director of The Brink s Company since 2002. His current term as a director of the Company expires in 2010.

(1) Audit and Ethics Committee

(2) Compensation and Benefits Committee

(3) Corporate Governance and Nominating Committee

(4) Executive Committee

(5) Finance Committee

Recommendation of the Board

THE BOARD OF DIRECTORS RECOMMENDS THAT THE SHAREHOLDERS VOTE

FOR ALL NOMINEES FOR ELECTION AS DIRECTORS.

STOCK OWNERSHIP

Based in part on information furnished by each nominee, director and executive officer named in the Summary Compensation Table, the number of shares of Brink s Common Stock beneficially owned by them at January 31, 2009, was as follows:

Name of Individual or Identity of Group	Number of Shares Beneficially Owned(a)	Percent of Class*
Mr. Ackerman	54,268	*
Mrs. Alewine	42,442	*
Mr. Barker	16,380	*
Mr. Breslawsky	67,878	*
Mr. Cazer	0	*
Mr. Dan	853,882	1.88%
Mr. Hartough	54,936	*
Mr. Herling	0	*
Mr. Hudson	801,977(b)	1.76%
Mr. Lennon	94,093(c)	*
Mr. Marshall	880	*
Mr. Martin	14,698	*
Mr. Reed	182,939(d)	*
Mr. Ritter	89,089	*
Mr. Schievelbein	0	*
Mr. Schumacher	27,482	*
Mr. Strang	0	*
Mr. Turner	28,570	*
18 directors and executive officers as a group	2,329,514	5.12%

* Except as otherwise noted, the named individuals have sole voting and investment power with respect to such shares of Brink s Common Stock. None of such individuals beneficially owns more than 1% of the outstanding Brink s Common Stock, unless otherwise noted above.

(a) Includes shares of Brink s Common Stock that could be acquired within 60 days after January 31, 2009, upon the exercise of options granted pursuant to the Company s stock option plans, as follows:

Mr. Ackerman	44,752
Mrs. Alewine	42,442
Mr. Barker	14,698
Mr. Breslawsky	67,878
Mr. Cazer	0
Mr. Dan	762,537
Mr. Hartough	45,936
Mr. Herling	0
Mr. Hudson	7,349
Mr. Lennon	64,311
Mr. Marshall	0
Mr. Martin	14,698
Mr. Reed	128,620
Mr. Ritter	85,747
Mr. Schievelbein	0
Mr. Schumacher	20,211
Mr. Strang	0
Mr. Turner	28,570
All directors and executive officers as a group (18 persons)	1,327,749

(b) Each of Pirate Capital LLC (Pirate), a Delaware limited liability company engaged primarily in the business of providing investment management services to investment partnerships and other entities, and Thomas R. Hudson Jr. (Hudson), an individual who is the sole owner and Manager of Pirate, was deemed to be the beneficial owner of the shares of Brink s Common Stock held by Jolly Roger Fund LP and Jolly Roger Offshore Fund Ltd and as such Pirate and Hudson had sole voting power over no shares of Brink s Common Stock, shared voting power over 781,474 shares of Brink s Common Stock, sole dispositive power over no shares of Brink s Common Stock and shared dispositive power over 781,474 shares of Brink s Common Stock. In addition, Mr. Hudson owned 13,154 shares of Brink s Common Stock directly. All of these shares of Brink s Common Stock were pledged as security. Subsequent to January 31, 2009, each of Pirate and Mr. Hudson sold all of their shares of Brink s Common Stock.

(c) Includes 29,782 shares of Brink s Common Stock held jointly by Mr. Lennon with his wife.

(d) Includes 54,319 shares of Brink s Common Stock held jointly by Mr. Reed with his wife.

As of March 2, 2009, there are no persons known to the Company to be deemed beneficial owners of more than five percent of the outstanding Brink s Common Stock.

COMPENSATION DISCUSSION AND ANALYSIS

Compensation Philosophy and Objectives

The Company s executive compensation program is designed to incent and reward executives to contribute to the achievement of the Company s business objectives, and to attract, retain and motivate talented executives to perform at the highest level and contribute significantly to the Company s success. The program is intended to align the interests of the Company s executive officers with those of its shareholders by delivering a significant proportion of total compensation that is dependent upon the Company s performance and increased shareholder value.

The Company is a global leader in security-related services that operates Brink s, Incorporated (Brink s), the world s premier provider of secure transportation and cash management services. Prior to October 31, 2008, the Company also operated Brink s Home Security (BHS), a North American security alarm monitoring company. On October 31, 2008, the Company completed the spin-off of BHS, which became an independent public company. After the spin-off, the Company no longer includes the results of BHS operations as part of its continuing operations.

The Company has encountered and will continue to encounter short-term and long-term opportunities and challenges, including competition from other companies in the industries in which it competes, the extension of the Company s brands into new markets and the pursuit of operating efficiencies. The Compensation Committee believes that the compensation packages of the executive officers named in the Summary Compensation Table (the named executive officers) support the Company s short-term and long-term goals by providing the Company s named executive officers an appropriate and balanced mix of compensation elements, which include short-term incentives that reward executives for current performance and the achievement of near-term goals and long-term incentives that reward executives for financial performance over a sustained period and strengthen mutuality of interests between the named executive officers and shareholders. In addition, the Compensation Committee believes that various elements of the Company s compensation program effectively achieve the objective of aligning compensation with performance measures that are directly related to the Company s financial goals and creation of shareholder value without encouraging executives to take unnecessary and excessive risks.

2008 Executive Compensation Developments

The Compensation Committee noted the following with respect to its oversight of the Company s executive compensation program for the named executive officers during 2008.

- The Compensation Committee approved salary increases, target awards and cash payouts under the Key Employees Incentive Plan (KEIP) and the Management Performance Improvement Plan (MPIP) and equity awards.

- The Company hired a new Vice President and Chief Financial Officer and a new Vice President, General Counsel and Secretary. The Compensation Committee approved grants of restricted stock unit awards in connection with these hires as part of each compensation package.

- The Compensation Committee approved agreements with the three named executive officers who retired from the Company during 2008.

