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

FORM 10-Q

QUARTERLY REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended October 31, 2014

Commission File Number: 001-11421

DOLLAR GENERAL CORPORATION
(Exact name of Registrant as specified in its charter)

TENNESSEE	**61-0502302**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

100 MISSION RIDGE
GOODLETTSVILLE, TN 37072
(Address of principal executive offices, zip code)

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

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files). Yes [X] No [ ]

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [X]	Accelerated filer [ ]
Non-accelerated filer [ ]	Smaller reporting company [ ]

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [X]

The registrant had 303,425,920 shares of common stock outstanding on November 28, 2014.

PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

DOLLAR GENERAL CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)

	October 31, 2014 (Unaudited)	January 31, 2014 (see Note 1)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 216,155	$ 505,566
Merchandise inventories	2,788,996	2,552,993
Prepaid expenses and other current assets	173,981	147,048
Total current assets	3,179,132	3,205,607
Net property and equipment	2,120,572	2,080,305
Goodwill	4,338,589	4,338,589
Other intangible assets, net	1,202,651	1,207,645
Other assets, net	36,428	35,378
Total assets	$ 10,877,372	$ 10,867,524
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term obligations	$ 101,041	$ 75,966
Accounts payable	1,394,873	1,286,484
Accrued expenses and other	442,859	368,578
Income taxes payable	33,215	59,148
Deferred income taxes	38,858	21,795
Total current liabilities	2,010,846	1,811,971
Long-term obligations	2,666,022	2,742,788
Deferred income taxes	569,055	614,026
Other liabilities	287,812	296,546
Commitments and contingencies		
Shareholders' equity:		
Preferred stock	-	-
Common stock	265,495	277,424
Additional paid-in capital	3,038,621	3,009,226
Retained earnings	2,047,674	2,125,453
Accumulated other comprehensive loss	(8,153)	(9,910)
Total shareholders' equity	5,343,637	5,402,193
Total liabilities and shareholders' equity	$ 10,877,372	$ 10,867,524

See notes to condensed consolidated financial statements.

DOLLAR GENERAL CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(In thousands, except per share amounts)

	For the 13 weeks ended		For the 39 weeks ended	
	October 31, 2014	November 1, 2013	October 31, 2014	November 1, 2013
Net sales	$ 4,724,409	$ 4,381,838	$ 13,970,529	$ 13,010,222
Cost of goods sold	3,300,661	3,053,345	9,733,461	9,009,291
Gross profit	1,423,748	1,328,493	4,237,068	4,000,931
Selling, general and administrative expenses	1,029,605	938,252	3,034,691	2,802,868
Operating profit	394,143	390,241	1,202,377	1,198,063
Interest expense	21,835	21,524	66,700	66,671
Other (income) expense	-	-	-	18,871
Income before income taxes	372,308	368,717	1,135,677	1,112,521
Income tax expense	135,992	131,332	425,703	409,578
Net income	$ 236,316	$ 237,385	$ 709,974	$ 702,943
Earnings per share:				
Basic	$ 0.78	$ 0.74	$ 2.33	$ 2.17
Diluted	$ 0.78	$ 0.74	$ 2.32	$ 2.16
Weighted average shares outstanding:				
Basic	303,080	321,711	305,142	324,485
Diluted	304,108	322,543	306,097	325,438

See notes to condensed consolidated financial statements.

DOLLAR GENERAL CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)
(In thousands)

	For the 13 weeks ended		For the 39 weeks ended	
	October 31, 2014	November 1, 2013	October 31, 2014	November 1, 2013
Net income	$ 236,316	$ 237,385	$ 709,974	$ 702,943
Unrealized net gain (loss) on hedged transactions, net of related income tax expense (benefit) of $428, $100, $1,146, and $(4,735), respectively	655	166	1,757	(7,393)
Comprehensive income	$ 236,971	$ 237,551	$ 711,731	$ 695,550

See notes to condensed consolidated financial statements.

DOLLAR GENERAL CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

	For the 39 weeks ended	
	October 31, 2014	November 1, 2013
Cash flows from operating activities:		
Net income	$ 709,974	$ 702,943
Adjustments to reconcile net income to net cash from operating activities:		
Depreciation and amortization	255,759	247,672
Deferred income taxes	(35,944)	6,483
Tax benefit of share-based awards	(11,659)	(28,163)
Loss on debt retirement, net	-	18,871
Noncash share-based compensation	27,698	16,372
Other noncash gains and losses	7,574	(3,552)
Change in operating assets and liabilities:		
Merchandise inventories	(239,302)	(187,490)
Prepaid expenses and other current assets	(29,479)	5,269
Accounts payable	100,510	(3,106)
Accrued expenses and other liabilities	71,035	63,547
Income taxes	(14,274)	(76,371)
Other	(1,345)	(1,900)
Net cash provided by (used in) operating activities	840,547	760,575
Cash flows from investing activities:		
Purchases of property and equipment	(288,537)	(443,978)
Proceeds from sales of property and equipment	1,588	950
Net cash provided by (used in) investing activities	(286,949)	(443,028)
Cash flows from financing activities:		
Issuance of long-term obligations	-	2,297,177
Repayments of long-term obligations	(51,914)	(2,119,760)
Borrowings under revolving credit facilities	1,023,000	1,170,900
Repayments of borrowings under revolving credit facilities	(1,023,000)	(1,195,800)
Debt issuance costs	-	(15,996)
Payments for cash flow hedge related to debt issuance	-	(13,217)
Repurchases of common stock	(800,095)	(419,974)
Other equity transactions, net of employee taxes paid	(2,659)	(24,132)
Tax benefit of share-based awards	11,659	28,163
Net cash provided by (used in) financing activities	(843,009)	(292,639)
Net increase (decrease) in cash and cash equivalents	(289,411)	24,908
Cash and cash equivalents, beginning of period	505,566	140,809
Cash and cash equivalents, end of period	$ 216,155	$ 165,717
Supplemental schedule of non-cash investing and financing activities:		
Purchases of property and equipment awaiting processing for payment, included in Accounts payable	$ 34,961	$ 32,040

See notes to condensed consolidated financial statements.

DOLLAR GENERAL CORPORATION AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
(Unaudited)

1. Basis of presentation

The accompanying unaudited condensed consolidated financial statements of Dollar General Corporation and its subsidiaries (the "Company") have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial information and are presented in accordance with the requirements of Form 10-Q and Rule 10-01 of Regulation S-X. Such financial statements consequently do not include all of the disclosures normally required by U.S. GAAP or those normally made in the Company's Annual Report on Form 10-K, including the condensed consolidated balance sheet as of January 31, 2014 which has been derived from the audited consolidated financial statements at that date. Accordingly, readers of this Quarterly Report on Form 10-Q should refer to the Company's Annual Report on Form 10-K for the fiscal year ended January 31, 2014 for additional information.

The Company's fiscal year ends on the Friday closest to January 31. Unless the context requires otherwise, references to years contained herein pertain to the Company's fiscal year. The Company's 2014 fiscal year will be a 52-week accounting period ending on January 30, 2015, and the 2013 fiscal year was a 52-week accounting period that ended on January 31, 2014.

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the Company's customary accounting practices. In management's opinion, all adjustments (which are of a normal recurring nature) necessary for a fair presentation of the consolidated financial position as of October 31, 2014 and results of operations for the 13-week and 39-week accounting periods ended October 31, 2014 and November 1, 2013 have been made.

The preparation of financial statements and related disclosures in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

The Company uses the last-in, first-out (LIFO) method of valuing inventory. An actual valuation of inventory under the LIFO method is made at the end of each year based on the inventory levels and costs at that time. Accordingly, interim LIFO calculations are based on management's estimates of expected year-end inventory levels, sales for the year and the expected rate of inflation or deflation for the year. The interim LIFO calculations are subject to adjustment in the final year-end LIFO inventory valuation. The Company recorded a LIFO provision (benefit) of $2.2 million and $(3.7) million in the respective 13-week periods, and $3.1 million and $(6.6) million in the respective 39-week periods, ended October 31, 2014 and November 1, 2013. In addition, ongoing estimates of inventory shrinkage and initial markups and markdowns are included in the interim cost of goods sold calculation. Because the

Company's business is moderately seasonal, the results for interim periods are not necessarily indicative of the results to be expected for the entire year.

In July 2013, the Financial Accounting Standards Board issued an accounting standards update which relates to the presentation of an unrecognized tax benefit when a net operating loss carryforward, a similar tax loss, or a tax credit carryforward exists. The Company's adoption of this guidance in the first quarter of 2014 did not have a material effect on the Company's condensed consolidated financial statements.

In May 2014, the Financial Accounting Standards Board issued comprehensive new accounting standards related to the recognition of revenue. This guidance is effective for annual reporting periods beginning after December 15, 2016, and early adoption is not permitted. The new guidance allows for companies to use either a full retrospective or a modified retrospective approach in the adoption of this guidance, and the Company is evaluating these transition approaches. The Company will adopt this guidance in the first quarter of 2017 and is currently in the process of evaluating the effect of adoption on its consolidated financial statements.

Certain financial statement amounts relating to prior periods may have been reclassified to conform to the current period presentation where applicable.

2. Earnings per share

Earnings per share is computed as follows (in thousands, except per share data):

	13 Weeks Ended October 31, 2014			13 Weeks Ended November 1, 2013		
	Net Income	Shares	Per Share Amount	Net Income	Shares	Per Share Amount
Basic earnings per share	$ 236,316	303,080	$ 0.78	$ 237,385	321,711	$ 0.74
Effect of dilutive share-based awards		1,028			832	
Diluted earnings per share	$ 236,316	304,108	$ 0.78	$ 237,385	322,543	$ 0.74

	39 Weeks Ended October 31, 2014			39 Weeks Ended November 1, 2013		
	Net Income	Shares	Per Share Amount	Net Income	Shares	Per Share Amount
Basic earnings per share	$ 709,974	305,142	$ 2.33	$ 702,943	324,485	$ 2.17
Effect of dilutive share-based awards		955			953	
Diluted earnings per share	$ 709,974	306,097	$ 2.32	$ 702,943	325,438	$ 2.16

Basic earnings per share is computed by dividing net income by the weighted average number of shares of common stock outstanding during the period. Diluted earnings per share is determined based on the dilutive effect of share-based awards using the treasury stock method.

Share-based awards that were outstanding at the end of the respective periods, but were not included in the computation of diluted earnings per share because the effect of exercising such awards would be antidilutive, were 1.0 million and 1.1 million in the 2014 and 2013 13-week periods, respectively.

3. Income taxes

Under the accounting standards for income taxes, the asset and liability method is used for computing the future income tax consequences of events that have been recognized in the Company's consolidated financial statements or income tax returns.

Income tax reserves are determined using the methodology established by accounting standards for income taxes which require companies to assess each income tax position taken using the following two-step approach. A determination is first made as to whether it is more likely than not that the position will be sustained, based upon the technical merits, upon examination by the taxing authorities. If the tax position is expected to meet the more likely than not criteria, the benefit recorded for the tax position equals the largest amount that is greater than 50% likely to be realized upon ultimate settlement of the respective tax position.

The Internal Revenue Service ("IRS") has previously examined the Company's 2009 and earlier federal income tax returns. As a result, the 2009 and earlier tax years are not open for further examination by the IRS. Due to the filing of an amended federal income tax return for the 2010 tax year, the IRS may, to a limited extent, examine the Company's 2010 income tax filings. The IRS, at its discretion, may also choose to examine the Company's 2011 through 2013 fiscal year income tax filings. The Company has various state income tax examinations that are currently in progress. Generally, the Company's 2010 and later tax years remain open for examination by the various state taxing authorities.

As of October 31, 2014, the total reserves for uncertain tax benefits, interest expense related to income taxes and potential income tax penalties were $9.4 million, $0.8 million and $0.4 million, respectively, for a total of $10.6 million. Of this amount, $0.2 million and $10.4 million are reflected in current liabilities as Accrued expenses and other and in noncurrent Other liabilities, respectively, in the condensed consolidated balance sheet.

