

DOLLAR GENERAL CORP

FORM 8-K (Current report filing)

Filed 03/19/15 for the Period Ending 03/17/15

Address	100 MISSION RIDGE GOODLETTSVILLE, TN, 37072
Telephone	6158554000
CIK	0000029534
Symbol	DG
SIC Code	5331 - Retail-Variety Stores
Industry	Discount Stores
Sector	Consumer Cyclical
Fiscal Year	02/02

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 17, 2015

Dollar General Corporation

(Exact name of registrant as specified in its charter)

Tennessee

(State or other jurisdiction
of incorporation)

001-11421

(Commission File Number)

61-0502302

(I.R.S. Employer
Identification No.)

100 Mission Ridge
Goodlettsville, Tennessee

(Address of principal executive offices)

37072

(Zip Code)

Registrant's telephone number, including area code: (615) 855-4000

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**ITEM 5.02 DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS;
ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS;
COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS.**

As previously reported by Dollar General Corporation (the “Company”) in a Current Report on Form 8-K filed with the Securities and Exchange Commission on March 13, 2015, the Company entered into an Employment Transition Agreement with Richard W. Dreiling, Chairman and Chief Executive Officer of the Company, effective March 10, 2015 (the “Employment Transition Agreement”), which contemplated among other things an award of restricted stock units (the “Transition RSU Award”) to Mr. Dreiling in lieu of his receiving an annual equity award in 2015 under the Company’s long-term incentive program.

On March 17, 2015, the Compensation Committee of the Company’s Board of Directors granted the Transition RSU Award pursuant to the terms and conditions set forth in a Restricted Stock Unit Award Agreement (the “RSU Agreement”). The RSU Agreement is attached as Exhibit 99 and is incorporated herein by reference and summarized below.

The Transition RSU Award is a time-based award of 57,670 restricted stock units scheduled to vest in full as of Mr. Dreiling’s voluntary termination of employment on or after January 29, 2016, subject to accelerated vesting in the event of his termination of employment by the Company without cause or by Mr. Dreiling for good reason or in the event of death or disability or a change in control.

Once vested, the Transition RSU Award is scheduled to be paid as to fifty percent of the award on each of the first two anniversaries of the grant date, subject to accelerated payment in the event of death or disability or a change in control prior to a payment date. The terms “cause,” “good reason,” “disability,” and “change in control” are defined in the RSU Agreement. The Transition RSU Award will be payable in an equal number of shares of Company common stock, subject to reduction, cancellation, forfeiture or recoupment, in whole or in part, upon various events specified in the RSU Agreement, including but not limited to the breach of any of the business protection provisions set forth in Sections 10-15 and Section 17 of the Employment Transition Agreement.

The foregoing description of the Transition RSU Award and the RSU Agreement is a summary only and is qualified in its entirety by reference to Exhibit 99.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

- (a) Financial statements of businesses acquired. N/A
 - (b) Pro forma financial information. N/A
 - (c) Shell company transactions. N/A
 - (d) Exhibits. See Exhibit Index immediately following the signature page hereto.
-

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: March 18, 2015

DOLLAR GENERAL CORPORATION

By: /s/ Rhonda M. Taylor
Rhonda M. Taylor
Executive Vice President and General Counsel

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99	Restricted Stock Unit Award Agreement, dated March 17, 2015, by and between Richard W. Dreiling and Dollar General Corporation.

DOLLAR GENERAL CORPORATION
RESTRICTED STOCK UNIT AWARD AGREEMENT

THIS AGREEMENT (this “Agreement”), dated as of the date indicated on **Schedule A** hereto (the “Grant Date”), is made between Dollar General Corporation, a Tennessee corporation (hereinafter, together with all Service Recipients unless the context indicates otherwise, called the “Company”), and the individual whose name is set forth on the signature page hereof, who is an employee of the Company (hereinafter referred to as the “Grantee”). Capitalized terms not otherwise defined herein shall have the same meanings as in the Amended and Restated 2007 Stock Incentive Plan for Key Employees of Dollar General Corporation and its Affiliates, as amended from time to time (the “Plan”), the terms of which are hereby incorporated by reference and made a part of this Agreement.