- The Compensation Committee applied a dollar-based approach for determining levels of long-term equity incentive compensation as opposed to the prior approach based on a given number of shares. The Compensation Committee believes that this dollar-based approach is more appropriate because it reflects the current practice of the companies in the peer group (as defined below) and it resulted in 2008 total long-term incentive compensation opportunities for the named executive officers that were closer than in previous years to the targeted range.

The Compensation Committee implemented certain changes consistent with evolving market norms to the Company s severance agreement entered into with Mr. Cazer and change in control agreements entered into with Messrs. Cazer and Marshall in connection with their employment, including providing for reduced amounts payable under the agreements and decreasing the protections of the tax gross-up provisions as compared to prior agreements.

Executive Compensation Program Overview

Each named executive officer s compensation package comprises six elements. A description of these six elements, and their function within the total compensation program, is shown below:

Element	Description	Function
Base salary	Fixed compensation	Provides basic compensation at a level consistent with competitive practices; reflects role, responsibilities, skills, experience and performance; encourages retention
Annual bonus awards	Key Employees Incentive Plan (KEIP): Discretionary amount payable annually in cash	Motivates and rewards for achievement of annual Company, unit and individual goals
Long-term incentives	Management Performance Improvement Plan (MPIP) Performance-based cash incentive, based on achievement of financial performance goals over a three-year period; award targets and goals set annually by the Compensation Committee	Encourages executives to increase shareholder value by focusing on profitable growth as well as other financial indicators that are likely to increase the Company s stock price
	2005 Equity Incentive Plan: Equity awards, including options, stock appreciation rights, restricted stock, performance stock, other stock-based awards or any combination thereof, may be granted at the Compensation Committee s discretion	Motivates and rewards for financial performance over a sustained period; strengthens mutuality of interests between executives and shareholders; increases retention; rewards stock price performance
Special cash bonuses	Discretionary cash bonus awarded in extraordinary and very limited circumstances	Rewards exemplary performance of major projects or tasks beneficial to the Company
Benefits	Deferred compensation and other benefits: Generally non-performance-based, although the value of deferred compensation is tied directly to the stock price; Company matching contributions on amounts deferred; 401(k); frozen defined benefit pension	Provides for current and future needs of the executives and their families; aids in recruitment and retention; strengthens mutuality of interests between executives and shareholders
Contractual and severance arrangements	Severance plan, employment contract and change in control plan: Contingent amounts payable only if employment is terminated under certain conditions	Provides employment continuity; encourages the objective evaluation of potential changes to the Company s strategy and structure

We believe the combination of these different elements provides an appropriate balance of incentives, rewards and benefits to our executives and enables us to meet our desired compensation objectives, strengthen our ability to attract and retain highly qualified individuals and to appropriately link pay to performance.

Process for Setting Executive Compensation

The Compensation Committee is responsible for establishing and reviewing policies governing salaries and benefits, annual performance awards, incentive compensation, special cash bonuses and the terms and conditions of employment for the Company s Chief Executive Officer (CEO) and each of the other named executive officers. The Compensation Committee is also responsible for ensuring that named executive officers of the Company are compensated in a manner consistent with these policies. The Company s Board of Directors approves salary and annual performance awards for the CEO, based on the recommendations of the Compensation Committee.

The Company s executive compensation policies are applied in the same manner to all of the named executive officers. The differences in amounts of compensation for each named executive officer reflect the significant differences in the scope of responsibilities and authority attributed to their respective positions, their individual performance and their experience.

In performing its responsibilities with respect to executive compensation decisions, the Compensation Committee receives information and support from the Company s Human Resources Department and the Compensation Committee s executive compensation consultant. For 2008, Towers Perrin served as executive compensation consultant to the Company and the Compensation Committee. Frederic W. Cook & Co., Inc. (the Cook firm) also advised the Compensation Committee during 2008. The executive compensation consultant s role with the Compensation Committee is to provide independent advice and counsel. The Compensation Committee does not delegate authority to executive compensation consultants or to other parties. During 2008, Towers Perrin (1) periodically met with management and participated in Compensation Committee meetings throughout the year, (2) analyzed competitive levels of each element of compensation for each of the named executive officers, (3) provided information regarding executive compensation trends and (4) advised the Compensation Committee regarding modifications to the Company s executive compensation program to assist the Company in meeting its executive compensation goals. Towers Perrin prepared a detailed report and analysis that was reviewed by the Cook firm and the Compensation Committee and served as guidance for the Compensation Committee in establishing the compensation of the named executive officers for 2008.

New Named Executive Officers

Mr. Cazer was elected as the Company s Vice President and Chief Financial Officer on May 1, 2008, and Mr. Marshall was elected as the Company s Vice President, General Counsel and Secretary effective as of September 15, 2008. Mr. Cazer had served in multiple Chief Financial Officer roles for business units within General Electric Company. Mr. Marshall had previously worked for the Company from 2000 to 2006, most recently serving as the Company s Assistant General Counsel and Secretary before assuming the General Counsel position at Tredegar Corporation from September 2006 to September 2008. The Compensation Committee wanted to integrate the new executives into the Company s existing executive compensation structure, while balancing both competitive and internal equity considerations. The compensation components were designed to (i) be consistent with the Company s existing compensation arrangements with its other named executive officers, and (ii) include a component compensating the new named executive officers for amounts that each individual forfeited by leaving their former employers. Mr. Cazer received two restricted stock unit awards, one of which was to compensate him for forfeiting incentive awards at his former employer. Mr. Marshall received awards for stock options and restricted stock units, and he received a minimum bonus award to compensate him for forfeiting incentive awards at his former employer. In addition, Mr. Cazer s employment package included a severance agreement described below.

Factors Considered in Determining Executive Compensation

The Compensation Committee annually reviews the total compensation, including the components, of each named executive officer by reviewing various relevant compensation reports prepared by the Company s Chief Administrative Officer and, as described above, the executive compensation consultants. These reports include competitive pay practices, the value of all Company compensation paid, including base salary, annual and long-term incentive compensation, Company matching contributions on deferred compensation, outstanding equity awards, benefits, perquisites and potential payments under various termination scenarios. The Compensation Committee also reviews tally sheets, the purpose of which is to provide a framework for the Compensation Committee to determine whether the Company s executive compensation program is in line with current competitive practices. The Compensation Committee also reviews the CEO s evaluation of the performance of the other named executive officers as well as his recommendations related to compensation for the other named executive officers. The Compensation Committee approves any adjustments to compensation based on an evaluation of each executive s individual performance and the competitive compensation market. With respect to the CEO, the Compensation Committee reviews the CEO s performance evaluation conducted by the Board of Directors, as well as performance relative to pre-determined annual objectives.