The Company believes it is reasonably possible that the reserve for uncertain tax positions may be reduced by approximately $3.2 million in the coming twelve months principally as a result of the effective settlement of uncertain tax positions. As of October 31, 2014, approximately $9.4 million of the reserve for uncertain tax positions would impact the Company's effective income tax rate if the Company were to recognize the tax benefit for these positions.

The effective income tax rates for the 13-week and 39-week periods ended October 31, 2014 were 36.5% and 37.5%, respectively, compared to effective income tax rates of 35.6% and 36.8%, respectively, for the 13-week and 39-week periods ended November 1, 2013. The effective tax rate for both the 13-week and 39-week periods increased due to the expiration of various federal job credit programs (primarily the Work Opportunity Tax Credit) for eligible employees hired after December 31, 2013, as well as nondeductible expenses related to the Company's proposal to acquire Family Dollar as discussed in Note 10. Partially offsetting these increases were reductions in the reserve associated with uncertain state tax positions in the 2014 periods as compared to additions that occurred in the 2013 periods. Both the 2014 and the 2013 periods benefited from reductions in federal uncertain tax positions (due to the favorable resolution of income tax examinations and the lapsing of the assessment period associated with previously filed income tax returns) of a similar amount.

4. Current and long-term obligations

On April 11, 2013, the Company consummated a refinancing pursuant to which it terminated its then-existing senior secured credit agreements, entered into a new five-year unsecured credit agreement, and issued senior notes due in 2018 and 2023 as discussed in greater detail below. The Company's senior unsecured credit facilities (the "Facilities") consist of a senior unsecured term loan facility (the "Term Facility"), which had an initial balance of $1.0 billion, and an $850.0 million senior unsecured revolving credit facility (the "Revolving Facility"), which provides for the issuance of letters of credit up to $250.0 million. The Term Facility amortizes in quarterly installments of $25.0 million, which commenced August 1, 2014. The final quarterly payment of the then-remaining balance will be due at maturity on April 11, 2018.

The Company capitalized $5.9 million of debt issuance costs associated with the Facilities, the amortized balance of which is included in long-term Other assets, net in the condensed consolidated balance sheets. The Company incurred a pretax loss of $18.9 million for the write off of debt issuance costs associated with the termination of its previous credit facilities, which is reflected in Other (income) expense in the condensed consolidated statement of income for the 39-week period ended November 1, 2013.

As of October 31, 2014, the balance of the Term Facility was $950.0 million, and under the Revolving Facility, the Company had no outstanding borrowings, outstanding letters of credit of $31.2 million, and borrowing availability of $818.8 million. In addition, the Company had letters of credit totaling $21.3 million as of October 31, 2014 which were not issued under the Revolving Facility.

On April 11, 2013, the Company issued $400.0 million aggregate principal amount of 1.875% senior notes due 2018, net of discount of $0.5 million, which mature on April 15, 2018, and issued $900.0 million aggregate principal amount of 3.25% senior notes due 2023, net of discount of $2.4 million, which mature on April 15, 2023. The Company capitalized $10.1 million of debt issuance costs associated with these issuances of senior notes, the amortized balance of which is included in long-term Other assets, net in the condensed consolidated balance sheets.

5. Assets and liabilities measured at fair value

Fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, fair value accounting standards establish a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

In connection with accounting standards for fair value measurement, the Company has made an accounting policy election to measure the credit risk of its derivative financial instruments that are subject to master netting agreements on a net basis by counterparty portfolio. The Company has determined that the majority of the inputs used to value its derivative financial instruments using the income approach fall within Level 2 of the fair value hierarchy. However, the credit valuation adjustments associated with the Company's derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by the Company and its counterparties. As of October 31, 2014, the Company has assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its derivative positions and has determined that such adjustments are not significant to the derivatives' valuation. As a result, the Company has classified its derivative valuations, as discussed in detail in Note 6, in Level 2 of the fair value hierarchy. The Company's long-term obligations that are classified in Level 2 of the fair value hierarchy are valued at cost. The Company does not have any fair value measurements categorized within Level 3 as of October 31, 2014.

(in thousands)	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at October 31, 2014
Liabilities:				
Long-term obligations (a)	$ 2,658,100	$ 19,422	$ -	$ 2,677,522
Derivative financial instruments (b)	-	2,195	-	2,195
Deferred compensation (c)	23,332	-	-	23,332

(a) Reflected at book value in the condensed consolidated balance sheet as Current portion of long-term obligations of $101,041 and Long-term obligations of $2,666,022.

(b) Reflected at fair value in the condensed consolidated balance sheet as Accrued expenses and other current liabilities.

(c) Reflected at fair value in the condensed consolidated balance sheet as Accrued expenses and other current liabilities of $2,038 and noncurrent Other liabilities of $21,294.

6. Derivatives and hedging activities

The Company records all derivatives on the balance sheet at fair value. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, whether the Company has elected to designate a derivative in a hedging relationship and apply hedge accounting and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting. Derivatives designated and qualifying as a hedge of the exposure to changes in the fair value of an asset, liability, or firm commitment attributable to a particular risk, such as interest rate risk, are considered fair value hedges. Derivatives designated and qualifying as a hedge of the exposure to variability in expected future cash flows, or other types of forecasted transactions, are considered cash flow hedges. Derivatives may also be designated as hedges of the foreign currency exposure of a net investment in a foreign operation. Hedge accounting generally provides for the matching of the timing of gain or loss recognition on the hedging instrument with the recognition of the changes in the fair value of the hedged asset or liability

that are attributable to the hedged risk in a fair value hedge or the earnings effect of the hedged forecasted transactions in a cash flow hedge.

The Company may enter into derivative contracts that are intended to economically hedge a certain portion of its risk, even though hedge accounting does not apply or the Company elects not to apply the hedge accounting standards. Changes in the fair value of such derivatives are recorded directly in earnings.

Risk management objective of using derivatives

The Company is exposed to certain risks arising from both its business operations and economic conditions. The Company principally manages its exposures to a wide variety of business and operational risks through management of its core business activities. The Company manages economic risks, including interest rate, liquidity, and credit risk, primarily by managing the amount, sources, and duration of its debt funding and the use of derivative financial instruments. Specifically, the Company enters into derivative financial instruments to manage exposures that arise from business activities that result in the receipt or payment of future known and uncertain cash amounts, the value of which are determined primarily by interest rates. The Company's derivative financial instruments are used to manage differences in the amount, timing, and duration of the Company's known or expected cash receipts and its known or expected cash payments principally related to the Company's borrowings.

In addition, the Company is exposed to certain risks arising from uncertainties of future market values caused by the fluctuation in the prices of commodities. From time to time the Company may enter into derivative financial instruments to protect against future price changes related to these commodity prices.

Cash flow hedges of interest rate risk

The Company's objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate changes. To accomplish this objective, the Company primarily uses interest rate swaps as part of its interest rate risk management strategy. Interest rate swaps designated as cash flow hedges involve the receipt of variable-rate amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount.

The effective portion of changes in the fair value of interest rate swaps designated and that qualify as cash flow hedges is recorded in Accumulated other comprehensive income (loss) (also referred to as "OCI") and is subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings. During the 13-week and 39-week periods ended October 31, 2014 and November 1, 2013, such interest rate swaps were used to hedge the variable cash flows associated with variable-rate debt. The ineffective portion of the change in fair value of the interest rate swaps, if any, is recognized directly in earnings.

As of October 31, 2014, the Company had interest rate swaps with a combined notional value of $875.0 million that were designated as cash flow hedges of interest rate risk. Amounts reported in Accumulated other comprehensive income (loss) related to these derivatives will be

reclassified to interest expense as interest payments are made on the Company's variable-rate debt.

During the 39-week period ended November 1, 2013, the Company entered into U.S. Treasury locks related to its issuance of senior notes due April 15, 2023, as further discussed in Note 4. The settlement of the U.S. Treasury locks resulted in a loss which was deferred to OCI and is being amortized as an increase to interest expense over the period corresponding to the debt's maturity as the Company accrues or pays interest on the hedged long-term debt.

During the 52-week period following October 31, 2014, the Company estimates that approximately $3.5 million will be reclassified as an increase to interest expense for its interest rate swaps and U.S. Treasury locks.

All of the amounts reflected in Accumulated other comprehensive income (loss) in the condensed consolidated balance sheets for the periods presented are related to cash flow hedges.

The table below presents the fair value of the Company's derivative financial instruments as well as their classification in the condensed consolidated balance sheets as of October 31, 2014 and January 31, 2014:

(in thousands)	October 31, 2014	January 31, 2014
Derivatives Designated as Hedging Instruments		
Interest rate swaps classified as noncurrent Other liabilities	$ -	$ 4,109
Interest rate swaps classified as Accrued expenses and other current liabilities	$ 2,195	$ -

The table below presents the pretax effect of the Company's derivative financial instruments as reflected in the condensed consolidated statements of comprehensive income for the 13-week and 39-week periods ended October 31, 2014 and November 1, 2013:

	13 Weeks Ended		39 Weeks Ended	
(in thousands)	October 31, 2014	November 1, 2013	October 31, 2014	November 1, 2013
Derivatives in Cash Flow Hedging Relationships				
Loss related to effective portion of derivatives recognized in OCI	$ 201	$ 957	$ 956	$ 15,475
Loss related to effective portion of derivatives reclassified from Accumulated OCI to Interest expense	$ 1,282	$ 1,223	$ 3,858	$ 3,347

Credit-risk-related contingent features

The Company has agreements with all of its interest rate swap counterparties that provide that the Company could be declared in default on its derivative obligations if repayment of the underlying indebtedness is accelerated by the lender due to the Company's default on such indebtedness.

As of October 31, 2014, the fair value of interest rate swaps in a net liability position, which includes accrued interest but excludes any adjustment for nonperformance risk related to these agreements, was $2.2 million. If the Company had breached any of these provisions at October 31, 2014, it could have been required to post full collateral or settle its obligations under the agreements at an estimated termination value of $2.2 million. As of October 31, 2014, the Company had not breached any of these provisions or posted any collateral related to these agreements.

7. Commitments and contingencies

Legal proceedings

On August 7, 2006, a lawsuit entitled *Cynthia Richter, et al. v. Dolgencorp, Inc., et al.* was filed in the United States District Court for the Northern District of Alabama (Case No. 7:06-cv-01537-LSC) ("Richter") in which the plaintiff alleges that she and other current and former Dollar General store managers were improperly classified as exempt executive employees under the Fair Labor Standards Act ("FLSA") and seeks to recover overtime pay, liquidated damages, and attorneys' fees and costs. On August 15, 2006, the *Richter* plaintiff filed a motion in which she asked the court to certify a nationwide class of current and former store managers. The Company opposed the plaintiff's motion. On March 23, 2007, the court conditionally certified a nationwide class. On December 2, 2009, notice was mailed to over 28,000 current or former Dollar General store managers. Approximately 3,950 individuals opted into the lawsuit, approximately 1,000 of whom have been dismissed for various reasons, including failure to cooperate in discovery.

On April 2, 2012, the Company moved to decertify the class. The plaintiff's response to that motion was filed on May 9, 2012.

On October 22, 2012, the court entered a memorandum opinion granting the Company's decertification motion. On December 19, 2012, the court entered an order decertifying the matter and stating that a separate order would be entered regarding the opt-in plaintiffs' rights and plaintiff Cynthia Richter's individual claims. To date, the court has not entered such an order.

The parties agreed to mediate the matter, and the court informally stayed the action pending the results of the mediation. Mediations were conducted in January, April and August 2013. On August 10, 2013, the parties reached a preliminary agreement, which was formalized and submitted to the court for approval, to resolve the matter for up to $8.5 million. On November 24, 2014, the court entered an order approving the settlement and dismissing the action. The Company has deemed the settlement probable and recorded such amount as the estimated expense in the second quarter of 2013.

On September 8, 2014, a lawsuit entitled *Sally Ann Carpenter v. Dolgencorp, Inc.* was filed in the United States District Court for the Southern District of West Virginia (Case No. 2:14-cv-25500) ("Carpenter"). The *Carpenter* plaintiff seeks to proceed on a collective basis under the FLSA on behalf of herself and other former and current store managers in the state of West Virginia who were allegedly improperly classified as exempt executive employees under the FLSA. The *Carpenter* plaintiff seeks to recover overtime pay, liquidated damages, and attorneys' fees and costs.