WHEREAS, the Company desires to grant the Grantee a restricted stock unit award as provided for hereunder, ultimately payable in shares of Common Stock of the Company, par value \$0.875 per Share (the “Restricted Stock Unit Award”), pursuant to the terms and conditions of this Agreement and the Plan; and

WHEREAS, the Compensation Committee (or a duly authorized subcommittee thereof) of the Company’s Board appointed to administer the Plan (the “Committee”) has determined that it would be to the advantage and in the best interest of the Company and its shareholders to grant the Restricted Stock Unit Award provided for herein to the Grantee, and has advised the Company thereof and instructed the undersigned officer to issue said Restricted Stock Unit Award; and

WHEREAS, certain provisions of this Agreement reference that certain Employment Transition Agreement, dated as of March 10, 2015, by and between the Company and the Grantee (the “Employment Transition Agreement”);

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows:

1. **Grant of the Restricted Stock Units**. Subject to the terms and conditions of the Plan and the additional terms and conditions set forth in this Agreement, the Company hereby grants to the Grantee the number of Restricted Stock Units set forth on **Schedule A** hereto. A “Restricted Stock Unit” represents the right to receive one Share of Common Stock upon satisfaction of the vesting and other conditions set forth in this Agreement. The Restricted Stock Units shall vest and become nonforfeitable in accordance with Section 2 hereof and shall be payable in accordance with Section 3 hereof.

2. **Vesting**.

(a) **Vesting Date and Forfeiture**. Subject to all other provisions of this Agreement, including but not limited to, the provisions of Section 15 hereof, the Restricted Stock Units shall become one hundred percent (100%) vested and nonforfeitable upon the Grantee's Retirement (as defined below). Prior to the Grantee's Retirement, the Restricted Stock Units shall become one hundred percent (100%) vested and nonforfeitable upon the first to occur of the following: (i) the Grantee terminates his employment with the Company with Good Reason (as defined below) or the Company terminates Grantee’s employment with the Company without Cause (as defined below);

(ii) the Grantee's death or Disability (as defined below) while employed; or (iii) a Change in Control while employed. If the Grantee remains employed until the day before a Payment Date (as defined in Section 3(a) hereof), then the Restricted Stock Units to be paid on such Payment Date shall become vested and nonforfeitable immediately prior to such Payment Date. Payment of any vested and nonforfeitable Restricted Stock Units shall be made at the times and in the form set forth in Section 3 (a) hereof. If the Grantee's employment with the Company terminates prior to a Payment Date and the above vesting provisions do not apply or have not applied, then any unvested Restricted Stock Units at the date of such termination of employment shall be automatically forfeited to the Company.

(b) Transfer and Reemployment. For purposes of this Agreement, transfer of employment among the Company and another Service Recipient shall not be considered a termination or interruption of employment. Upon reemployment following a termination of employment for any reason, the Grantee shall have no rights to any Restricted Stock Units previously forfeited and cancelled under this Agreement.

(c) Good Reason. For the purposes of this Agreement, Good Reason shall have the meaning set forth in the Employment Transition Agreement.

(d) Retirement. For purposes of this Agreement, Retirement shall mean the voluntary termination of Grantee's employment with the Company on or after January 29, 2016.

(e) Disability or Disabled. For the purposes of this Agreement, Disability or Disabled shall have the meaning set forth in Treas. Reg. Section 1.409A-3(i)(4). The Grantee will be deemed disabled if the Grantee is determined to be disabled under the Company's long term disability plan, provided that the definition of "disability" applied under such plan complies with the requirements of Treas. Reg. Section 1.409A-3(i)(4).

(f) Cause. For the purposes of this Agreement, Cause shall have the meaning set forth in the Employment Transition Agreement.

(g) Change in Control. For purposes of this Agreement, a Change in Control (as defined in the Plan) will be deemed to have occurred with respect to the Grantee only if an event relating to the Change in Control constitutes a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company within the meaning of Treas. Reg. Section 1.409A-3(i)(5).