The Compensation Committee considers a variety of factors in coming to decisions regarding compensation for the named executive officers. Competitive market information is an important consideration, but not the only one.

Market competitiveness. The Compensation Committee periodically reviews and relies upon competitive market information and reports on executive compensation practices from an executive compensation consultant regarding competitive pay levels and compensation structures. In setting compensation levels for the named executive officers and other executives, the Compensation Committee aims to provide target compensation in the aggregate, and generally for each element that is competitive, and therefore approximates the 50th percentile (or the market median) for comparable positions at companies of similar size, or with data adjusted to account for differences in revenues, included in the market comparisons conducted by the executive compensation consultant (the peer group). Individual compensation may be more or less than the median compensation amount when warranted by individual or corporate performance. Because of the variability inherent in market data and adjustments required in applying such data to the Company s executive compensation program, based on the advice of Towers Perrin, the Compensation Committee considers compensation that is within 15% above or below the median to be statistically within a competitive range of the market median. The comparison to the market median is done on a position by position basis and takes into account the relative responsibilities and authority of each named executive officer.

For 2008, the peer group consisted of 138 services industry companies of a similar size in terms of revenues to the Company. Towers Perrin assumed Company revenue of $3.4 billion for purposes of compiling the peer group (as compared to reported revenues of $3.2 billion from continuing operations for the year ended December 31, 2007, for the Company). In reviewing the peer group information and making 2008 executive compensation decisions, the Compensation Committee considered that the Company is continuing to transform from a large conglomerate into a smaller, more focused security company. A complete list of the peer group companies is set forth on Annex A to this proxy statement. The peer group data contained in the market comparisons was based on 2007 information as adjusted by Towers Perrin through July 2008.

Based on its analysis, Towers Perrin concluded that the Company s overall current total target compensation for each of the named executive officers is within the competitive range around the market median. In light of this analysis, the Company s 2007 and 2008 financial results, the successful spin-off of BHS and other Company and individual accomplishments, the Compensation Committee believes that the amounts of 2008 actual total compensation for the named executive officers are appropriate.

The following table sets forth the total compensation competitive market information reviewed by the Compensation Committee in making 2008 compensation decisions for Messrs. Dan, Lennon and Schumacher, the three named executive officers who were continuously employed by the Company during 2008. For purposes of the table below, total compensation includes base salary as of December 31, 2008, 2008 KEIP bonus payments, 2008-2010 MPIP target awards and 2008 equity awards.

Name	**2008 Median Total Compensation(a)(b)**	**2008 Actual Total Compensation(b)**	**2008 Actual Total Compensation as a Percentage of 2008 Median Total Compensation**
Michael T. Dan President, Chief Executive Officer and Chairman of the Board	$ 5,100,000	$ 5,648,250	111%
Frank T. Lennon Vice President and Chief Administrative Officer	1,325,000	1,323,000	100
Matthew A.P. Schumacher Controller	390,000	446,500	114

(a) Determined using 2007 peer group information adjusted by Towers Perrin through July 2008.

(b) Value of stock option awards included in total 2008 compensation calculated using assumptions from Company averages for financial reporting process.

In reviewing the compensation arrangements for Messrs. Cazer and Marshall, the Compensation Committee reviewed the following competitive market information. For purposes of the table below, 2008 target total compensation includes base salary as of December 31, 2008, 2008 target KEIP bonus for Mr. Cazer, minimum KEIP bonus for Mr. Marshall and 2008 equity awards.

Name	2008 Median Total Compensation(a)	2008 Target Total Compensation	2008 Target Total Compensation as a Percentage of 2008 Median Total Compensation
Michael J. Cazer Vice President and Chief Financial Officer	$ 1,745,000	$ 1,688,000	96.7%
McAlister C. Marshall, II Vice President, General Counsel and Secretary	1,295,000	880,000	68.0

(a) Determined using 2007 peer group information adjusted by Towers Perrin through July 2008.

Other Factors

The Compensation Committee considers a variety of factors in coming to decisions regarding compensation for the named executive officers in addition to competitive market information. The other main factors include:

Performance. The Company s policy is to provide the named executive officers with compensation opportunities that are based upon their individual performance, the performance of the Company and their contribution to that performance. The Compensation Committee considers these performance factors when approving adjustments to the compensation of the named executive officers.

Many of the Compensation Committee s 2008 executive compensation decisions, including base salary and long-term incentive opportunities, took into account the Company s 2007 financial results and other accomplishments achieved under the leadership of the named executive officers. For the year ended December 31, 2007, the Company recorded strong overall Company results. Full-year 2007 revenue from continuing operations was $3.2 billion, up 14% from $2.8 billion in 2006. Full-year operating profit from continuing operations was $274.0 million, up 31% from $209.5 million in 2006. Income from continuing operations was $148.6 million, or $3.16 per share, in 2007 versus $113.1 million, or $2.24 per share, in 2006. The Company subsequently re-classified these financial results in connection with the spin-off of BHS, which required BHS revenue and operating profit to be transferred to discontinued operations.

As more fully discussed below under Executive Compensation Program Components Annual Bonus Awards 2008 Payouts , the Compensation Committee also considered the Company s 2008 financial results, the successful spin-off of BHS and other accomplishments achieved under the leadership of the named executive officers when making decisions regarding 2008 KEIP bonuses.

Mix of current and long-term compensation. Because the successful operation of the Company s business requires a long-term approach, an emphasis of the program is on long-term compensation by means of long-term incentives. The Compensation Committee believes that this emphasis on long-term compensation aligns the named executive officers interests with the economic interests of the Company s shareholders and also reflects the Company s business model.