The Company filed its answer to the complaint on September 30, 2014. A scheduling conference is scheduled for December 22, 2014.

On October 31, 2014, a lawsuit entitled *Ronda Hood v. Dollar General Corporation* was filed in the United States District Court for the Eastern District of Louisiana (Case No. 2:14-cv-02512-JTM-DEK) ("Hood"). The *Hood* plaintiff seeks to proceed on a nationwide collective basis under the FLSA on behalf of herself and other similarly situated store managers who were allegedly improperly classified as exempt executive employees under the FLSA. The *Hood* plaintiff seeks to recover overtime pay, liquidated damages, and attorneys' fees and costs.

The Company's answer is due to be filed on or before January 16, 2015.

The Company believes that its store managers are and have been properly classified as exempt employees under the FLSA and that the *Carpenter* and *Hood* actions are not appropriate for collective action treatment. The Company has obtained summary judgment in some, although not all, of its pending individual or single-plaintiff store manager exemption cases in which it has filed such a motion.

At this time, it is not possible to predict whether the *Carpenter* or *Hood* matter ultimately will be permitted to proceed collectively, and no assurances can be given that the Company will be successful in its defense of either action on the merits or otherwise. Similarly, at this time the Company cannot estimate either the size of any potential class or the value of the claims asserted if either of these actions was to proceed. For these reasons, the Company is unable to estimate any potential loss or range of loss in either matter; however, if the Company is not successful in its defense efforts, the resolution of *Carpenter* or *Hood* could have a material adverse effect on the Company's consolidated financial statements as a whole.

On April 9, 2012, the Company was served with a lawsuit filed in the United States District Court for the Eastern District of Virginia entitled *Jonathan Marcum, et al. v. Dolgencorp. Inc.* (Civil Action No. 3:12-cv-00108-JRS) ("Marcum") in which the plaintiffs, one of whose conditional offer of employment was rescinded, allege that certain of the Company's background check procedures violate the Fair Credit Reporting Act ("FCRA"). Plaintiff Marcum also alleges defamation. According to the complaint and subsequently filed first and second amended complaints, the plaintiffs seek to represent a putative class of applicants in connection with their FCRA claims. The Company responded to the complaint and each of the amended complaints. The plaintiffs' certification motion was due to be filed on or before April 5, 2013; however, plaintiffs asked the court to stay all deadlines in light of the parties' ongoing settlement discussions (as more fully described below). On November 12, 2013, the court entered an order lifting the stay but has not issued a new scheduling order in light of the parties' preliminary agreement to resolve the matter.

The parties have engaged in formal settlement discussions on three occasions, once in January 2013 with a private mediator, and again in March 2013 and July 2013 with a federal magistrate. On February 18, 2014, the parties reached a preliminary agreement to resolve the matter for up to $4.08 million.

On October 16, 2014, the court entered an order preliminarily approving the parties' proposed settlement. The final fairness hearing is scheduled for February 26, 2015.

The Company's Employment Practices Liability Insurance ("EPLI") carrier has been placed on notice of this matter and participated in both the formal and informal settlement discussions. The EPLI policy covering this matter has a $2 million self-insured retention. Because the Company believes that it is likely to expend the balance of its self-insured retention in settlement of this litigation or otherwise, it accrued $1.8 million in the fourth quarter of 2012, an amount that is immaterial to the Company's consolidated financial statements as a whole.

At this time, although probable, it is not certain that the court will approve the settlement. If the court does not approve the settlement and the case proceeds, it is not possible to predict whether *Marcum* ultimately will be permitted to proceed as a class action under the FCRA, and no assurances can be given that the Company will be successful in its defense on the merits or otherwise. At this stage in the proceedings, the Company cannot estimate either the size of any potential class or the value of the claims asserted by the plaintiffs if this matter were to proceed. For this reason, the Company is unable to estimate any potential loss or range of loss; however, if the Company is not successful in its defense efforts, the resolution of this matter could have a material adverse effect on the Company's consolidated financial statements as a whole.

In September 2011, the Chicago Regional Office of the United States Equal Employment Opportunity Commission ("EEOC" or "Commission") notified the Company of a cause finding related to the Company's criminal background check policy. The cause finding alleges that the Company's criminal background check policy, which excludes from employment individuals with certain criminal convictions for specified periods, has a disparate impact on African-American candidates and employees in violation of Title VII of the Civil Rights Act of 1964, as amended ("Title VII").

The Company and the EEOC engaged in the statutorily required conciliation process, and despite the Company's good faith efforts to resolve the matter, the Commission notified the Company on July 26, 2012 of its view that conciliation had failed.

On June 11, 2013, the EEOC filed a lawsuit in the United States District Court for the Northern District of Illinois entitled *Equal Opportunity Commission v. Dolgencorp, LLC d/b/a Dollar General* (Case No. 1:13-cv-04307) in which the Commission alleges that the Company's criminal background check policy has a disparate impact on "Black Applicants" in violation of Title VII and seeks to recover monetary damages and injunctive relief on behalf of a class of "Black Applicants." The Company filed its answer to the complaint on August 9, 2013.

On January 29, 2014, the court entered an order, which, among other things, bifurcates the issues of liability and damages during discovery and at trial. On September 3, 2014, the court modified the scheduling order and ordered the parties to complete fact discovery related to liability by May 15, 2015. A status conference is scheduled for January 8, 2015.

On July 29, 2014, the court entered an order compelling the Company to produce certain documents, information, and electronic data for the period 2004 to present.

The Company believes that its criminal background check process is both lawful and necessary to a safe environment for its employees and customers and the protection of its assets and shareholders' investments. The Company also does not believe that this matter is amenable to class or similar treatment. However, at this time, it is not possible to predict whether the action will ultimately be permitted to proceed as a class or in a similar fashion or the size of any putative class. Likewise, at this time, it is not possible to estimate the value of the claims asserted, and, therefore, the Company cannot estimate the potential exposure or range of potential loss. If the matter were to proceed successfully as a class or similar action or the Company is unsuccessful in its defense efforts as to the merits of the action, it could have a material adverse effect on the Company's consolidated financial statements as a whole.

On May 23, 2013, a lawsuit entitled *Juan Varela v. Dolgen California and Does 1 through 50* (Case No. RIC 1306158) ("Varela") was filed in the Superior Court of the State of California for the County of Riverside in which the plaintiff alleges that he and other "key carriers" were not provided with meal and rest periods in violation of California law and seeks to recover alleged unpaid wages, injunctive relief, consequential damages, pre-judgment interest, statutory penalties and attorneys' fees and costs. The *Varela* plaintiff seeks to represent a putative class of California "key carriers" as to these claims. The *Varela* plaintiff also asserts a claim for unfair business practices and seeks to proceed under California's Private Attorney General Act ("PAGA").

The Company removed the action to the United States District Court for the Central District of California (Case No. 5:13-cv-01172VAP-SP) on July 1, 2013, and filed its answer to the complaint on July 1, 2013. On July 30, 2013, the plaintiff moved to remand the action to state court.

On September 13, 2013, notwithstanding the Company's opposition, the court granted plaintiff's motion and remanded the case. The Company filed a petition for permission to appeal

to the United States Court of Appeals for the Ninth Circuit on September 23, 2013. Although the petition for permission to appeal remains pending, based on the Ninth Circuit's denial of a similar petition filed by the Company in the *Main* matter (discussed below), the Company filed a petition for coordination of the *Main* and *Varela* matters on April 28, 2014.

On June 6, 2013, a lawsuit entitled *Victoria Lee Dinger Main v. Dolgen California, LLC and Does 1 through 100* (Case No. 34-2013-00146129) ("Main") was filed in the Superior Court of the State of California for the County of Sacramento. The *Main* plaintiff alleges that she and other "key holders" were not provided with meal and rest periods, accurate wage statements and appropriate pay upon termination in violation of California wage and hour laws and seeks to recover alleged unpaid wages, declaratory relief, restitution, statutory penalties and attorneys' fees and costs. The *Main* plaintiff seeks to represent a putative class of California "key holders" as to these claims. The *Main* plaintiff also asserts a claim for unfair business practices and seeks to proceed under the PAGA.

The Company removed this action to the United States District Court for the Eastern District of California (Case No. 2:13-cv-01637-MCE-KJN) on August 7, 2013, and filed its answer to the complaint on August 6, 2013. On August 29, 2013, the plaintiff moved to remand the action to state court. The Company opposed the motion. On October 28, 2013, the court granted plaintiff's motion and remanded the case. The Company filed a petition for permission to appeal to the United States Court of Appeals for the Ninth Circuit on November 7, 2013. The plaintiff filed its opposition brief on November 15, 2013. The Ninth Circuit denied the petition for permission to appeal on April 10, 2014.

As noted above, on April 28, 2014, the Company petitioned to consolidate the *Main* and *Varela* matters. Following the Company's consolidation petition, the *Main* plaintiff agreed to dismiss her complaint, and the parties agreed that the *Varela* plaintiff would file an amended complaint to include the allegations asserted in the *Main* complaint. On November 4, 2014, the *Varela* plaintiff filed a stipulation with the court seeking an order to file an amended complaint. The court has not entered an order granting the filing of the amended complaint. The Company's answer is due to be filed 35 days after the court enters the order granting the *Varela* plaintiff leave to file an amended complaint.

On July 22, 2014, a lawsuit entitled *Oscar Avila v. Dolgen California, LLC and Does 1 through 50* (Case No. S-1500-CV-282549) ("Avila") was filed in the Superior Court of the State of California for the County of Kern. The *Avila* plaintiff alleges that he and other "key holders" were not provided with meal and rest periods, accurate wage statements and appropriate pay upon termination in violation of California wage and hour laws and seeks to recover alleged unpaid wages, declaratory relief, restitution, pre- and post- judgment interest, statutory penalties and attorneys' fees and costs. The *Avila* plaintiff seeks to represent a putative class of California "key holders" as to these claims. The *Avila* plaintiff also asserts a claim for unfair business practices. The Company has not yet been served with this complaint, and there are no deadlines in this matter.

On November 26, 2014, a lawsuit entitled *Kendra Pleasant v. Dollar General Corporation, Dolgencorp, LLC and Does 1 through 50* (Case No. CIVDS1417709 (" *Pleasant* ") was filed in the Superior Court of the State of California for the County of San Bernardino. The *Pleasant* plaintiff alleges that she and other non-exempt employees were not paid for all time worked, reimbursed for necessary business related expenses, provided rest and meal breaks, and provided accurate wage statements in violation of California wage and hour laws. The *Pleasant* plaintiff seeks to recover alleged unpaid wages, restitution, interest, statutory penalties, unspecified damages, and attorneys' fees and costs. The *Pleasant* plaintiff also asserts a claim for unfair business practices and seeks to proceed under the PAGA. The Company has not yet been served with this complaint, and there are no deadlines in this matter.

The Company believes that its policies and practices comply with California law and that the *Varela, Main* , *Avila* and *Pleasant* actions are not appropriate for class or similar treatment. The Company intends to vigorously defend these actions; however, at this time, it is not possible to

predict whether the *Varela*, *Main* , *Avila* or *Pleasant* action ultimately will be permitted to proceed as a class, and no assurances can be given that the Company will be successful in its defense of these actions on the merits or otherwise. Similarly, at this time the Company cannot estimate either the size of any potential class or the value of the claims asserted in the *Varela* , *Main* , *Avila* and/or *Pleasant* actions. For these reasons, the Company is unable to estimate any potential loss or range of loss in these matters; however, if the Company is not successful in its defense efforts, the resolution of any of these actions could have a material adverse effect on the Company's consolidated financial statements as a whole.

On May 31, 2013, a lawsuit entitled *Judith Wass v. Dolgen Corp, LLC* (Case No. 13PO-CC00039) ("Wass") was filed in the Circuit Court of Polk County, Missouri. The *Wass* plaintiff seeks to proceed collectively on behalf of a nationwide class of similarly situated non-exempt store employees who allegedly were not properly paid for certain breaks in violation of the FLSA. The *Wass* plaintiff seeks back wages, injunctive and declaratory relief, liquidated damages, pre- and post-judgment interest, and attorneys' fees and costs.

