

BUILD-A-BEAR WORKSHOP, INC.

Stock Ownership Guidelines

I. Purpose

The Board of Directors (the “**Board**”) of Build-A-Bear Workshop, Inc. (the “**Company**”) believes that ownership of Company stock by the Company’s Chief Executive Bear, the President and Chief Operating Bear, and the Chief Financial Bear (the “**Senior Executives**”) demonstrates a commitment to the long-term profitability of the Company. Accordingly, the Board has adopted these Stock Ownership Guidelines (“**Guidelines**”) for the Senior Executives which require the Senior Executives to acquire and maintain a minimum level of ownership in Company stock.

II. Effective Date

The effective date (the “**Effective Date**”) of these Guidelines is March 22, 2007.

III. Ownership Guidelines

Each Senior Executive is required to own shares of the Company’s common stock having a value equal to the dollar amount of the applicable multiple of such Senior Executive’s base salary, as set forth in the table below.

<u>Position</u>	<u>Multiple of Base Salary</u>
Chief Executive Bear	Two times (2X)
President and Chief Operating Bear	One time (1X)
Chief Financial Bear	One time (1X)

The Senior Executives are required to comply with these Guidelines no later than (i) three (3) years following the Effective Date, or (ii) with respect to a Senior Executive hired or promoted to such Senior Executive position following the Effective Date, three (3) years following such hire date or promotion date.

Once achieved, ownership of the guideline amount must be maintained for as long as the individual is subject to these Guidelines.

III. Compliance with these Guidelines

The Senior Executive’s salary, for purposes of determining compliance, shall be the actual salary paid to the Senior Executive at any given time, inclusive of any raises or promotions.

Shares that count toward satisfaction of these Guidelines include:

- Shares owned outright by the Senior Executive or his or her immediate family members who share the same household, whether held individually or jointly,
- Restricted stock where the restrictions have lapsed,

- Shares acquired upon stock option exercises,
- Unexercised and vested stock options,
- Shares beneficially owned in a trust; *provided, however*, that due to the complexities of trust accounts, requests to include shares held in trust must be submitted in writing to the Compensation Committee, which will review the request and make the final decision regarding inclusion of such stock for purposes of meeting these Guidelines; and
- Shares obtained through open market purchase. (Any open market transaction must be made during an open trading window and with advance notice to the General Counsel in accordance with the Company's Insider Trading Policy.)

For purposes hereof, the value of a share of the Company's common stock for all equity compensation awards shall be the actual market value.

Compliance with this policy shall be determined by the Compensation Committee no less than once per annum, including at the end of each fiscal year. Any instances of non-compliance will be reviewed by the Compensation Committee for appropriate action.

IV. Hardship

There may be instances where these Guidelines would place a severe hardship on a Senior Executive, although it is expected that these instances will be rare. In these instances, the Senior Executive must submit a request in writing to the Compensation Committee that summarizes the circumstances and describes the extent to which an exemption from these Guidelines is being requested. The Compensation Committee will make the final decision as to developing an alternative stock ownership guideline for a Senior Executive that reflects the intention of these Guidelines and his or her personal circumstances.

V. Administration

These Guidelines are administered and interpreted by the Compensation Committee.

VI. Amendments

These Guidelines may be amended from time to time by the Board.