Impact and mix of cash vs. non-cash compensation. The Compensation Committee considers both the cost and the motivational value of the various components of compensation. The Compensation Committee has determined that current compensation base salary and annual bonuses should be delivered in cash, but that long-term incentive compensation should include a combination of long-term cash incentives and stock-based compensation so that the long-term financial rewards available to the named executive officers are linked to increases in the Company s value over the long-term. The Compensation Committee believes that this also aligns the named executive officers interests with the economic interests of the Company s shareholders.

Amount of accumulated or prior year s compensation. A named executive officer s annual compensation, including long-term incentives, should reflect his current and expected future performance and the executive s contribution to the Company s current and expected future performance. While the Compensation Committee reviews accumulated or outstanding compensation, there is not a direct relationship between the amounts of realizable or potentially realizable payments and the decisions regarding pay in the current year.

Executive Compensation Program Components

The Company s executive compensation program for its named executive officers consists of the following elements:

Base Salary

For 2008, the Compensation Committee considered the following factors in making base salary decisions for each named executive officer:

- the market median base salary for comparable positions in companies in the peer group;
- the importance of the particular position to the Company;
- the difficulty in replacing the executive;
- the executive s individual performance;
- internal alignment considerations;
- inflation; and
- the median total compensation for companies in the peer group.

The relative weight given to each factor varied with each position and individual and was within the sole discretion of the Compensation Committee. Decisions regarding the individual performance factor identified above and used by the Compensation Committee in making base salary decisions for each named executive officer, other than the CEO and Messrs. Cazer and Marshall, were based on the Compensation Committee s review of the CEO s evaluation of the officer s individual performance for the prior year, as well as his recommended salary adjustments. The Compensation Committee s decisions regarding Messrs. Cazer and Marshall s 2008 base salary in connection with each of their hirings was based upon the Compensation Committee s review of the factors set forth above. Decisions regarding the individual performance factor identified above and used in making base salary decisions for the CEO were based on the Board of Directors review of the CEO s individual performance for the prior year.

The following table sets forth the competitive market information reviewed by the Compensation Committee in setting 2008 base salaries for each of the continuing named executive officers, 2008 base salaries and the percentage of the annual base salary for each named executive officer as compared to the peer group:

Name	2008 Median Base Salary(a)	Annual Base Salary Rate as of December 31, 2008	2008 Compensation Ratio(b)
Mr. Dan	$ 970,000	$ 1,107,250	114%
Mr. Cazer	485,000	450,000	93
Mr. Lennon	415,000	415,000	100
Mr. Marshall	410,000	350,000	85
Mr. Schumacher	200,000	220,500	110

(a) Determined using 2007 peer group information adjusted by Towers Perrin through July 2008.

(b) Percentage of the 2008 annual base salary for each named executive officer as compared to the peer group median.

Increases in base salaries from 2007 to 2008 for Messrs. Dan, Lennon and Schumacher ranged from approximately 3% to 4.5%. With respect to the base salary increases for Messrs. Dan, Lennon and Schumacher, the Compensation Committee noted (1) each of these named executive officers base salaries, as adjusted for the 2008 base salary increases, fell within the competitive range of the market median for median base salaries, (2) such increases were in-line with the market trend of 2008 base salary increases for executive officers in the United States, (3) each named executive officer s individual performance, (4) the Company s financial results and other accomplishments achieved in 2007 under the leadership of the named executive officers and (5) such increases were consistent with base salary increases within the rest of the Company. With respect to the base salaries for Messrs. Cazer and Marshall, the Compensation Committee set such base salaries within the competitive range around the market median.

Annual Bonus Awards

The KEIP is designed to provide financial incentive for certain employees of the Company, including the Company s named executive officers, because the Company believes their performance in fulfilling the responsibilities of their positions can significantly affect the profitable growth and future prospects of the Company. The KEIP provides an opportunity for the named executive officers to earn additional annual cash compensation based upon the following three performance factors:

- the named executive officer s individual performance;
- the results achieved by the Company, including revenue and operating profit levels, cash flow, earnings per share, safety and security results and other quantitative and nonquantitative measurements; and
- the results achieved by the named executive officer s unit or department.

The CEO s annual cash compensation under the KEIP is based upon the first two factors only.

All annual incentive payments are discretionary, with the Compensation Committee recommending to the Board of Directors bonuses for the CEO and establishing bonuses for the other named executive officers after reviewing the recommendations of the CEO.

2008 Target Award Opportunities. The CEO recommended to the Compensation Committee competitive incentive targets under the KEIP for the named executive officers. The target incentive was expressed as a percent of the participant s annual base salary as of the end of the year and was designed to be indicative of the incentive payment that each participant would expect to receive on the basis of strong performance by the individual, the Company and, in the case of the named executive officers other than the CEO, the named executive officer s unit or department. After reviewing competitive market information and the CEO s recommendations, the Compensation Committee approved 2008 target incentives for each of the named executive officers at levels consistent with the CEO s recommendations.

The following table sets forth the competitive market information reviewed by the Compensation Committee in setting 2008 KEIP incentive targets for each of the continuing named executive officers, other than Mr. Marshall who was hired in September 2008. Mr. Marshall s compensation package included a minimum KEIP bonus of $80,000 for 2008 to compensate Mr. Marshall for forfeiting incentive awards at his former employer.

Name	2008 Median Target Annual Bonus(a)	2008 Target KEIP Bonus (%)	2008 Target KEIP Bonus ($)	2008 Target KEIP Bonus as a Percentage of 2008 Median Target Annual Bonus
Mr. Dan	$ 970,000	100	1,107,250	114%
Mr. Cazer	320,000	65	293,000	92
Mr. Lennon	240,000	55	226,000	94
Mr. Schumacher	65,000	35	77,175	119

(a) Determined using 2007 peer group information adjusted by Towers Perrin through July 2008.

Although the Compensation Committee set 2008 KEIP target incentives for each of the named executive officers at or near the 50th percentile of the peer group, the 2008 target bonus amounts for Messrs. Dan and Schumacher, when compared against median target annual bonus amounts for the peer group, exceeded the 50th percentile. This results from the fact that the 2008 base salaries for Messrs. Dan and Schumacher were at the high end of the competitive range around the market median for base salaries.

Actual payments under the KEIP could have ranged from 0% to 200% of each named executive officer s target incentive award based on the results of the performance factors described above, applied and considered at the discretion of the Compensation Committee.