On July 11, 2013, the Company removed this action to the United States District Court for the Western District of Missouri (Case No. 6:113-cv-03267-JFM). The Company filed its answer on July 18, 2013.

On March 28, 2014, the *Wass* plaintiff moved for conditional certification of her FLSA claims and filed a supplemental brief on June 20, 2014. On July 25, 2014, the Company filed its response to plaintiff's motion for conditional certification as well as a motion for summary judgment as to plaintiff's individual claims.

On October 16, 2014, the court granted the Company's motion for summary judgment and denied as moot the plaintiff's motion for conditional class certification of her FLSA claims. The parties subsequently agreed to resolve this matter for an amount not material to the Company's consolidated financial statements as a whole.

On July 2, 2013, a lawsuit entitled *Rachel Buttry and Jennifer Peters v. Dollar General Corp.* (Case No. 3:13-cv-00652) ("Buttry") was filed in the United States District Court for the Middle District of Tennessee. The *Buttry* plaintiffs seek to proceed on a nationwide collective basis under the FLSA and as a statewide class under Tennessee law on behalf of non-exempt store employees who allegedly were not properly paid for certain breaks. The *Buttry* plaintiffs seek back wages (including overtime), injunctive and declaratory relief, liquidated damages, compensatory and economic damages, "consequential" and "incidental" damages, pre-judgment and post-judgment interest, and attorneys' fees and costs.

The Company filed its answer on August 7, 2013. The plaintiffs filed their motion for conditional certification of their FLSA claims on December 5, 2013, to which the Company responded on February 3, 2014. On April 4, 2014, the court denied plaintiffs' certification motion. Plaintiffs filed a motion for reconsideration or in the alternative for permission to seek interlocutory appeal in the United States Court of Appeals for the Sixth Circuit on April 18, 2014. The court denied the plaintiffs' motion on April 24, 2014.

The plaintiffs subsequently petitioned the Sixth Circuit for a writ of mandamus and asked the district court to stay all deadlines in the underlying proceeding pending the Sixth Circuit's ruling on the writ. On October 23, 2014, the United States Court of Appeals for the Sixth Circuit denied plaintiff's petition for writ of mandamus. To date, the order entered by the district court to stay proceedings pending a decision by the appellate court regarding plaintiffs' writ of mandamus has not been lifted.

Because of the stay, the *Buttry* plaintiffs were not required to file their motion for certification of their statewide claims by September 22, 2014, the original deadline for such motion. At this time, the court has not set a new deadline for this motion, and this matter remains set for trial on February 17, 2015.

On March 19, 2014, a lawsuit entitled *Danielle Harsey v. Dolgencorp, LLC* (Case No. 5:14-cv-00168-WTH-PRL) ("Harsey") was filed in the United States District Court for the Middle District of Florida. The *Harsey* plaintiff seeks to proceed on a nationwide collective basis under the FLSA and as a statewide class under the Florida Minimum Wage Act on behalf of all similarly situated non-exempt store employees who allegedly were not paid for all hours worked. The *Harsey* plaintiff seeks back wages (including overtime), liquidated damages, pre- and post-judgment interest, injunctive relief, and attorneys' fees and costs. The Company filed its answer on May 7, 2014.

On August 19, 2014, the court entered a scheduling order, which among other things, requires plaintiff to file motions for class certification of her statewide claims and conditional certification of her claims under the FLSA on or before January 7, 2015. The Company's response is due to be filed on or before February 23, 2015. The order further sets the matter for trial during the weeks of November 2, 9, or 16, 2015.

On July 14, 2014, a lawsuit entitled *Leslie Vincino v. Dolgencorp, LLC* (Case No. 2014-CA-517) ("Vincino") was filed in the Circuit Court, Eighth Judicial Circuit, for Levy County, Florida. The *Vincino* plaintiff seeks to proceed on a nationwide collective basis under the FLSA on behalf of all similarly situated non-exempt store employees who allegedly were not paid for all hours worked. The *Vincino* plaintiff seeks back wages (including overtime), liquidated damages, pre-judgment interest, and attorneys' fees and costs. The *Vincino* plaintiff also asserts individual claims for violation of the Florida Civil Rights Act for alleged discrimination based on alleged unidentified disabilities. For the claims asserted under the Florida Civil Rights Act, the *Vincino* plaintiff seeks compensatory damages, back wages, front pay, punitive damages, attorneys' fees and costs. On August 11, 2014, the Company removed this matter to the United States District Court for the Northern District of Florida (Case No. 1:14-cv-142-RS-GRJ). The Company filed its answer on August 18, 2014.

On September 25, 2014, the court entered a scheduling order which requires plaintiff to file her motion for conditional class certification of her claims under the FLSA on or before February 23, 2015. The Company's response is due to be filed on or before April 9, 2015.

On September 8, 2014, a lawsuit entitled *Joyce Riley v. Dolgencorp, LLC* (Case No. 2:14-cv-25505) ("Riley") was filed in the United States District Court for the Southern District of West Virginia. The *Riley* plaintiff seeks to proceed on a collective basis under the FLSA on

behalf of all similarly situated non-exempt store employees in the state of West Virginia who allegedly were not paid for certain breaks. The *Riley* plaintiff seeks back wages (including overtime), liquidated damages, and attorneys' fees and costs.

The Company filed its answer to the complaint on September 30, 2014. A scheduling conference is scheduled for December 22, 2014.

The Company believes that its wage and hour policies and practices comply with both the FLSA and state law, including Tennessee and Florida law, and that the *Buttry, Harsey , Vincino,* and *Riley* actions are not appropriate for collective or class treatment. The Company intends to vigorously defend these actions; however, at this time, it is not possible to predict whether the *Buttry, Harsey , Vincino* or *Riley* action ultimately will be permitted to proceed collectively or as a class, and no assurances can be given that the Company will be successful in its defense of these actions on the merits or otherwise. Similarly, at this time the Company cannot estimate either the size of any potential class or the value of the claims asserted in the *Buttry , Harsey, Vincino,* and/or *Riley* actions. For these reasons, the Company is unable to estimate any potential loss or range of loss in these matters; however, if the Company is not successful in its defense efforts, the resolution of any of these actions could have a material adverse effect on the Company's consolidated financial statements as a whole.

On May 20, 2011, a lawsuit entitled *Winn-Dixie Stores, Inc., et al. v. Dolgencorp, LLC* was filed in the United States District Court for the Southern District of Florida (Case No. 9:11-cv-80601-DMM) ("Winn-Dixie") in which the plaintiffs allege that the sale of food and other items in approximately 55 of the Company's stores, each of which allegedly is or was at some time co-located in a shopping center with one of plaintiffs' stores, violates restrictive covenants that plaintiffs contend are binding on the occupants of the shopping centers. Plaintiffs sought damages and an injunction limiting the sale of food and other items in those stores. Although plaintiffs did not make a demand for any specific amount of damages, documents prepared and produced by plaintiffs during discovery suggested that plaintiffs would seek as much as $47 million although the court limited their ability to prove such damages. The case was consolidated with similar cases against Big Lots and Dollar Tree. The court issued an order on August 10, 2012 in which it (i) dismissed all claims for damages, (ii) dismissed claims for injunctive relief for all but four stores, and (iii) directed the Company to report to the court on its compliance with restrictive covenants at the four stores for which it did not dismiss the claims for injunctive relief. The Company believes that compliance with the August 2012 ruling will have no material adverse effect on the Company or its consolidated financial statements.

On August 28, 2012, the *Winn-Dixie* plaintiffs filed a notice of appeal with the United States Court of Appeals for the Eleventh Circuit (Docket No. 12-14527-B). Oral argument was conducted on January 16, 2014, and the appellate court rendered its decision on March 5, 2014, affirming in part and reversing in part the trial court's decision. Specifically, the appellate court affirmed the trial court's dismissal of plaintiffs' claim for monetary damages but reversed the trial court's decision denying injunctive relief as to thirteen additional stores and remanded for further proceedings. On March 26, 2014, the plaintiffs moved the appellate court for rehearing. That motion was denied on May 2, 2014. Subsequently, plaintiff filed a motion with the trial court on remand to dismiss stores not located in Florida from the case without prejudice, which the court denied on September 29, 2014. Further, the parties have, as directed by the trial court,

submitted briefs in an effort to clarify the issues to be resolved on remand. On November 19, 2014, the court issued an order (i) permitting the parties to conduct additional discovery regarding the scope of the restrictive covenants at issue in light of the Eleventh Circuit's decision, and (ii) scheduling a bench trial to resolve any outstanding issues on the court's April 20, 2015 docket.

At this time, the Company is unable to predict whether the trial court will enter an injunction as to any of the additional stores at issue; however, the Company does not believe that such an injunction, even if entered as to each remaining additional store at issue, would have a material adverse effect on the Company or its consolidated financial statements as a whole.

The Company also is unable to predict whether the plaintiffs will seek further appellate review of the trial court's dismissal of plaintiffs' claim for damages. If plaintiffs were to obtain further appellate review, and the Company were unsuccessful in its defense of such appeal, the outcome could have a material adverse effect on the Company's consolidated financial statements as a whole.

From time to time, the Company is a party to various other legal actions involving claims incidental to the conduct of its business, including actions by employees, consumers, suppliers, government agencies, or others through private actions, class actions, administrative proceedings, regulatory actions or other litigation, including without limitation under federal and state employment laws and wage and hour laws. The Company believes, based upon information currently available, that such other litigation and claims, both individually and in the aggregate, will be resolved without a material adverse effect on the Company's financial statements as a whole. However, litigation involves an element of uncertainty. Future developments could cause these actions or claims to have a material adverse effect on the Company's results of operations, cash flows, or financial position. In addition, certain of these lawsuits, if decided adversely to the Company or settled by the Company, may result in liability material to the Company's financial position or may negatively affect operating results if changes to the Company's business operation are required.

8. Segment reporting

The Company manages its business on the basis of one reportable segment. As of October 31, 2014, all of the Company's operations were located within the United States with the exception of a Hong Kong subsidiary and a liaison office in India, the collective assets and revenues of which are not material. The following net sales data is presented in accordance with accounting standards related to disclosures about segments of an enterprise.

	13 Weeks Ended		39 Weeks Ended	
(In thousands)	October 31, 2014	November 1, 2013	October 31, 2014	November 1, 2013
Classes of similar products:				
Consumables	$ 3,645,021	$ 3,362,796	$ 10,666,675	$ 9,859,528
Seasonal	524,623	505,793	1,659,651	1,610,965
Home products	298,878	276,770	867,903	807,986
Apparel	255,887	236,479	776,300	731,743
Net sales	$ 4,724,409	$ 4,381,838	$ 13,970,529	$ 13,010,222

9. Common stock transactions

On August 29, 2012, the Company's Board of Directors authorized a common stock repurchase program, which was increased on March 19, 2013 and again on December 4, 2013. As of October 31, 2014, a total of $2.0 billion had been authorized under the program and $223.4 million remained available for repurchase. The repurchase authorization has no expiration date and allows repurchases from time to time in the open market or in privately negotiated transactions. The timing and number of shares purchased depends on a variety of factors, such as price, market conditions, compliance with the covenants and restrictions under the Company's debt agreements and other factors. Repurchases under the program may be funded from available cash or borrowings under the Company's credit facilities discussed in further detail in Note 4.

Pursuant to its common stock repurchase program, during the 39-week periods ended October 31, 2014, and November 1, 2013, the Company repurchased in the open market approximately 14.1 million shares of its common stock at a total cost of $800.1 million, and approximately 7.8 million shares at a total cost of $420.0 million, respectively.