3. Payment of Common Stock.

(a) Payment and Delivery. Shares of Common Stock corresponding to the number of Restricted Stock Units that become vested and nonforfeitable in accordance with Section 2 hereof ("RSU Shares") shall be paid to the Grantee, or, if deceased, the Grantee's estate, at the times set forth below either through delivery of a share certificate or by providing evidence of electronic delivery, and such RSU Shares shall be registered at the time of payment in the name of the Grantee or, if deceased, the Grantee's estate. The RSU Shares shall be paid in two equal installments on the first two anniversaries of the Grant Date, as set forth on Schedule A hereto (each such date, a "Payment Date") unless the Grantee dies, becomes Disabled or there is a Change in Control as provided below prior to a Payment Date. To the extent the division of the RSU Shares into equal installments results in fractional shares, the fractional shares shall be combined and paid on the first Payment Date. In the event the Grantee dies, becomes Disabled or there is a Change in Control prior

to a Payment Date, the RSU Shares shall be paid as follows (based on the first to occur of death, Disability or Change in Control but only if such accelerated payment timing results in payment before the applicable Payment Date): (i) within ninety (90) days following the date of the Grantee's death or Disability; or (ii) upon a Change in Control.

(b) Authorized Shares. The RSU Shares may be either previously authorized but unissued Shares or issued Shares, which have then been reacquired by the Company. Such Shares shall be fully paid and nonassessable.

4. No Dividend Equivalents. The Grantee shall have no right to dividend equivalents or dividends on the Restricted Stock Units.

5. Transferability. Neither the Restricted Stock Units prior to being paid pursuant to Section 3 hereof nor any interest or right therein or part thereof shall be liable for the debts, contracts or engagements of the Grantee or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect; provided, however, that this Section 5 shall not prevent transfers by will or by the applicable laws of descent and distribution.

6. No Guarantee of Employment. Nothing in this Agreement or in the Plan shall confer upon the Grantee any right to continue in the employ of the Company or shall interfere with or restrict in any way the rights of the Company, which are hereby expressly reserved, to terminate the employment of the Grantee at any time for any reason whatsoever, with or without Cause, subject to the applicable provisions of, if any, the Employment Transition Agreement.

7. Change in Capitalization; Change in Control. If any event described in Section 8 or 9 of the Plan occurs, this Agreement and the Restricted Stock Units shall be adjusted to the extent required or permitted, as applicable, pursuant to Sections 8 and 9 of the Plan.

8. Mandatory Tax Withholding. Unless otherwise determined by the Committee, at the time of payment (or vesting, if required by applicable law and in compliance with Section 409A of the Code) of the RSU Shares, the Company shall withhold from any RSU Shares deliverable in payment of the Restricted Stock Units the number of RSU Shares having a value equal to the minimum amount of income and employment taxes required to be withheld under applicable laws and regulations, and pay the amount of such withholding taxes in cash to the appropriate taxing authorities. At the time of payment of the RSU Shares under Section 3(a) hereof (but not if withholding is triggered at the time of vesting of the RSU Shares), any fractional shares resulting from the payment of the withholding amounts shall be liquidated and paid in cash to the U.S. Treasury as additional federal income tax withholding for the Grantee. Grantee shall be responsible for any withholding taxes not satisfied by means of such mandatory withholding and for all taxes in excess of such withholding taxes that may be due upon vesting or payment of the Restricted Stock Units.

9. Limitation on Obligations. This Restricted Stock Unit Award shall not be secured by any specific assets of the Company, nor shall any assets of the Company be designated as attributable or allocated to the satisfaction of the Company's obligations under this Agreement. The Grantee shall have the rights of an unsecured creditor. In addition, the Company shall not be liable

to the Grantee for damages relating to any delays in issuing the share certificates or electronic delivery thereof to him (or his designated entities), any loss of the certificates, or any mistakes or errors in the issuance or registration of the certificates or in the certificates themselves.

10. **Securities Laws**. The Company may require the Grantee to make or enter into such written representations, warranties and agreements as the Committee may reasonably request in order to comply with applicable securities laws. The Restricted Stock Units and RSU Shares shall be subject to all applicable laws, rules and regulations and to such approvals of any governmental agencies as may be required.

