

**COINSTAR, INC.**  
**COMPENSATION COMMITTEE CHARTER**

(Dated: April 3, 2008)

**1. Purpose**

The Committee's purpose is to ensure that the compensation practices of Coinstar, Inc. (the "Company") further the shared interests of stockholders and management to attract, hire, retain and motivate the people needed to achieve the Company's performance goals. The Committee shall:

- (a) define and oversee the executive compensation programs,
- (b) review, approve and administer equity-based compensation and benefit plans,
- (c) periodically review other employee compensation and benefit programs, and
- (d) define and oversee the director compensation program.

The Committee shall maintain frequent and open communication between the Board of Directors of the Company (the "Board"), independent consultants, internal human resources professionals and the Chief Executive Officer.

**2. Organization**

The Committee shall consist of three or more directors, as determined by the Board, each of whom shall (a) meet the independence requirements established by the Board and applicable laws, regulations and listing requirements, (b) be a "non-employee director" within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, and (c) be an "outside director" within the meaning of Section 162(m) of the Internal Revenue Code. The Board shall appoint the members of the Committee and the chairperson. The Board may remove any member from the Committee at any time with or without cause.

**3. Philosophy**

The Committee will, at all times, use its collective best judgment to make decisions in the long-term interest of stockholders. In that spirit, the Committee intends that compensation at the Company will be competitive with salaries for comparable positions in the marketplace. Competitiveness will be evaluated in terms of total compensation, including base salary, short-term incentive pay, long-term incentive pay and benefits. The Committee intends to work with management to ensure there is a clear relationship between compensation levels and organizational performance.

#### **4. Responsibilities**

The Committee will have the following duties and responsibilities, in addition to any duties and responsibilities assigned to the Committee from time to time by the Board:

(a) Define and oversee the executive compensation programs, including but not limited to:

(1) Define an executive compensation program that supports the Company's strategic plan, attracts and retains key executives, and links total compensation to organizational performance.

(2) Review and approve corporate goals and objectives relevant to the Chief Executive Officer's compensation, evaluate the Chief Executive Officer's performance in light of those goals and objectives, and set the Chief Executive Officer's compensation based on this evaluation. In determining the long-term incentive component of Chief Executive Officer compensation, the Committee shall consider the Company's performance and relative stockholder return, the value of similar incentive awards to Chief Executive Officers at comparable companies, and the awards given to the Chief Executive Officer in past years.

(3) Annually review the Chief Executive Officer's recommendations and approve the compensation for the Company's other executive officers.

(4) Review (i) target goals established for the short-term incentive program for all members of the senior management team and (ii) payouts at the end of the year against the pre-established target goals.

(5) Review and approve employment arrangements and termination packages for executive officers.

(b) Review, approve and administer equity-based compensation and benefits plans, including but not limited to:

**(1) Equity Awards**

- Review and approve all equity awards granted to employees, including executive officers.
- Recommend changes or amendments to the Company's equity plans to insure compliance with all accounting, tax, securities law and regulatory requirements.
- Recommend to the Board and stockholders when to increase the number of shares available for grant under the Company's equity plans.

## **(2) Employee Stock Purchase Plan**

- Periodically review any Company employee stock purchase plan.
- Recommend changes or amendments to any Company employee stock purchase plan to insure compliance with all accounting, tax, securities law and regulatory requirements.
- Recommend to the Board and stockholders when to increase the number of shares available for purchase by employees under any Company employee stock purchase plan.

(c) Periodically review other employee compensation and benefit programs with the goal of ensuring these programs support the Company's strategic plan and comply with all applicable laws.

(d) Define and oversee the director compensation program. Periodically review the compensation paid to non-employee directors and approve any adjustments. No member of the Committee will act to fix his or her own compensation, except for uniform compensation to directors for their service as a director.

(e) Regularly review and make recommendations about changes to this charter.

(f) Obtain or perform an annual evaluation of the Committee's performance and make applicable recommendations.

(g) Make relevant inquiries and take necessary actions to fulfill the undertakings set forth in this charter.

(h) Perform any other activities consistent with this charter, the Company's Bylaws and the laws of the state of Delaware as the Committee or the Board deem appropriate.

## **5. Public Disclosure**

The Committee will review the Compensation Discussion & Analysis and execute the Compensation Committee Report for the Company's annual proxy statement in compliance with and to the extent required by applicable Securities and Exchange Commission rules and regulations and/or relevant listing authority.

## **6. Outside Consultants and Other Experts**

The Committee may engage professional consultants to assist it in meeting its responsibilities. It will from time-to-time work with the Company's human resources professionals and with outside consultants to conduct market surveys to assess and compare executive compensation levels and pay practices in similar companies. The Committee has

sole authority to retain outside counsel, compensation consultants, or other experts or consultants, as it deems appropriate, including sole authority to terminate and approve the fees and other retention terms for such persons. Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company and the Committee will take all necessary steps to preserve the privileged nature of those communications.

## **7. Delegation**

To the extent permitted by applicable law, regulations and listing requirements, the Committee may form and delegate authority to subcommittees and may delegate authority to one or more designated members of the Committee or of the Board or to Company officers to perform certain of its duties on its behalf.

## **8. Meetings**

The Committee will establish an annual calendar of meetings to meet its on-going responsibilities. It shall otherwise meet at the call of its chairperson or at the direction of the Board.