10. Acquisition Proposal

On August 18, 2014, the Company announced it had submitted a proposal to the Board of Directors of Family Dollar Stores, Inc. ("Family Dollar") to acquire all of the outstanding shares of Family Dollar common stock for $78.50 per share in cash and containing other terms. On August 21, 2014, Family Dollar announced that its Board of Directors had rejected this proposal. On September 2, 2014, the Company announced it had submitted a revised proposal to the Board of Directors of Family Dollar to acquire all of the outstanding shares of Family Dollar common stock for $80.00 per share in cash and a commitment to pay a $500 million reverse break-up fee to Family Dollar in the event that the transaction is not completed for antitrust reasons, along with certain other terms. On September 5, 2014, Family Dollar announced that its Board of Directors had rejected this revised proposal. On September 10, 2014, the Company commenced a tender offer to acquire all outstanding shares of common stock of Family Dollar at $80.00 per share in cash directly from the stockholders of Family Dollar subject to certain conditions. On September 17, 2014, the Board of Directors of Family Dollar recommended that its stockholders reject the tender offer and not tender their shares pursuant to the tender offer. The Company has extended the expiration date of the tender offer to December 31, 2014. There can be no assurance that an acquisition transaction or the tender offer will be completed on the terms proposed or at all.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of
Dollar General Corporation:

We have reviewed the condensed consolidated balance sheet of Dollar General Corporation and subsidiaries (the Company) as of October 31, 2014, and the related condensed consolidated statements of income and comprehensive income for the thirteen and thirty-nine week periods ended October 31, 2014 and November 1, 2013, and the condensed consolidated statements of cash flows for the thirty-nine week periods ended October 31, 2014 and November 1, 2013. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the condensed consolidated financial statements referred to above for them to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of Dollar General Corporation and subsidiaries as of January 31, 2014 and the related consolidated statements of income, comprehensive income, shareholders' equity, and cash flows for the fiscal year then ended (not presented herein) and in our report dated March 20, 2014, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of January 31, 2014, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

/s/ Ernst & Young LLP

December 4, 2014
Nashville, Tennessee

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

General

This discussion and analysis is based on, should be read with, and is qualified in its entirety by, the accompanying unaudited condensed consolidated financial statements and related notes, as well as our consolidated financial statements and the related Management's Discussion and Analysis of Financial Condition and Results of Operations as contained in our Annual Report on Form 10-K for the year ended January 31, 2014. It also should be read in conjunction with the disclosure under "Cautionary Disclosure Regarding Forward-Looking Statements" in this report.

Acquisition Proposal

On August 18, 2014, we announced we had submitted a proposal to the Board of Directors of Family Dollar Stores, Inc. ("Family Dollar") to acquire all of the outstanding shares of Family Dollar common stock for $78.50 per share in cash and containing other terms. On August 21, 2014, Family Dollar announced that its Board of Directors had rejected this proposal. On September 2, 2014, we announced we had submitted a revised proposal to the Board of Directors of Family Dollar to acquire all of the outstanding shares of Family Dollar common stock for $80.00 per share in cash and a commitment to pay a $500 million reverse break-up fee to Family Dollar in the event that the transaction is not completed for antitrust reasons, along with certain other terms. On September 5, 2014, Family Dollar announced that its Board of Directors had rejected this revised proposal. On September 10, 2014, we commenced a tender offer to acquire all outstanding shares of common stock of Family Dollar at $80.00 per share in cash directly from the stockholders of Family Dollar subject to certain conditions. On September 17, 2014, the Board of Directors of Family Dollar recommended that its stockholders reject the tender offer and not tender their shares pursuant to the tender offer. We have extended the expiration date of the tender offer to December 31, 2014. There can be no assurance that an acquisition transaction or the tender offer will be completed on the terms proposed or at all.

Executive Overview

We are the largest discount retailer in the United States by number of stores, with 11,715 stores located in 40 states as of October 31, 2014, primarily in the southern, southwestern, midwestern and eastern United States. We offer a broad selection of merchandise, including consumable products such as food, paper and cleaning products, health and beauty products, pet supplies and tobacco products, and non-consumable products such as seasonal merchandise, home decor and domestics, and basic apparel. Our merchandise includes high quality national brands from leading manufacturers, as well as comparable quality private brand selections with prices at substantial discounts to national brands. We offer our customers these national brand and private brand products at everyday low prices (typically $10 or less) in our convenient small-box (small store) locations.

The core customers we serve are value-conscious, many with low or fixed incomes, and we have always been intensely focused on helping them make the most of their spending dollars.

Like other companies, we have been operating for several years in an environment with ongoing macroeconomic challenges and uncertainties, and the timetable and strength of economic recovery for our core customers remains uncertain. The longer our customers have to manage under such negative conditions, the more difficult it is for them to stretch their spending dollars, not only for discretionary purchases (as has been the case in recent years) but also for non-discretionary purchases. During this period of extended economic weakness, we have achieved significant success by responding to our customers' needs for value and convenience, in part, by increasing our offerings of basic consumables. In recent years, other retailers, including many of those in the dollar, discount and drug sectors, have expanded their consumables offerings. In addition, these retailers, as well as others, such as those in the mass merchandising and grocery sectors, have increased their promotional activities. The promotional environment continues to be competitive.

We remain focused on executing our four operating priorities, which are: 1) drive productive sales growth, 2) increase, or enhance, our gross profit margins, 3) leverage process improvements and information technology to reduce costs, and 4) strengthen and expand our culture of serving others.

We seek to drive productive sales growth through increasing customer traffic, unit sales and average transaction amount in our same-stores and by adding new stores, as well as remodeling and relocating stores. We opened 617 new stores in the first three quarters of 2014 and plan to open 700 stores for the full year. In the first quarter of 2013, we made a strategic decision to add tobacco products in our stores with the primary goal of increasing customer traffic. The rollout of tobacco products was substantially executed between March and June of 2013. In addition, in the first half of 2013, we expanded the number of coolers for refrigerated and frozen foods and beverages in over 1,600 existing stores. Tobacco products and perishables were the most significant drivers of same-store sales growth in 2013 and continued to increase at a faster rate than overall same-store sales through the 2014 third quarter. As expected, the addition of tobacco products and the increased proportion of sales of perishables have posed challenges to our second priority of enhancing our gross profit rate because these products generally have lower profit margins.

Ongoing initiatives to enhance our gross profit rate include merchandise category management, utilization of private brands, inventory shrink reduction initiatives, efforts to improve distribution and transportation efficiencies, and strategic focus on pricing and markdowns, while remaining committed to our everyday low price strategy. We remain committed to our seasonal, home, and apparel categories, which generally have higher gross profit rates. While we are encouraged by improvement in our sales of home products and apparel in 2014, we expect the growth rate of consumables to continue to outpace the growth rate of non-consumables throughout the remainder of the year. Commodities cost inflation has been minimal in 2014 and throughout 2013 and, in some instances, we experienced a decrease in such costs. Accordingly, overall price increases passed through to our customers have been minimal.

We remain committed to reducing costs, particularly selling, general and administrative expenses ("SG&A") that do not affect the customer experience. In 2012 and 2013, we successfully reduced our retail labor costs as a percentage of sales, in part, by optimizing our workforce management system and simplifying or eliminating various tasks performed in the

stores, and we are continuing these efforts in 2014. In addition, we believe we have additional opportunities to reduce costs through our focused procurement efforts. However, we expect overall SG&A to be a higher percentage of sales in 2014 than in 2013 due to several factors, including the year-over-year impact of a significant reduction in incentive compensation in 2013 and an increase in 2014 store occupancy costs resulting from a sale-leaseback transaction completed at the end of 2013.

We have continued our mission of serving others by striving to give our customers clean, well-stocked stores with quality products at low prices and our employees an environment that attracts and retains talented personnel and by supporting our store communities through our charitable and other efforts.

The following highlights the results of the third quarter of 2014 over the comparable 2013 period in many of our key financial metrics. Basis points amounts referred to below are equal to 0.01% as a percentage of sales.

- Net sales increased 7.8% to $4.72 billion. Sales in same-stores increased 2.8% driven by increases in customer traffic and average transaction amount. Average sales per square foot for all stores over the 52-week period ended October 31, 2014 were $220.

- Gross profit, as a percentage of sales, was 30.1% in the 2014 period compared to 30.3% in the 2013 period, a decline of 18 basis points. We experienced an increase in promotional and clearance markdowns as well as an increase in the proportion of overall sales from lower margin consumables categories, including tobacco products and perishables, partially offset by higher initial inventory markups and an improved shrink rate.

- SG&A, as a percentage of sales, was 21.8% compared to 21.4% in the 2013 period, an increase of 38 basis points, which includes 17 basis points for costs related to the acquisition proposal referenced above. The increase in SG&A reflects increases in rent, utilities and incentive compensation expenses, partially offset by convenience fees for cash back from debit card transactions and store labor efficiencies.

- Interest expense was relatively constant, increasing by $0.3 million to $21.8 million in the 2014 period. Total outstanding debt (including the current portion of long-term obligations) as of October 31, 2014 was $2.77 billion.

- Net income was $236.3 million, or $0.78 per diluted share, compared to net income of $237.4 million, or $0.74 per diluted share, in the 2013 period. Diluted shares outstanding decreased by 18.4 million shares, reflecting the impact of share repurchases in earlier periods.

- Cash generated from operating activities was $840.5 million during the 39-week period ended October 31, 2014, compared to $760.6 million in the comparable prior year period. At October 31, 2014, we had a cash balance of $216.2 million.

- Inventory turnover was 4.8 times on a rolling four-quarter basis. Inventories increased 2% on a per store basis over the 2013 period.

- During the 39 weeks ended October 31, 2014, we opened 617 new stores, remodeled or relocated 874 stores and closed 34 stores, resulting in a store count of 11,715 as of October 31, 2014.

The above discussion is a summary only. Readers should refer to the detailed discussion of our operating results below for the full analysis of our financial performance in the current year period as compared with the prior year period.

Results of Operations

Accounting Periods . We utilize a 52-53 week fiscal year convention that ends on the Friday nearest to January 31. The following text contains references to years 2014 and 2013, which represent the 52-week fiscal years ending and ended January 30, 2015 and January 31, 2014, respectively. References to the third quarter accounting periods for 2014 and 2013 contained herein refer to the 13-week accounting periods ended October 31, 2014 and November 1, 2013, respectively.

Seasonality. The nature of our business is moderately seasonal. Primarily because of sales of holiday-related merchandise, sales in our fourth quarter (November, December and January) have historically been higher than sales achieved in each of the first three quarters of the fiscal year. Expenses, and to a greater extent operating profit, vary by quarter. Results of a period shorter than a full year may not be indicative of results expected for the entire year. Furthermore, the seasonal nature of our business may affect comparisons between periods.

The following table contains results of operations data for the 13-week and 39-week periods ended October 31, 2014 and November 1, 2013, and the dollar and percentage variances among those periods:

(amounts in millions, except per share amounts)	13 Weeks Ended		*2014 vs. 2013*		39 Weeks Ended		*2014 vs. 2013*	
	Oct. 31, 2014	Nov. 1, 2013	*Amount change*	*% change*	Oct. 31, 2014	Nov. 1, 2013	*Amount change*	*% change*
Net sales by category:								
Consumables	$ 3,645.0	$ 3,362.8	$ *282.2*	*8.4* %	$ 10,666.7	$ 9,859.5	$ *807.1*	*8.2* %
% of net sales	*77.15%*	*76.74%*			*76.35%*	*75.78%*		
Seasonal	524.6	505.8	*18.8*	*3.7*	1,659.7	1,611.0	*48.7*	*3.0*
% of net sales	*11.10%*	*11.54%*			*11.88%*	*12.38%*		
Home products	298.9	276.8	*22.1*	*8.0*	867.9	808.0	*59.9*	*7.4*
% of net sales	*6.33%*	*6.32%*			*6.21%*	*6.21%*		
Apparel	255.9	236.5	*19.4*	*8.2*	776.3	731.7	*44.6*	*6.1*
% of net sales	*5.42%*	*5.40%*			*5.56%*	*5.62%*		
Net sales	$ 4,724.4	$ 4,381.8	$ *342.6*	*7.8* %	$ 13,970.5	$ 13,010.2	$ *960.3*	*7.4* %
Cost of goods sold	3,300.7	3,053.3	*247.3*	*8.1*	9,733.5	9,009.3	*724.2*	*8.0*
% of net sales	*69.86%*	*69.68%*			*69.67%*	*69.25%*		
Gross profit	1,423.7	1,328.5	*95.3*	*7.2*	4,237.1	4,000.9	*236.1*	*5.9*
% of net sales	*30.14%*	*30.32%*			*30.33%*	*30.75%*		
Selling, general and administrative expenses	1,029.6	938.3	*91.4*	*9.7*	3,034.7	2,802.9	*231.8*	*8.3*
% of net sales	*21.79%*	*21.41%*			*21.72%*	*21.54%*		
Operating profit	394.1	390.2	*3.9*	*1.0*	1,202.4	1,198.1	*4.3*	*0.4*
% of net sales	*8.34%*	*8.91%*			*8.61%*	*9.21%*		
Interest expense	21.8	21.5	*0.3*	*1.4*	66.7	66.7	*0.0*	*0.0*
% of net sales	*0.46%*	*0.49%*			*0.48%*	*0.51%*		
Other (income) expense	-	-	-	-	-	18.9	*(18.9)*	*(100.0)*
% of net sales	*0.00%*	*0.00%*			*0.00%*	*0.15%*		
Income before income taxes	372.3	368.7	*3.6*	*1.0*	1,135.7	1,112.5	*23.2*	*2.1*
% of net sales	*7.88%*	*8.41%*			*8.13%*	*8.55%*		
Income taxes	136.0	131.3	*4.7*	*3.5*	425.7	409.6	*16.1*	*3.9*
% of net sales	*2.88%*	*3.00%*			*3.05%*	*3.15%*		
Net income	$ 236.3	$ 237.4	$ *(1.1)*	*(0.5)* %	$ 710.0	$ 702.9	$ *7.0*	*1.0* %
% of net sales	*5.00%*	*5.42%*			*5.08%*	*5.40%*		
Diluted earnings per share	$ 0.78	$ 0.74	$ *0.04*	*5.4* %	$ 2.32	$ 2.16	$ *0.16*	*7.4* %

