

## **STARBUCKS MUTUAL ARBITRATION AGREEMENT**

**Mutual Agreement to Arbitrate.** Starbucks and I agree to use binding individual arbitration to resolve any "Covered Claims" that arise between me and Starbucks, its subsidiaries and related companies, and/or any current or former employee of Starbucks or a related company (collectively, "Starbucks"). "Covered Claims" are those brought under any statute, local ordinance, or common law relating to my employment, including those concerning any element of compensation, harassment, discrimination, retaliation, recovery of bonus or relocation benefits, leaves of absence, accommodations, or termination of employment.

**Except as provided herein, I understand and agree that arbitration is the only forum for resolving Covered Claims, and that both Starbucks and I waive the right to a trial before a judge or jury in federal or state court.** The Arbitrator shall have the authority to award the same damages and other relief that would have been available in court pursuant to applicable law.

Except as provided below, Starbucks and I agree that the Arbitrator - and not a court or agency - shall have exclusive authority to resolve any dispute regarding the formation, interpretation, applicability, enforceability, or implementation of this Agreement, including any claim that all or part of this Agreement is void or voidable.

**Waiver of Class, Collective, Consolidated, or Representative Claims.** I agree that Covered Claims will be arbitrated only on an individual basis, and I waive the right to participate in or receive money or any other relief from any class, collective, consolidated, or representative proceeding. No party may bring a claim on behalf of other individuals, and any Arbitrator hearing my claim may not combine more than one individual's claim or claims into a single case, or arbitrate any form of a class, collective, consolidated, or representative proceeding.

Any question or dispute concerning the scope or validity of the above paragraph shall be decided by a court of competent jurisdiction and not the Arbitrator. Should a court determine that the above paragraph is invalid for any reason, the parties hereby waive any right to arbitration of a class, collective, consolidated, or representative action and instead agree and stipulate that such claims will be heard only by a judge.

**At Will Employment Unchanged by this Agreement.** Nothing in this Agreement changes or in any manner modifies my employment-at-will relationship with Starbucks. This Agreement shall remain in effect even after the termination of my employment with Starbucks.

**Claims Not Covered by this Agreement.** Claims excluded from this Agreement are: (a) claims for workers' compensation, unemployment, or other benefits under a plan or program that provides its own process for dispute resolution; (b) claims for which this Agreement would be invalid as a matter of law; (c) actions to enforce this Agreement, compel arbitration, or enforce or vacate an arbitrator's award under this Agreement; (d) claims asserted on my behalf by another individual if that claim was the subject of a motion to certify a class or collective action and that motion was filed before I entered into this Agreement; and (e) a claim or charge filed with a federal, state, or local administrative agency such as the Equal Employment Opportunity Commission, National Labor Relations Board, Department of Labor, Department of Fair Employment and Housing, the California Labor Commissioner, or other similar agency, though I am giving up the opportunity to recover monetary amounts from any such governmental agency related claim and instead am able to pursue a claim for monetary amounts through arbitration under this Agreement.

I understand that under the National Labor Relations Act I may be entitled to act concurredly or cooperate with others to challenge this Agreement in any forum. I understand Starbucks will not retaliate against me if I act concurredly or cooperate with others to challenge this Agreement.

**Except as otherwise indicated above, this Agreement shall be enforceable under and subject to the Federal Arbitration Act, 9 U.S.C. Sections 1 et. seq.**

**Right to Representation.** Both Starbucks and I shall have the right to be represented by an attorney in arbitration. Each side will pay its own attorneys' fees and costs, unless the Arbitrator rules otherwise consistent with applicable law.

**How to Start the Arbitration Process.** Demand for arbitration of a Covered Claim must be made in writing and delivered by hand or first-class mail to the other party within the applicable statute of limitations. Any demand for arbitration made to Starbucks shall be provided to:

**Starbucks Arbitration Coordinator**  
Starbucks Coffee Company  
2401 Utah Avenue South, S-LA 1  
Seattle, Washington 98134

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Filing fees. Starbucks will pay its own filing fees. If I initiate the arbitration, I must pay the equivalent to the current filing fee applicable in state court where I reside, up to a maximum of \$225.

