Starbucks FY13 Bean Stock
Celebrating 23 years of partners sharing in the financial success of the company

Questions & Answers (Q & A) for U.S. Partners

What is Bean Stock?
Created in 1991, Bean Stock is an opportunity for partners to share in the financial success of the company through shares of Starbucks stock. It’s a thank you for all that you do to create an exceptional Starbucks Experience in our stores and in the communities we serve.

Who is eligible?
There is no need to enroll – you are eligible if you were employed by Starbucks as of May 1, 2013, worked at least 360 hours during the fiscal year and are in a position up to, but not including the director level.

What are Bean Stock RSUs?
Bean Stock is granted in the form of restricted stock units, or RSUs, which give you the right to receive a specified number of shares of Starbucks stock upon satisfaction of the vesting period. When your RSUs vest, you receive shares of Starbucks stock (less taxes if applicable).

How does vesting work?
Vesting is basically a waiting period during which you must remain employed by Starbucks without any breaks in service. As your Bean Stock RSUs vest, the units become shares of Starbucks stock that you can then sell or continue to hold in your Fidelity account.

Beginning with the November 2013 grant, Bean Stock RSUs vest over a two-year period. Half of the grant vests on the first anniversary of the grant and half vests on the second anniversary. This change in vesting does not impact any previous Bean Stock grants.

How are taxes determined?
When RSUs vest, depending on where you work and/or live, you may be required to pay taxes on the market value of vested shares. Starbucks will satisfy any tax-withholding obligations, if applicable, by reducing the number of vested shares equal to the amount of tax you owe. This is referred to as “netting of shares”. The remaining shares will be deposited in your Fidelity account shortly after the vest date.

How many Bean Stock RSUs will I receive?
The number of Bean Stock RSUs you may receive vary year-to-year based on your job (retail) or annualized salary (nonretail) on the last day of the fiscal year and the fair market value of Starbucks stock on the grant date. The number of RSUs granted is calculated by taking the economic value and dividing it by the closing price of Starbucks stock on the grant date.

Why do I need to activate my account and accept my grant?
Starbucks has a long history of investing in partners through Bean Stock. It is important for you to know the value of your Bean Stock and how the plan works. You must activate your account and accept your grant to receive any share or cash proceeds from your Bean Stock.
When will I learn more about my Bean Stock grant?
Log in to your Fidelity account at netbenefits.fidelity.com on December 2 or later to view your specific grant. Step-by-step instructions are available at go.fidelity.com/sbuxinstrux.

Eligible retail partners will receive a personalized Bean Stock letter in their store beginning in January 2014; eligible nonretail partners will receive Bean Stock letters in mid-December 2013.

Will the RSUs be eligible for cash dividends before they vest?
No, RSUs are not eligible to receive cash dividends. Only after vesting will the net shares you receive upon vesting be eligible to receive future dividends.

What about past Bean Stock grants?
For partners who received Bean Stock RSUs in previous years, upon vesting of RSUs, the net shares of Starbucks stock are deposited into the individual section of your Fidelity account. If you received Stock Options grants in years prior, the options are exercisable (for cash or actual shares of Starbucks stock) upon vesting. Prior grants vest on the following dates:

- November 14 – The 2011 Bean Stock RSU grant vests the second 25 percent.
- November 15 – The 2010 Bean Stock RSU grant vests the last 25 percent.
- November 16 – The 2009 Bean Stock Option grant at $22.06 vests the last 25 percent.
- November 19 – The 2012 Bean Stock RSU grant vests the first 50 percent.

Where can I go for more information?
Contact Fidelity online at netbenefits.fidelity.com. You may also speak to a Fidelity Representative at (866) 697-1048 from 2 p.m. Sunday through 9 p.m. Friday, Pacific.

Every effort has been made to communicate this benefit information clearly and in easily understandable terms. If there is any discrepancy between the information set forth above and the legal plan and trust documents, the terms of the legal plan and trust documents always govern. Starbucks must also reserve the right to amend or terminate any benefit plan referred to herein in accordance with its terms.