2008 Payouts. For purposes of awarding actual payments under the KEIP in 2008 for each of the continuing named executive officers who participated in the 2008 KEIP program, the Compensation Committee generally reviewed target payouts that gave individual performance a weight factor of 50%, and each of unit or department and Company performance weight factors of 25%. In the case of the CEO, individual performance and Company performance were each weighted 50%.

In determining actual 2008 KEIP bonuses, the Compensation Committee reviewed the recommendations of the CEO, who gave significant weight to the achievement in 2008 of (1) overall Company results, including 2008 revenues of $3.16 billion from continuing operations, an increase of 16% compared with 2007 revenues, and 2008 earnings per share from continuing operations of $2.82, an increase of 69% compared with 2007 earnings per share, and (2) unit and department results that met performance expectations. These financial results reflect the Company s transfer of BHS revenue and operating profit to discontinued operations, in connection with the spin-off. The Compensation Committee noted that these achievements occurred under the leadership of the named executive officers who positioned the Company for these 2008 results and future growth. The Compensation Committee recognized that all of the named executive officers contributed significantly to these achievements and used these achievements as indicators of individual performance.

The Compensation Committee also recognized the following other significant individual contributions by the continuing named executive officers who participated in the 2008 KEIP program: (1) implementing the successful spin-off of BHS, (2) reviewing and assessing the Company s strategic alternatives; (3) addressing concerns and issues presented by the Company s shareholders related to the Company s strategic alternatives; (4) successfully transitioning senior executive officers during 2008, including the Chief Financial Officer and the General Counsel positions; (5) completing the sale of natural resource assets and associated liabilities to a third party; (6) commencing cost cutting measures throughout the Company; and (7) providing value-added services to the business units.

Based on the foregoing factors and after exercising the discretion referred to above, the Compensation Committee awarded the following 2008 annual KEIP bonuses:

Name	**2008 Actual KEIP Bonus**
Mr. Dan	$ 1,500,000
Mr. Cazer	250,000
Mr. Lennon	300,000
Mr. Marshall	80,000
Mr. Schumacher	110,000

Long-Term Incentive Compensation

For 2008, the Compensation Committee reviewed and considered competitive market information at or near the 50th percentile of the peer group, and, as discussed below, established combined long-term incentive compensation opportunities (MPIP target bonus and equity award) within the competitive range of the 50th percentile of the peer group for the continuing named executive officers, other than Mr. Marshall. The Compensation Committee considered the following factors in determining the amount of long-term incentive compensation opportunities awarded to the named executive officers in 2008:

peer group median long-term incentive amounts;

the executive s performance;

the executive s potential future contributions to the Company;

the current compensation of the executive;

the importance of the executive to the Company over the long term, and the executive s performance relative to his or her peers within the Company;

retention issues and concerns; and

the median total compensation for companies in the peer group.

The following table sets forth the competitive market information reviewed by the Compensation Committee in setting 2008 combined long-term incentive opportunities for each of the continuing named executive officers:

Name	2008 Median Total Long-Term Incentive Compensation(a)(b)	Total 2008 Long-Term Incentive Compensation(b)(c)	Total 2008 Long-Term Incentive Compensation as a Percentage of Median Total Long-Term Incentive Compensation
Mr. Dan	$ 3,160,000	$ 3,041,000	96%
Mr. Cazer	940,000	945,000(d)	101
Mr. Lennon	670,000	608,000	91
Mr. Marshall	650,000	450,000	69
Mr. Schumacher	125,000	116,000	93

(a) Determined using 2007 peer group information adjusted by Towers Perrin through July 2008.

(b) Value of equity awards included in total 2008 long-term incentive compensation calculated using assumptions from Company averages for financial reporting process.

(c) Total 2008 long-term incentive compensation is composed of 2008-2010 MPIP target bonus and equity awards granted in 2008, other than for Messrs. Cazer and Marshall who did not receive a 2008-2010 MPIP award.

(d) Does not include $800,015 restricted stock unit award granted in consideration of Mr. Cazer forfeiting incentive awards at his former employer.

Beginning in 2008, the Compensation Committee applied a dollar-based approach for determining levels of long-term equity incentive compensation. The Compensation Committee believes that a dollar-based approach is more appropriate than an approach based on a given number of shares, reflects the current practice of most of the companies in the peer group and results in total long-term incentive compensation for the named executive officers that is closer to the targeted range.

With respect to the 2008 long-term incentive compensation opportunities for each of the continuing named executive officers, the Compensation Committee noted:

- that, other than for Mr. Marshall who was hired in September 2008, total 2008 long-term incentive compensation was within the competitive range of the peer group median total long-term incentive compensation for each of the continuing named executive officers;
- the strong potential of each continuing named executive officer and his long-term importance to the Company; and
- the Company s strong desire to retain each of the continuing named executive officers, particularly in light of the recent shareholder activism involving the Company.

The components of long-term incentive compensation include the following:

Management Performance Improvement Plan. The MPIP is an incentive compensation plan that the Company believes promotes the financial interests of the Company and its shareholders by linking the long-term financial incentives of the named executive officers to improvement in the Company s financial performance. At the beginning of each three-year performance measurement period, the Compensation Committee sets award targets that are tied to initial performance goals for the named executive officers under the MPIP. The initial performance goals serve as the minimum performance goals for the full three-year performance measurement period. At the beginning of each fiscal year after the initial year in the applicable three-year performance measurement period, the Compensation Committee reviews the Company s actual annual results against the performance goals established for the immediately preceding year. Based on this review, the Compensation Committee, in its sole discretion, may increase (but not reduce) the performance goals in the three-year performance measurement period. Cash awards to the named executive officers at the end of the three-year measurement period may range from 0% to 200% of the target award amount, depending upon the aggregated three-year actual performance against the pre-established performance goals.

Because awards are earned at the end of three-year performance measurement periods, there are three overlapping measurement periods in effect at any one time. In addition, because the Compensation Committee annually sets initial performance goals for the named executive officers at the beginning of each three-year performance measurement period and reviews previously established goals for existing three-year performance measurement periods, the adoption of the initial performance goals, to the extent that they are more difficult to attain than the performance goals for previously established three-year performance measurement periods, effectively raises the performance goals used in evaluating the previously established three-year performance measurement periods.