13 WEEKS ENDED OCTOBER 31, 2014 AND NOVEMBER 1, 2013

Net Sales . The net sales increase in the 2014 third quarter reflects a same-store sales increase of 2.8% compared to the 2013 quarter. Same-stores include stores that have been open for at least 13 months and remain open at the end of the reporting period. For the 2014 quarter, there were 10,888 same-stores which accounted for sales of $4.5 billion. Increases in customer traffic and average transaction amount contributed to the increase in same-store sales. Consumables sales continued to increase at a higher rate than non-consumables in the 2014 quarter, with the most significant growth related to tobacco products and strong sales of perishables and candy and snacks. Same-store sales growth was solid in home products and apparel. The sales increase was also impacted by new stores, partially offset by sales from closed stores.

Gross Profit. Gross profit increased by 7.2%, and as a percentage of sales, decreased by 18 basis points to 30.1% in the 2014 third quarter. Our product category with the lowest gross profit rate is consumables, and this category continues to comprise a larger portion of our net sales, primarily as a result of increased sales of lower margin tobacco and perishable products. The gross profit rate decrease in the 2014 period as compared to the 2013 period also reflects an increase in markdowns, primarily due to increased promotional and inventory clearance activity. These factors were partially offset by higher initial inventory markups and an improved rate of inventory shrinkage. We recorded a LIFO provision of $2.2 million in the 2014 period compared to a LIFO benefit of $3.7 million in the 2013 period.

SG&A. Selling, general and administrative expense was 21.8% as a percentage of sales in the 2014 period compared to 21.4% in the 2013 period, an increase of 38 basis points. The 2014 results reflect increases in rent, utilities and incentive compensation expenses, as well as expenses of $8.2 million, or 17 basis points as a percentage of sales, related to our ongoing efforts to acquire Family Dollar. Offsetting these items were convenience fees charged to customers for cash back on debit card transactions as well as retail labor expense, which increased at a rate lower than our increase in sales.

Interest Expense . Interest expense in the 2014 period was comparable to the amount in the same period in 2013.

Income Taxes. The effective income tax rate for the 2014 period was 36.5% compared to a rate of 35.6% for the 2013 period which represents a net increase of 0.9 percentage points. The effective tax rate increase was due to the expiration of various federal job credit programs (primarily the Work Opportunity Tax Credit) for eligible employees hired after December 31, 2013. When these credit programs have expired in the past, most recently impacting our 2012 fiscal year, Congress has re-instated them on a retroactive basis. It is uncertain as to whether or when this will occur on this occasion. Nondeductible acquisition-related expenses incurred in connection with the pending Family Dollar acquisition proposal also increased the effective tax rate for the period. These increases were partially offset by 2014 expense decreases associated with reductions in reserves for uncertain state tax positions as compared to additions that occurred in the 2013 period. Both the 2014 and the 2013 periods benefited from reductions in federal uncertain tax positions (due to the favorable resolution of income tax examinations and the lapsing of the assessment period associated with previously filed income tax returns) of a similar amount.

39 WEEKS ENDED OCTOBER 31, 2014 AND NOVEMBER 1, 2013

Net Sales . The net sales increase in the 2014 period reflects a same-store sales increase of 2.1% compared to the 2013 period. In the 2014 period, our 10,888 same-stores accounted for sales of $13.1 billion. Increases in customer traffic and average transaction amount contributed to the increase in same-store sales. The remainder of the sales increase was attributable to new stores, partially offset by sales from closed stores.

Gross Profit. For the 2014 period, gross profit increased by 5.9%, and as a percentage of sales, decreased by 42 basis points to 30.3%. The gross profit rate decrease in the 2014 period as compared to the 2013 period was impacted by an increase in markdowns, primarily due to

increased promotional and inventory clearance activity. In addition, consumables comprised a larger portion of our net sales, primarily as a result of increased sales of lower margin consumables such as tobacco and perishable products. These factors were partially offset by higher initial markups on inventory purchases. We recorded a LIFO provision of $3.1 million in the 2014 period compared to a LIFO benefit of $6.6 million in the 2013 period.

SG&A. Selling, general and administrative expense was 21.7% as a percentage of sales in the 2014 period compared to 21.5% in the 2013 period, an increase of 18 basis points. The 2014 results reflect expenses of $8.2 million, or 6 basis points as a percentage of sales, related to our ongoing efforts to acquire Family Dollar, while the 2013 results include expenses of $8.5 million, or 7 basis points as a percentage of sales, for a legal settlement of a previously decertified collective action. Rent, utilities and incentive compensation expenses contributed to the increase in SG&A expense as a percentage of sales, while retail labor expense increased at a rate lower than our increase in sales. In addition, workers' compensation and general liability expenses declined in the 2014 period compared to the 2013 period.

Interest Expense . Interest expense in the 2014 period was comparable to the amount in the same period in 2013.

Other (Income) Expense. In the 2013 period, we recorded pretax losses of $18.9 million resulting from a refinancing and the related termination of senior secured credit facilities.

Income Taxes. The effective income tax rate for the 2014 period was 37.5% compared to a rate of 36.8% for the 2013 period which represents a net increase of 0.7 percentage points. The effective tax rate increase was due to the expiration of various federal job credit programs (primarily the Work Opportunity Tax Credit) for eligible employees hired after December 31, 2013. When these credit programs have expired in the past, most recently impacting our 2012 fiscal year, Congress has re-instated them on a retroactive basis. It is uncertain as to whether or when this will occur on this occasion. Nondeductible acquisition-related expenses incurred in connection with the pending Family Dollar acquisition proposal also increased the effective tax rate for the period. These increases were partially offset by 2014 expense decreases associated with reductions in reserves for uncertain state tax positions as compared to additions that occurred in the 2013 period. Both the 2014 and the 2013 periods benefited from reductions in federal uncertain tax positions (due to the favorable resolution of income tax examinations and the lapsing of the assessment period associated with previously filed income tax returns) of a similar amount.

Liquidity and Capital Resources

Facilities

In April 2013, we consummated a refinancing pursuant to which we terminated our existing senior secured credit agreements, entered into a five-year $1.85 billion unsecured credit agreement, and issued senior notes with a face value of $1.3 billion. Our senior unsecured credit facilities (the "Facilities") consist of a senior unsecured term loan facility with an initial balance of $1.0 billion (the "Term Facility") and an $850.0 million senior unsecured revolving credit facility (the "Revolving Facility") which provides for the issuance of letters of credit up to

$250.0 million. We may request, subject to agreement by one or more lenders, increased revolving commitments and/or incremental term loan facilities in an aggregate amount of up to $150.0 million.

Borrowings under the Facilities bear interest at a rate equal to an applicable margin plus, at our option, either (a) LIBOR or (b) a base rate (which is usually equal to the prime rate). The applicable margin for borrowings as of October 31, 2014 was 1.275% for LIBOR borrowings and 0.275% for base-rate borrowings. We must also pay a facility fee on any used and unused amounts of the Facilities and letter of credit fees. The applicable margins for borrowings, the facility fees and the letter of credit fees under the Facilities are subject to adjustment each quarter based on our long-term senior unsecured debt ratings.

The Term Facility amortizes in quarterly installments of $25.0 million, which commenced on August 1, 2014. The final quarterly payment of the then-remaining balance will be due at maturity on April 11, 2018. The Facilities can be prepaid in whole or in part at any time. The Facilities contain certain covenants which place limitations on the incurrence of liens; change of business; mergers or sales of all or substantially all assets; and subsidiary indebtedness, among other limitations. The Facilities also contain financial covenants which require the maintenance of a minimum fixed charge coverage ratio and a maximum leverage ratio. As of October 31, 2014, we were in compliance with all such covenants. The Facilities also contain customary affirmative covenants and events of default.

As of October 31, 2014, we had total outstanding letters of credit of $52.5 million, $31.2 million of which were issued under the Revolving Facility, and borrowing availability under the Revolving Facility was $818.8 million.

For the remainder of fiscal 2014, we anticipate potential borrowings under the Revolving Facility up to a maximum of approximately $450.0 million outstanding at any one time, including any anticipated borrowings to fund repurchases of common stock.

Senior Notes

On April 11, 2013, as part of our refinancing, we issued $400.0 million aggregate principal amount of 1.875% senior notes due 2018 (the “2018 Senior Notes”), net of discount of $0.5 million, which mature on April 15, 2018, and issued $900.0 million aggregate principal amount of 3.25% senior notes due 2023 (the “2023 Senior Notes”), net of discount of $2.4 million, which mature on April 15, 2023. We also have outstanding $500.0 million aggregate principal amount of 4.125% senior notes due 2017 (the “2017 Senior Notes”) which mature on July 15, 2017. Collectively, the 2017 Senior Notes, the 2018 Senior Notes and the 2023 Senior Notes comprise the “Senior Notes”, each of which were issued pursuant to an indenture as modified by supplemental indentures relating to each series of Senior Notes (as so supplemented, the “Senior Indenture”). Interest on the 2018 Senior Notes and the 2023 Senior Notes is payable in cash on April 15 and October 15 of each year. Interest on the 2017 Senior Notes is payable in cash on January 15 and July 15 of each year.

We may redeem some or all of the Senior Notes at any time at redemption prices set forth in the Senior Indenture. Upon the occurrence of a change of control triggering event, which is

defined in the Senior Indenture, each holder of our Senior Notes has the right to require us to repurchase some or all of such holder's Senior Notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the repurchase date.

The Senior Indenture contains covenants limiting, among other things, our ability (subject to certain exceptions) to consolidate, merge, or sell or otherwise dispose of all or substantially all of our assets; and our ability and the ability of our subsidiaries to incur or guarantee indebtedness secured by liens on any shares of voting stock of significant subsidiaries.

The Senior Indenture also provides for events of default which, if any of them occurs, would permit or require the principal of and accrued interest on our Senior Notes to become or to be declared due and payable.

Current Financial Condition / Recent Developments

At October 31, 2014, we had total outstanding debt (including the current portion of long-term obligations) of approximately $2.77 billion. We had $818.8 million available for borrowing under our Revolving Facility at that date. We believe our cash flow from operations and existing cash balances, combined with availability under the Facilities, will provide sufficient liquidity to fund our current obligations, projected working capital requirements and capital spending for a period that includes the next twelve months as well as the next several years.

Our inventory balance represented approximately 52% of our total assets exclusive of goodwill and other intangible assets as of October 31, 2014. Our ability to effectively manage our inventory balances can have a significant impact on our cash flows from operations during a given fiscal year. Inventory purchases are often somewhat seasonal in nature, such as the purchase of warm-weather or Christmas-related merchandise. Efficient management of our inventory has been and continues to be an area of focus for us.