Arbitration Process and Procedures. To the maximum extent permitted by law and except as noted herein, the Arbitrator selected by the parties shall administer the arbitration according to the National Rules for the Resolution of Employment Disputes (or successor rules) of the American Arbitration Association ("AAA") and Federal Rule of Civil Procedure 68 ("Offer of Judgment"). These rules can be found at [www.adr.org](http://www.adr.org) and respectively, or requested from the Company. If AAA's rules are inconsistent with this Agreement, the terms of this Agreement shall govern. These rules are modified by the terms of this Agreement, including the following:

- a. **Costs.** Starbucks will pay the Arbitrator's fees and the arbitration filing and administrative fees, less my initial payment for the applicable filing fee.
- b. **Location.** The arbitration shall take place at a mutually-convenient location in the state where I work (or most recently worked) for Starbucks.
- c. **Selecting the Arbitrator.** The parties shall confer and attempt to mutually agree on an Arbitrator. If the parties cannot agree, the parties shall contact AAA and request that AAA provide the parties a list of nine arbitrators. The parties shall confer in person or by telephone and select the Arbitrator who will hear the Covered Claim from this list. The party demanding arbitration shall strike a name first, and then the responding party, alternating strikes until only one name remains, who shall be the selected Arbitrator unless he or she is unavailable or otherwise unable to serve.
- d. **Discovery of Evidence.**
  - (i) Each party shall be entitled to 25 interrogatories in a form consistent with Rule 33 of the Federal Rules of Civil Procedure ("FRCP").
  - (ii) Each party shall be entitled to only 25 requests for production of documents in a form consistent with Rule 34 of the FRCP.
  - (iii) Each party shall be entitled a maximum of two eight-hour days of depositions of witnesses, not including experts, in a form consistent with Rule 30 of the FRCP.

Each party shall be entitled to one expert deposition, if necessary, in a form consistent with Rules 26 and 30 of the FRCP.
- e. **Arbitrator's Authority.**
  - (i) The Arbitrator's authority and jurisdiction shall be limited to determining the matter in dispute consistent with controlling law and this Agreement. Except as otherwise provided in this Agreement, the Arbitrator shall apply, and shall not deviate from, the substantive law of the state in which the claim(s) arose and/or federal law, as applicable.
  - (ii) The Arbitrator shall have the authority to issue an award or partial award on the grounds that there is no claim on which relief can be granted or that there is no genuine issue of material fact, consistent with Rules 12 and 56 of the FRCP.
  - (iii) The Arbitrator shall decide all disputes related to discovery and may allow additional discovery upon a showing of substantial need by either party or upon a showing of an inability to pursue or defend certain claims. However, consistent with the above prohibition on class, collective, and representative actions, the Arbitrator shall not have authority to order discovery related to any purported class, collective, or representative action.
  - (iv) The Arbitrator shall have the same authority to order remedies (e.g., emotional distress damages, punitive damages, equitable relief, etc.) as would a court of competent jurisdiction. The Arbitrator shall not have the authority to hear disputes not recognized by existing law and shall dismiss such claims upon motion by either party in accordance with the summary judgment standards of the applicable jurisdiction. Similarly, the Arbitrator shall not have the authority to order any remedy that a court would not be authorized to order.
  - (v) The Arbitrator's authority shall be limited to deciding the case submitted by the party bringing the arbitration. Therefore, no decision by any Arbitrator shall serve as precedent in other arbitrations, except in a dispute between Starbucks and me to preclude the same claim from being re-arbitrated.
- f. **Outcome.** No later than 30 days from the date the arbitration hearing concludes, the Arbitrator must issue an award in writing, setting forth in summary form the factual and legal basis for the Arbitrator's determination.

Savings Clause & Conformity Clause. If any provision of this Agreement is determined to be unenforceable or in conflict with a mandatory provision of applicable law, the unenforceable or conflicting provision shall be automatically severed and the remainder of this Agreement shall not be affected except it shall be construed to incorporate any mandatory provision.