The Company believes that the three-year performance measurement period provides an appropriate incentive to the named executive officers to focus on the Company s long-term goals and performance. The Company also believes that the annual review of the previously established performance goals is an important component of the MPIP as it allows the Compensation Committee to raise the bar to account for increased expectations, such as focused internal growth, and out of the ordinary events or transactions, such as acquisition activity, that may occur during a three-year performance measurement period. This ability is especially important given the Company s ongoing transition from a holding company to an operating company.

In November 2008, the Compensation Committee determined that the BHS spin-off required an adjustment to the 2008 MPIP performance goals. In addition, the BHS spin-off also required an adjustment to the formula applicable to the weighting of each of BHS s and Brink s MPIP performance goals. These adjustments affected MPIP awards for each of the 2006-2008, 2007-2009 and 2008-2010 performance measurement periods.

Because the MPIP is designed to be a tax qualified plan under Internal Revenue Code Section 162(m), payouts are determined solely by actual quantifiable performance against the preset numerical goals. The Compensation Committee generally does not have the discretion to adjust payouts based on subjective assessments. Provided that no change in control of the Company has occurred, the Compensation Committee, however, may reduce (but not increase) any payout to a participant who is an employee of the Company, which includes all of the named executive officers.

For the 2008-2010 performance measurement period, the Compensation Committee established the initial performance goals based on increases in (1) revenue, operating profit and economic value added (EVA) in each of Brink s and BHS and (2) the Company s earnings per share (EPS). Because of the spin-off of BHS, the Compensation Committee amended the 2008 Company EPS measure and the performance measurements attributable to BHS to adjust the time period for which BHS performance targets are included in the measurement period. In addition, the Compensation Committee approved certain changes to the weighting which reflected the fact that for the last three months of the measurement period, BHS performance was not measured.

The following table summarizes the initial performance goals for the three-year performance measurement period beginning in 2008 and the relative weighting given to each of the performance goals, as adjusted for the BHS spin-off:

Performance Improvement Goals, Weighting and Initial Improvement Goals

	Improvement Goal	Weighting	Initial Improvement Goal (in millions, except EPS)
1.	EPS *	33.34%	$ 3.01
2.	Brink s revenue	11.67	295.0
3.	Brink s operating profit	29.16	21.7
4.	Brink s EVA	17.50	3.0
5.	BHS revenue	1.67	41.0
6	BHS operating profit	4.16	9.2
7.	BHS EVA	2.50	0.75

—

* The EPS Goal is the actual total EPS target for 2008, not the amount of improvement from 2007.

The Compensation Committee selected the specific goals and initial performance goals for the 2008-2010 performance measurement period because they represent the financial growth drivers for each of the operating companies that the Compensation Committee believed would lead to the achievement of increased shareholder value.

Performance award target amounts for the 2008-2010 performance measurement period are set forth in the Grants of Plan-Based Awards Table on page 29 of this Proxy Statement. Awards to the named executive officers at the end of the

three-year performance measurement period may range from 0% to 200% of the target award amount, depending upon the aggregated three-year actual performance against the pre-established criteria.

The adoption of the performance award targets for the 2008-2010 performance measurement period also amended the measures used in evaluating the three-year periods ending in 2008 and 2009.

The following table summarizes the performance goals for the 2006-2008 performance measurement period, the actual results achieved for such period, the unweighted percentages of the target award amounts earned with respect to each goal, the relative weighting given to each of the performance goals and the final percentages of the target award amounts earned.

	Three-Year Improvement Goal (in millions, except EPS)	Actual Result (% of Three-Year Improvement Goal Attained)	Unweighted % of Target Award Amount Earned	Weighting	Final % of Target Award Amount Earned
1. EPS *	$ 7.30	122.5%	200%	33.34%	66.68%
2. Brink s revenue	611.0	169.4	200	7.22	14.44
3. Brink s operating profit	85.1	173.6	200	18.05	36.10
4. Brink s EVA	27.8	154.3	200	10.83	21.66
5. BHS revenue	144.0	91.0	55	6.11	3.36
6. BHS operating profit	29.7	134.0	200	15.28	30.56
7. BHS EVA	2.25	97.8	89	9.17	8.16
					180.96%

* The EPS Goal is the cumulative total of the EPS target for each of the three years, not the cumulative amount of improvement from the prior years.

The unweighted percentages of the target award amounts earned were determined from the actual results using the following table, with results in between the listed amounts converted proportionately to the listed amounts.

% of Three-Year Improvement Goal Attained	% of Target Award Amount Earned
120% or more	200%
100%	100%
90%	50%
80% or less	0%

The cash bonuses earned by those named executive officers who participated in the MPIP for the 2006-2008 performance measurement period are shown in the Summary Compensation Table. Such bonuses were paid in 2009.

2005 Equity Incentive Plan. The Compensation Committee uses stock options as an important part of the long-term incentive compensation program and believes stock options have been an effective way to link a named executive officer s compensation to the performance of the Company. In addition, in connection with the hiring of executive officers, the Compensation Committee used restricted stock unit awards as an additional attraction and retention vehicle. In connection with Messrs. Cazer s and Marshall s employment, the Compensation Committee awarded each restricted stock units. Both stock options and restricted stock unit awards were granted under the 2005 Equity Incentive Plan (the 2005 Equity Plan) and are intended to encourage each of the named executive officers to continue in the employ of the Company, to enhance their incentive to perform at the highest level, and in general, to further the best interests of the Company and its shareholders.

Stock options are granted on the day they are approved by the Compensation Committee at its July meeting and are priced at 100% of fair market value on the date of grant, which under the 2005 Equity Plan was based on the average of the high and low per share quoted sale prices of Brink s Common Stock on the date of the grant as reported on the New York Stock Exchange. The restricted stock unit awards were granted on the day they were approved by the Compensation Committee and were priced at 100% of fair market value on the date of grant, which under the 2005 Equity Plan is based on the average of the high and low per share quoted sale prices of Brink s Common Stock on the date of the grant as reported on the New York Stock Exchange. Upon vesting, the recipient will receive one share of Brink s Common Stock for each vested restricted stock unit.