As described in Note 7 to the unaudited condensed consolidated financial statements, we are involved in a number of legal actions and claims, some of which could potentially result in material cash payments. Adverse developments in those actions could materially and adversely affect our liquidity. We also have certain income tax-related contingencies as disclosed in Note 3 to the unaudited condensed consolidated financial statements. Future negative developments could have a material adverse effect on our liquidity.

On August 18, 2014, as a result of our proposal to acquire Family Dollar, Standard and Poor's placed all of our credit ratings on watch with negative implications and Moody's placed all of our credit ratings on review for downgrade. Our current credit ratings are BBB- from Standard and Poor's and Baa3 from Moody's. Our current credit ratings, as well as future rating agency actions, could (i) impact our ability to finance our operations on satisfactory terms; (ii) affect our financing costs; and (iii) affect our insurance premiums and collateral requirements necessary for our self-insured programs. There can be no assurance that we will be able to maintain or improve our current credit ratings.

In connection with the company's proposal to acquire Family Dollar, we have received commitments from lenders to provide financing that may be required by such an acquisition. See "Acquisition Proposal" for information about our proposed acquisition of Family Dollar.

Cash flows from operating activities . Cash flows from operating activities were $840.5 million in the first three quarters of 2014, an increase of $80.0 million compared to the corresponding 2013 period. Merchandise inventories increased by a greater amount in the 2014 period compared to the 2013 period, which was offset by accounts payable, which increased by $100.5 million in the 2014 period but declined slightly in the 2013 period. The increase in accounts payable during the 2014 period was due primarily to increases in domestic merchandise receipts. On an ongoing basis, we closely monitor and manage our inventory balances, and they may fluctuate from period to period based on new store openings, the timing of purchases, and other factors. Merchandise inventories rose 9% during the 2014 period compared to an 8% increase in the corresponding 2013 period. In the 2014 period compared to the respective 2013 period, changes in inventory balances in our four inventory categories were as follows: the consumables category increased 13% compared to a 16% increase; the seasonal category increased by 3% compared to a 1% increase; the home products category increased by 7% compared to a 10% increase; and apparel increased by 1% compared to a 14% decline.

Cash flows from investing activities . Significant components of property and equipment purchases in the 2014 period included the following approximate amounts: $104 million for improvements, upgrades, remodels and relocations of existing stores; $86 million related to new leased stores, primarily for leasehold improvements, fixtures and equipment; $36 million for distribution and transportation-related capital expenditures; $29 million for stores built by us; and $28 million for information systems upgrades and technology-related projects. The timing of new, remodeled and relocated store openings along with other factors may affect the relationship between such openings and the related property and equipment purchases in any given period. During the 2014 period, we opened 617 new stores and remodeled or relocated 874 stores, including the limited scope remodels discussed below.

Significant components of property and equipment purchases in the 2013 period included the following approximate amounts: $167 million for improvements, upgrades, remodels and relocations of existing stores; $103 million related to new leased stores, primarily for leasehold improvements, fixtures and equipment; $86 million for distribution and transportation-related capital expenditures; $65 million for stores purchased or built by us; and $17 million for information systems upgrades and technology-related projects. During the 2013 period, we opened 577 new stores and remodeled or relocated 534 stores.

Capital expenditures during 2014 are projected to be approximately $400 million. We anticipate funding 2014 capital requirements with existing cash balances, cash flows from operations, and if necessary, our Revolving Facility. We plan to continue to invest in store growth and development with approximately 700 new stores and approximately 500 stores to be relocated or remodeled in our traditional manner. We have also begun the implementation of a limited-scope remodeling program to refresh some of our older, smaller stores with the goal of increasing sales by making them more appealing to our customers. We currently plan to have completed 400 of these limited-scope remodels by the end of 2014. Capital expenditures for the remainder of 2014 are anticipated to support our store growth as well as our remodel and

relocation initiatives, including capital outlays for leasehold improvements, fixtures and equipment; the construction of new stores; costs to support and enhance our supply chain and technology initiatives; and routine and ongoing capital requirements.

Cash flows from financing activities . Borrowings and repayments under the Revolving Facility during the 2014 period were the same amount, netting to zero, compared to net repayments of $24.9 million during the 2013 period. During the 2014 and 2013 periods, we repurchased 14.1 million and 7.8 million outstanding shares of our common stock at a total cost of $800.1 million and $420.0 million, respectively. Proceeds from the issuance of long-term obligations in the 2013 period include the $1.0 billion unsecured Term Facility and the issuance of the Senior Notes totaling approximately $1.3 billion, the proceeds from which were used to extinguish our previous secured term loan and revolving credit facilities. We also paid debt issuance costs and hedging fees totaling $29.2 million in the 2013 period related to our refinancing.

Share Repurchase Program

We have an existing common stock repurchase program with a total remaining authorization of approximately $223.4 million at December 3, 2014. Under the authorization, purchases may be made in the open market or in privately negotiated transactions from time to time subject to market and other conditions, and the authorization has no expiration date.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

There have been no material changes to the disclosures relating to this item from those set forth in our Annual Report on Form 10-K for the fiscal year ended January 31, 2014.

ITEM 4. CONTROLS AND PROCEDURES.

(a) Disclosure Controls and Procedures . Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), as of the end of the period covered by this report. Based on this evaluation, our principal executive officer and our principal financial officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

(b) Changes in Internal Control Over Financial Reporting . There have been no changes in our internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f)) during the quarter ended October 31, 2014 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

The information contained in Note 7 to the unaudited condensed consolidated financial statements under the heading “Legal proceedings” contained in Part I, Item 1 of this report is incorporated herein by this reference.

ITEM 1A. RISK FACTORS.

There have been no material changes to the disclosures relating to this item from those set forth in our Annual Report on Form 10-K for the fiscal year ended January 31, 2014.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

The following table contains information regarding purchases of our common stock made during the quarter ended October 31, 2014 by or on behalf of Dollar General or any “affiliated purchaser,” as defined by Rule 10b-18(a)(3) of the Exchange Act:

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased	Average Price Paid per Share ($)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs(a)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs(a) ($)
08/02/14-08/31/14	-	-	-	223,417,000
09/01/14-09/30/14	-	-	-	223,417,000
10/01/14-10/31/14	-	-	-	223,417,000
Total	-	-	-	223,417,000

(a) A $500 million share repurchase program was publicly announced on September 5, 2012, and increases in the authorization under such program were announced on March 25, 2013 ($500 million increase) and December 4, 2013 ($1.0 billion increase). Under the authorization, purchases may be made in the open market or in privately negotiated transactions from time to time subject to market and other conditions. This repurchase authorization has no expiration date.

ITEM 6. EXHIBITS.

See the Exhibit Index immediately following the signature page hereto, which Exhibit Index is incorporated by reference as if fully set forth herein.

CAUTIONARY DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

We include "forward-looking statements" within the meaning of the federal securities laws throughout this report, particularly under "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in Part I, Item 2, and "Note 7. Commitments and Contingencies" included in Part I, Item 1. You can identify these statements because they are not limited to historical fact or they use words such as "may," "will," "should," "expect," " believe," "anticipate," "project," "plan," "estimate," "objective," "intend," or "could," and similar expressions that concern our strategy, plans, intentions or beliefs about future occurrences or results. For example, statements relating to estimated and projected expenditures, cash flows, results of operations, financial condition and liquidity; plans and objectives for, and expectations regarding, future operations, growth or initiatives, including the number of planned store openings, remodels and relocations, trends in sales of consumable products, and the levels of future costs and expenses; expectations regarding the Company's proposal to acquire Family Dollar, the financing of a potential transaction, and the anticipated results of a potential transaction; anticipated borrowing under certain of our credit facilities; and the expected outcome or effect of pending or threatened litigation or audits are forward-looking statements.

Forward-looking statements are subject to risks and uncertainties that may change at any time, so our actual results may differ materially from those that we expected. We derive many of these statements from our operating budgets and forecasts, which are based on many detailed assumptions that we believe are reasonable. However, it is very difficult to predict the effect of known factors, and we cannot anticipate all factors that could affect our actual results. Important factors that could cause actual results to differ materially from the expectations expressed in our forward-looking statements include, without limitation:

- economic conditions, including their effect on employment levels, consumer demand, disposable income, credit availability and spending patterns, inflation, commodity prices, fuel prices, interest rates, exchange rate fluctuations and the cost of goods;
- failure to successfully execute our strategies and initiatives, including those relating to merchandising, sourcing, inventory shrinkage, private brand, distribution and transportation, store operations, expense reduction and real estate;
- failure to open, relocate and remodel stores profitably and on schedule, as well as failure of our new store base to achieve sales and operating levels consistent with our expectations;
- levels of inventory shrinkage;
- effective response to competitive pressures and changes in our competitive environment and the markets where we operate;
- our level of success in gaining and maintaining broad market acceptance of our private brands;
- disruptions, unanticipated expenses or operational failures in our supply chain including, without limitation, a decrease in transportation capacity for overseas shipments, increases in transportation costs, work stoppages or other labor disruptions that could impede the receipt of merchandise, or delays in constructing or opening new distribution centers;

- risks and challenges associated with sourcing merchandise from suppliers, as well as trade restrictions;
- unfavorable publicity or consumer perception of our products, including, without limitation, related product liability and food safety claims;
- the impact of changes in or noncompliance with governmental laws and regulations (including, without limitation, product safety, healthcare, and labor and employment laws, as well as tax laws, the interpretation of existing laws, or our failure to sustain our reporting positions negatively affecting our tax rate) and developments in or outcomes of legal proceedings, investigations or audits;
- natural disasters, unusual weather conditions, pandemic outbreaks, terrorist acts and geo-political events;
- damage or interruption to our information systems;
- ability to attract and retain qualified employees, while controlling labor costs (including healthcare costs) and other labor issues;
- our loss of key personnel or our inability to hire additional qualified personnel;
- failure to successfully manage inventory balances;
- seasonality of our business;
- incurrence of material uninsured losses, excessive insurance costs or accident costs;
- a data security breach;
- deterioration in market conditions, including interest rate fluctuations, or a lowering of our credit ratings;
- our debt levels and restrictions in our debt agreements;
- new accounting guidance, or changes in the interpretation or application of existing guidance, such as changes to lease accounting guidance or a requirement to convert to international financial reporting standards;
- factors disclosed under “Risk Factors” in Part I, Item 1A of our Form 10-K for the fiscal year ended January 31, 2014; and
- factors disclosed elsewhere in this document (including, without limitation, in conjunction with the forward-looking statements themselves) and other factors.

All forward-looking statements are qualified in their entirety by these and other cautionary statements that we make from time to time in our other Securities and Exchange Commission (“SEC”) filings and public communications. You should evaluate forward-looking statements in the context of these risks and uncertainties. These factors may not contain all of the material factors that are important to you. We cannot assure you that we will realize the results or developments we anticipate or, even if substantially realized, that they will result in the consequences or affect us or our operations in the way we expect. The forward-looking statements in this report are made only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

SIGNATURES

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 thereunto duly authorized, both on behalf of the Registrant and in his capacity as principal financial and accounting officer of the Registrant.

DOLLAR GENERAL CORPORATION

Date: December 4, 2014

By: /s/ David M. Tehle
David M. Tehle
Executive Vice President and Chief Financial Officer

EXHIBIT INDEX

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Exhibit 10.1

Summary of Non-Employee Director Compensation
(effective January 31, 2015)

We do not compensate for Board service any director who also serves as our employee. We will reimburse directors for certain fees and expenses incurred in connection with continuing education seminars and for travel and related expenses related to Dollar General business.

Each non-employee director will receive payment (prorated as applicable), in quarterly installments, of the following cash compensation, as applicable:

- $85,000 annual retainer for service as a Board member;
- $25,000 annual retainer for service as Lead Director;
- $22,500 annual retainer for service as chairman of the Audit Committee;
- $20,000 annual retainer for service as chairman of the Compensation Committee;
- $15,000 annual retainer for service as chairman of the Nominating & Governance Committee; and
- $1,500 for each Board or committee meeting in excess of an aggregate of 16 that a director attends, as a member, during each fiscal year.