11. **Notices**. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of its Secretary or his or her designee, and any notice to be given to the Grantee shall be addressed to him at the address given beneath his signature hereto. By a notice given pursuant to this Section 11, either party may hereafter designate a different address for notices to be given to him. Any notice that is required to be given to the Grantee shall, if the Grantee is then deceased, be given to the Grantee's personal representative if such representative has previously informed the Company of his status and address by written notice under this Section 11. Any notice shall have been deemed duly given when delivered by hand or courier or when enclosed in a properly sealed envelope or wrapper addressed as aforesaid, deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

12. **Governing Law**. The laws of the State of Delaware shall govern the interpretation, validity and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

13. **Section 409A of the Code**. The provisions of Section 10(c) of the Plan are hereby incorporated by reference. Notwithstanding the foregoing, the Company shall not be liable to the Grantee in the event this Agreement fails to be exempt from, or comply with, Section 409A of the Code.

14. **Arbitration**. In the event of any controversy among the parties hereto arising out of, or relating to, this Agreement which cannot be settled amicably by the parties, such controversy shall be finally, exclusively and conclusively settled by mandatory arbitration conducted expeditiously in accordance with the American Arbitration Association rules, by a single independent arbitrator. Such arbitration process shall take place within the Nashville, Tennessee metropolitan area. The decision of the arbitrator shall be final and binding upon all parties hereto and shall be rendered pursuant to a written decision, which contains a detailed recital of the arbitrator's reasoning. Judgment upon the award rendered may be entered in any court having jurisdiction thereof. Each party shall bear its own legal fees and expenses, unless otherwise determined by the arbitrator.

15. **Clawback**. As a condition of receiving the Restricted Stock Units, the Grantee acknowledges and agrees that the Grantee's rights, payments, and benefits with respect to the Restricted Stock Units shall be subject to reduction, cancellation, forfeiture or recoupment, in whole or in part, (a) upon the occurrence of certain specified events, as may be required by any rule or regulation of the Securities and Exchange Commission or by any applicable national securities exchange, or by any other applicable law, rule or regulation; or (b) upon the breach of any provision set forth in Sections 10-15 and Section 17 of the Employment Transition Agreement . The

Committee in its sole discretion shall make determinations, which shall be final and binding on the Grantee and all interested parties, with respect to whether an event has occurred under this Section 15 and the extent to which Grantee's rights, payments and benefits with respect to the Restricted Stock Units shall be subject to reduction, cancellation, forfeiture or recoupment, in whole or in part, hereunder.

16. **Applicability of Plan**. The Restricted Stock Units and the RSU Shares issued to the Grantee upon payment of the Restricted Stock Units shall be subject to all terms and provisions of the Plan to the extent applicable to restricted stock units and Shares. In the event of any conflict between this Agreement and the Plan or between the Employment Transition Agreement and the Plan, the terms of the Plan shall control. In the event of any conflict between this Agreement and the Employment Transition Agreement, this Agreement shall control.

17. **Amendment and Termination**. This Agreement may be modified in any manner consistent with Section 10 of the Plan.

18. **Administration**. The Committee shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules. All actions taken and all interpretations and determinations made by the Committee shall be final and binding upon the Grantee, the Company and all other interested persons. No member of the Committee shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or the Restricted Stock Unit Award. In its absolute discretion, the Board may at any time and from time to time exercise any and all rights and duties of the Committee under the Plan and this Agreement.

19. **Rights as Shareholder**. The holder of a Restricted Stock Unit Award shall not be, nor have any of the rights or privileges of, a shareholder of the Company in respect of any RSU Shares issuable upon the payment of a vested Restricted Stock Unit unless and until a certificate or certificates representing such RSU Shares shall have been issued by the Company to such holder or, if the Common Stock is listed on a national securities exchange, a book entry representing such RSU Shares has been made by the registrar of the Company.

20. **Signature in Counterparts**. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

[Signatures on next page .]

IN WITNESS WHEREOF, this Agreement has been executed and delivered by the parties hereto.

DOLLAR GENERAL CORPORATION

By: /s/ Bob Ravener

Name: Bob Ravener

Title: EVP, Chief People Officer

GRANTEE

By: /s/ Richard W. Dreiling

Name: Richard W. Dreiling

Employee ID:

HOME ADDRESS:

Schedule A to Restricted Stock Unit Award Agreement

Grant Date : March 17, 2015

Number of Restricted Stock Units Awarded : 57,670

<u>Payment Dates :</u>	<u>Percentage of Restricted Stock Units Payable</u>	<u>Date of Payment</u>
	50	March 17, 2016
	50	March 17, 2017