Only the Compensation Committee, under authority granted to it by the Board of Directors, may grant stock options or restricted stock unit awards under the 2005 Equity Plan. Named executive officers benefit from stock option grants only to the extent the stock price of Brink s Common Stock appreciates above the exercise price of the stock options. In addition, because of the vesting requirements, the Compensation Committee believes that providing the named executive officers compensation in the form of stock options or restricted stock units allows the Compensation Committee to focus on their retention while encouraging them to take a longer-term view in their decisions impacting the Company.

The Compensation Committee determines the number of stock options (and restricted stock units in the case of Messrs. Cazer and Marshall) to be granted to each named executive officer based on competitive practices and individual performance, considered in the context of the overall long-term incentive compensation philosophy. The Compensation Committee takes into account all target award amounts provided to the named executive officer under the MPIP when granting options or restricted stock units, as well as the importance to the Company of the individual s position, the individual s overall contribution to the Company s performance, and the individual s expected contribution to future performance.

For 2008, the Compensation Committee considered the following factors in determining the size of each stock option grant or restricted stock unit awarded to the continuing named executive officers:

- the peer group median long-term incentive compensation amounts;
- the executive s performance;
- the executive s potential future contributions to the Company;
- the current compensation of the executive;
- retention issues and concerns;
- the cost of the awards to the Company;
- the value of the awards to the executive;
- the importance of the executive to the Company over the long term; and
- compensating for forfeiting incentive awards at a former employer.

Based on the foregoing, the Compensation Committee granted the number of stock options and restricted stock awards as shown on the Grants of Plan-Based Awards Table on page 29 of this Proxy Statement.

Special Cash Bonuses

For 2008, the Compensation Committee did not award special cash bonuses to any of the named executive officers. The Compensation Committee has provided certain of its named executive officers with cash bonuses in extraordinary and very limited circumstances in the past to reward exemplary performance of major projects or tasks beneficial to the Company. The cash bonuses were discretionary and separate from any bonuses for which a named executive officer may have been eligible under the KEIP or the MPIP.

Benefits

The types and amounts of benefits are also established based upon an assessment of competitive market factors and a determination of what is needed to aid in attracting and retaining talent, as well as providing long-term financial security to the Company s employees and their families. All benefits are reviewed at least annually by the Compensation Committee, which evaluates benefit levels based on competitive influences, as well as the cost of the programs to the Company relative to their value to employees. The plans are also reviewed for changes that may be required due to new laws and regulations or significant changes in market conditions. The Company s primary benefits for the named executive officers include participation in the plans and arrangements listed below.

Deferred Compensation. The Company maintains a deferred compensation program, the Key Employees Deferred Compensation Program, for certain of its most highly compensated employees, including all of the named executive officers. Because the value of a named executive officer s deferred compensation account is tied directly to the value of Brink s Common Stock, the Compensation Committee believes that the deferred compensation program serves to strengthen the mutuality of interests between the named executive officers and shareholders. By placing a portion of the named executive officers compensation at risk by tying it the value of Brink s Common Stock, the named executive officers are encouraged to increase shareholder value by focusing on profitable growth as well as other financial indicators that are likely to increase the Company s stock price. The Compensation Committee also believes that the deferred compensation program furthers the Company s goal of retaining the named executive officers, in part, because it permits the named executive officers to use tax deferrals to build a supplemental retirement benefit. The Compensation Committee reviews each named executive officer s account under the deferred compensation program annually in November and also when the Company s proxy statement is prepared following year-end.

For more information on the Company s deferred compensation program, see Nonqualified Deferred Compensation beginning on page 37.

Pension Plans. The Company maintains a noncontributory defined benefit pension-retirement plan covering all U.S. employees who met plan eligibility requirements and were employed before December 31, 2005, including the named executive officers (other than Mr. Cazer). Because the Internal Revenue Code limits the amount of pension benefits that may be paid under federal income tax qualified plans, the Company maintains a pension equalization plan under which the Company makes additional payments so that the total benefit to be received by the executive is the same as it would have been if there were no Internal Revenue Code limitations. Effective December 31, 2005, the Company froze the accrual of benefits under both the pension plan and the equalization plan. For more information on the Company s pension plan and equalization plan, see Pension Benefits beginning on page 35.

Executive Life Insurance Plan. The Company provides executives in the Company with executive life insurance benefits, subject to minimum salary and age requirements. Messrs. Dan and Lennon currently participate in this program. All premiums paid by the Company are fully taxable to the participant. The life insurance policies are owned by the individual executives.

Executive Salary Continuation Plan. The named executive officers participate along with other executives in the Company s Executive Salary Continuation Plan, which, in the event a participant dies while in the employment of the Company, provides that the Company will pay a designated beneficiary a death benefit equal to three times the participant s annual salary in effect on the first of the year coincident with or immediately preceding the date of death. Such benefit is paid out over a 10-year period following the executive s death.

Long-Term Disability Plan. The named executive officers participate along with other executives in a long term disability program. In the event that the executive is totally incapacitated, he would receive 60% of his current annual salary plus the average of the last three years KEIP payments, with a maximum annual payment of $300,000. These payments would continue (as long as the executive is totally disabled) until the executive reaches the social security full retirement age.

Financial and Tax Planning Program. The named executive officers participate in the Company s Financial and Tax Planning Program, which the Company believes enables them to devote to the business activities of the Company the time and attention that would otherwise be devoted to their personal financial and tax affairs, and in the case of the personal tax return preparation and certification aspect of the program, to provide the Company with assurance that the tax affairs of participating executives are properly administered. Under the Financial and Tax Planning Program, subject to a $10,000 calendar year maximum, the Company reimburses the named executive officers for reasonable costs associated with personal financial and tax planning, estate planning and the preparation and filing of their personal tax returns.

Miscellaneous Plans or Arrangements. The Company s named executive officers are also eligible to participate in the Company s health, dental and vision plans, and various insurance plans, including basic life insurance, and the Company s matching charitable gifts program on the same basis as any other U.S. employee.

Perquisites. The Company provides its named executive officers with perquisites; a detailed listing of perquisites and their value is on page 28.

Contractual and Severance Agreements

Employment Agreements. The Company has entered into an employment agreement with the CEO that is described under Potential Payments upon Termination or Change in Control Employment Agreement with Mr. Dan beginning on page 42. The Compensation Committee believes it is appropriate for the Company to have an employment agreement with the CEO to support stable and highly competent management on a long-term basis.

Change in Control Agreements. The Company initially entered into change in control agreements with certain key members of management in the 1980s. At the time, the Company was facing significant headwinds and the change in control agreements were included as part of the overall compensation program as an additional means of retaining key members of management. In 2007, the Company amended the change in control agreements in an effort to conform the agreements to the then current market norms. In addition, the Compensation Committee determined in 2007 to reduce the amounts payable under the agreements and reduce benefits under the tax gross-up provisions consistent with evolving market norms in connection with entry into new change of control agreements, which were implemented in the agreements with Messrs. Cazer and Marshall. These changes will also be reflected in the other change of control agreements upon their scheduled expiration, if these agreements are extended.

The Compensation Committee believes that the agreements serve the interests of the Company and its shareholders by ensuring that if a hostile or friendly change in control is ever under consideration, its executives will be able to advise the Board of Directors about the potential transaction in the best interests of shareholders, without being unduly influenced by personal considerations, such as fear of the economic consequences of losing their jobs as a result of a change in control. The change in control agreements include so-called double triggers, which mean that benefits become available to named executive officers under the agreements only upon a change in control and certain adverse employment developments for the executives such as termination by the Company without cause or termination by the executive for good reason. The Compensation Committee believes that a double trigger appropriately protects the legitimate interests of the named executive officers in employment security without unduly burdening the Company or shareholder value. The potential payments to each of the named executive officers under the agreements are described below under Potential Payments upon Termination or Change in Control Change in Control Agreements beginning on page 45.

The Compensation Committee reviews the agreements, including the potential payments to the named executive officers under the agreements, twice during the year. The Compensation Committee, however, does not evaluate any potential payments under these agreements when making decisions regarding annual compensation.

Severance Agreements. In the 1990s, following the relocation of the Company s headquarters to Richmond, Virginia, the Company considered several strategic alternatives, including the sale of one or more of the Company s businesses. Many of these alternatives would not have resulted in a change in control but could have resulted in a significant career altering change for the executive officer. In light of these developments and in connection with the Company s strong desire to retain key members of management, in 1997 and 1998, the Company entered into severance agreements with certain of the named executive officers other than the CEO. The Compensation Committee determined in 2007 to reduce the amounts payable and reduce benefits under the tax gross-up provisions consistent with evolving market norms in connection with entry into new severance agreements. At the beginning of 2008, four severance agreements that had originally been entered into in 1997 and 1998 were still in effect with named executive officers agreements with each of Messrs. Hartough, Lennon, Reed and Ritter. As a result of Messrs. Hartough s, Reed s and Ritter s departures from the Company during 2008, each of their severance agreements is no longer in effect.

The Company entered into a severance agreement with Mr. Cazer in connection with his hiring in order to successfully recruit Mr. Cazer to join the Company and to mitigate the risks associated with leaving his former employer and assuming the challenges of his new position with the Company. The Compensation Committee reviews any severance agreements, including the potential payments to the named executive officers under the agreements, at least annually. The Compensation Committee, however, does not evaluate any potential payments under severance agreements when making decisions regarding annual compensation. The Compensation Committee believes that Mr. Cazer s severance agreement provides a reasonable compensation arrangement and gives the Company a high degree of management stability. Mr. Cazer s severance agreement is described below under Potential Payments upon Termination or Change in Control Severance Agreements beginning on page 43.

General. In 2008, after approval by the Compensation Committee, the Company entered into amendments with the named executive officers to all of the executive agreements to be in compliance with Section 409A of the Internal Revenue Code. The amendments did not enhance the compensation or benefits of the executives.

Agreements with Former Named Executive Officers. In connection with Mr. Ritter s retirement from the Company, the Company entered into a consulting agreement with Mr. Ritter in April 2008. The Compensation Committee believes such agreement was appropriate given Mr. Ritter s long-term contributions to the achievement of the Company s business objectives and the Company s desire to retain Mr. Ritter s services following his retirement due to his expertise and knowledge of the Company. The agreement permitted either party to terminate the arrangement unilaterally and Mr. Ritter exercised his termination right prior to the commencement of any services. Accordingly, the Company did not pay any amount to Mr. Ritter under this agreement.

In connection with Mr. Hartough s retirement from the Company, the Company entered into a retirement and consulting agreement with Mr. Hartough that is described under Potential Payments upon Termination or Change in Control Former Named Executive Officers. The Compensation Committee believes such agreement was appropriate given Mr. Hartough s long-term contributions to the achievement of the Company s business objectives and the Company s desire to retain Mr. Hartough s services following his retirement due to his expertise and knowledge of the Company.

In accordance with a termination agreement that is described under Potential Payments upon Termination or Change in Control Former Named Executive Officers, Mr. Reed resigned from the Company on September 15, 2008 and continued as Special Legal Counsel until his retirement at the end of 2008. The Compensation Committee believes the termination agreement was appropriate to clarify the terms under which Mr. Reed would resign as Vice President, General Counsel and Secretary and then remain in the Company s employ as Special Legal Counsel, given the desire to retain his services until the end of the year in order to assist with the completion of the BHS spin-off and ensure a smooth transition to a new General Counsel.

Policies

Options General. The Company has not engaged in backdating options. The Company does not have any program or plan to time option grants in coordination with the release of material non-public information and has never had a practice of doing so. In addition, the Company has never timed and does not plan to time the release of material non-public information for the purpose of affecting the value of executive compensation. The accounting for all options is compliant with accounting principles generally accepted in the United States and is disclosed in the Company s annual and quarterly financial reports filed with the SEC.

Taxes. Internal Revenue Code Section 162(m) disallows a tax deduction to any publicly held corporation for paid remuneration exceeding $1 million in any taxable year for chief executive officers and certain other executive officers, except for performance-based remuneration. Historically, through the design and implementation of the Company s compensation programs, the Company has sought, and continues to seek, the availability of tax deductibility. This policy, however, is subject to the reservation by the Company of the flexibility to award non-deductible compensation in circumstances wherein the Company believes, in its good faith business judgment, that such an award is in its best interest in attracting or retaining ca