In addition, we grant annually to those non-employee directors who are elected or reelected at each applicable shareholders' meeting an equity award under our Amended and Restated 2007 Stock Incentive Plan with an estimated value of $125,000 on the grant date. This entire value consists of restricted stock units payable in shares of our common stock ("RSUs"). The RSUs will vest as to 100% of the award on the first anniversary of the grant date. Directors may elect to defer receipt of shares underlying the RSUs. They may also elect to defer up to 100% of cash fees earned for Board service under the Non-Employee Director Deferred Compensation Plan filed separately as Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended October 31, 2014. Any new director appointed after the annual shareholders' meeting but before February 1 of a given year, will receive a full equity award no later than the first regularly scheduled Compensation Committee meeting following the date on which he or she is appointed. Any new director appointed on or after February 1 of a given year but before the next annual shareholders' meeting shall be eligible to receive the next regularly scheduled annual award.

Exhibit 10.2

DOLLAR GENERAL CORPORATION
STOCK OPTION AWARD AGREEMENT

THIS AGREEMENT (the " Agreement "), dated as of the date indicated on **Schedule A** hereto (the " Grant Date "), is made by and between Dollar General Corporation, a Tennessee corporation (hereinafter referred to as the " Company "), and the individual whose name is set forth on the signature page hereof, who is an employee of the Company or a Subsidiary or Affiliate of the Company (hereinafter referred to as the " Optionee "). Any capitalized terms herein not otherwise defined in this Agreement shall have the meaning set forth in the Amended and Restated 2007 Stock Incentive Plan for Key Employees of Dollar General Corporation and its Affiliates, as such Plan may be amended from time to time (the " Plan ").

WHEREAS, the Company wishes to carry out the Plan, the terms of which are hereby incorporated by reference and made a part of this Agreement; and

WHEREAS, the Compensation Committee (or a duly authorized subcommittee thereof) of the Board of the Company appointed to administer the Plan (the " Committee ") has determined that it would be to the advantage and best interest of the Company and its shareholders to grant the Option provided for herein to the Optionee, and has advised the Company thereof and instructed the undersigned officer to issue said Option.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I
DEFINITIONS

Whenever the following terms are used in this Agreement, they shall have the meaning specified below unless the context clearly indicates to the contrary.

Section 1.1. Cause

"Cause" shall mean (A) "Cause" as such term may be defined in any employment agreement between the Optionee and the Company or any of its Subsidiaries or Affiliates that is in effect at the time of termination of employment; or (B) if there is no such employment agreement in effect, "Cause" as such term may be defined in any change-in-control agreement between the Optionee and the Company or any of its Subsidiaries or Affiliates that is in effect at the time of termination of employment; or (C) if there is no such employment or change-in-control agreement, with respect to an Optionee: (i) any act of the Optionee involving fraud or dishonesty, or any willful failure to perform reasonable duties assigned to the Optionee which failure is not cured within 10 business days after receipt from the Company of written notice of such failure; (ii) any material breach by the Optionee of any securities or other law or regulation or any Company policy governing trading or dealing with stock, securities, investments or the like, or any inappropriate disclosure or "tipping" relating to any stock, securities, investments or the like; (iii) other than as required by law, the carrying out by the Optionee of any activity, or the Optionee making any public statement, which prejudices or ridicules the good name and standing of the Company or its Affiliates or would bring such persons into public contempt or ridicule; (iv) attendance by the Optionee at work in a state of intoxication or the Optionee otherwise being found in possession at the Optionee's place of work of

any prohibited drug or substance, possession of which would amount to a criminal offense; (v) any assault or other act of violence by the Optionee; or (vi) the Optionee being indicted for any crime constituting (x) any felony whatsoever or (y) any misdemeanor that would preclude employment under the Company's hiring policy.

Section 1.2. Disability

"Disability" shall mean (A) "Disability" as such term may be defined in any employment agreement between the Optionee and the Company or any of its Subsidiaries or Affiliates that is in effect at the time of termination of employment; or (B) if there is no such employment agreement in effect, "Disability" as such term may be defined in any change-in-control agreement between the Optionee and the Company or any of its Subsidiaries or Affiliates that is in effect at the time of termination of employment; or (C) if there is no such employment or change-in-control agreement, "Disability" as defined in the Company's long-term disability plan.

Section 1.3. Option

"Option" shall mean the right and option to purchase, on the terms and conditions set forth herein, all or any part of an aggregate of the number of Shares of Common Stock set forth on **Schedule A** hereto.

Section 1.4. Retirement

"Retirement" shall mean the voluntary termination of the Optionee's employment with the Company or any of its Subsidiaries or Affiliates on or after (A) reaching the minimum age of sixty-two (62) and (B) achieving five (5) consecutive years of service; provided, however, that the sum of the Optionee's age plus years of service (counting whole years only) must equal at least seventy (70) and provided further that there is no basis for the Company to terminate the Optionee for Cause at the time of Optionee's voluntary termination.

Section 1.5. Secretary

"Secretary" shall mean the Secretary of the Company.

ARTICLE II
GRANT OF OPTION

Section 2.1. Grant of Option

For good and valuable consideration, on and as of the Grant Date the Company irrevocably grants to the Optionee the Option on the terms and conditions set forth in this Agreement.

Section 2.2. Exercise Price

Subject to Section 2.4, the exercise price of the Shares of Common Stock covered by the Option (the " Exercise Price ") shall be as set forth on **Schedule A** hereto, which shall be the Fair Market Value on the Grant Date.

Section 2.3. No Guarantee of Employment

Nothing in this Agreement or in the Plan shall confer upon the Optionee any right to continue in the employ of the Company or any Subsidiary or Affiliate or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries or Affiliates, which are hereby expressly reserved, to terminate the employment of the Optionee at any time for any reason whatsoever, with or without cause, subject to the applicable provisions of, if any, the Optionee's employment agreement with the Company or offer letter provided by the Company to the Optionee.

Section 2.4. Adjustments to Option

The Option shall be subject to the adjustment provisions of Sections 8 and 9 of the Plan, provided , however , that in the event of the payment of an extraordinary dividend by the Company to its shareholders: the Exercise Price of the Option shall be reduced by the amount of the dividend paid, but only to the extent the Committee determines it to be permitted under applicable tax laws and to not have adverse tax consequences to the Optionee under Section 409A of the Code; and, if such reduction cannot be fully effected due to such tax laws and it will not have adverse tax consequences to the Optionee, then the Company shall pay to the Optionee a cash payment, on a per Share basis, equal to the balance of the amount of the dividend not permitted to be applied to reduce the Exercise Price of the applicable Option as follows: (a) for each Share subject to a vested Option, immediately upon the date of such dividend payment; and (b) for each Share subject to an unvested Option, on the date on which such Option becomes vested and exercisable with respect to such Share.

ARTICLE III
PERIOD OF EXERCISABILITY

Section 3.1. Commencement of Exercisability

(a) Except as otherwise provided in Section 3.1(b) or (c) below, so long as the Optionee continues to be employed by the Company or any other Service Recipient, the Option shall become vested and exercisable with respect to 25% of the Shares subject to such Option on each April 1 of the four (4) fiscal years following the fiscal year in which the Grant Date occurs, as set forth on **Schedule A** hereto (each such date, a "Vesting Date"). To the extent this vesting schedule results in the vesting of fractional shares, the fractional shares shall be combined and be exercisable on the earliest Vesting Date.

(b) Notwithstanding Section 3.1(a) above, upon the earliest occurrence of (i) a Change in Control, (ii) the Optionee's death, or (iii) a termination of the Optionee's employment by reason of the Optionee's Disability, the Option shall become immediately vested and exercisable with respect to 100% of the Shares subject to such unvested Option immediately prior to such event (but only to the extent such Option has not otherwise terminated or become exercisable).

(c) Notwithstanding Section 3.1(a) above, in the event of the Optionee's Retirement, that portion of the Option that would have become vested and exercisable within the one (1) year period following the Optionee's Retirement date if the Optionee had remained employed with the Company or the applicable Service Recipient shall remain outstanding for a period of one (1) year following the Optionee's Retirement date and shall become vested and exercisable on the anniversary of the Grant Date that falls within the one (1) year period following the Optionee's Retirement date (but

only to the extent such portion of the Option has not otherwise terminated or become exercisable); provided, however, that if during such one (1) year period there occurs a Change in Control or the Optionee dies or incurs a Disability, such portion of the Option shall instead become immediately vested and exercisable (but only to the extent such portion of the Option has not otherwise terminated).

(d) No Option shall become vested or exercisable as to any additional Shares following the Optionee's termination of employment for any reason, and any Option which is unexercisable as of the Optionee's termination of employment shall immediately expire without payment therefor, in each case except as otherwise provided in Section 3.1(b) or (c) above.

Section 3.2. Expiration of Option

The Optionee may not exercise the Option to any extent after the first to occur of the following events:

(a) The tenth anniversary of the Grant Date;

(b) The fifth anniversary of the date of the Optionee's termination of employment with the Company and all Service Recipients if the Optionee's employment is terminated by reason of Retirement;

(c) The first anniversary of the date of the Optionee's termination of employment with the Company and all Service Recipients if the Optionee's employment is terminated by reason of death or Disability (unless earlier terminated as provided in Section 3.2(h) below);

(d) The first anniversary of the date of the Optionee's termination of employment with the Company and all Service Recipients if the Optionee's employment terminates (1) within two (2) years following a Change in Control and (2) for any reason other than an involuntary termination with Cause or a Retirement (in the case of an involuntary termination with Cause or a Retirement, the provisions of Section 3.2 (g) and (b), as applicable, shall instead apply);

(e) Ninety (90) days after the date of the Optionee's involuntary termination of employment by the Company and all Service Recipients without Cause (for any reason other than as set forth in Section 3.2(c));

(f) Ninety (90) days after the date of the Optionee's voluntary termination of employment with the Company and all Service Recipients by the Optionee (for any reason other than as set forth in Section 3.2(b) or (c));

(g) Immediately upon the date of the Optionee's termination of employment by the Company and all Service Recipients for Cause;

(h) At the discretion of the Company, if the Committee so determines pursuant to Section 9 of the Plan.

ARTICLE IV
EXERCISE OF OPTION

Section 4.1. Person Eligible to Exercise

During the lifetime of the Optionee, only the Optionee (or his or her duly authorized legal representative) may exercise the Option or any portion thereof. After the death of the Optionee, any exercisable portion of the Option may, prior to the time when the Option becomes unexercisable under Section 3.2, be exercised by the Optionee's personal representative or by any person empowered to do so under the Optionee's will or under the then applicable laws of descent and distribution.

Section 4.2. Partial Exercise

Any exercisable portion of the Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part at any time prior to the time when the Option or portion thereof becomes unexercisable under Section 3.2; provided , however , that any partial exercise shall be for whole Shares of Common Stock only.

Section 4.3. Manner of Exercise

The Option, or any exercisable portion thereof, may be exercised solely by delivering to the Secretary or his or her designee all of the following prior to the time when the Option or such portion becomes unexercisable under Section 3.2:

(a) Notice in writing signed by the Optionee or the other person then entitled to exercise the Option or portion thereof, stating that the Option or portion thereof is thereby exercised, such notice complying with all applicable rules established by the Committee;

(b) (i) Full payment (in cash or by check or by a combination thereof) for the Shares with respect to which such Option or portion thereof is exercised (provided, however, that full payment is deemed made if the Company receives cash in respect of the exercise price no later than the date on which the Company or its agent delivers or releases Shares to the Optionee or his or her agent, which date shall not be later than three (3) business days following the date on which the Option is exercised, in the event of a cashless exercise via a third party in a manner that is compliant with applicable law) or (ii) notice in writing that the Optionee elects to have the number of Shares that would otherwise be issued to the Optionee reduced by a number of Shares having an equivalent Fair Market Value to the payment that would otherwise be made by the Optionee to the Company pursuant to clause (i) of this subsection (b);

(c) (i) Full payment (in cash or by check or by a combination thereof) to satisfy the minimum withholding tax obligation with respect to which such Option or portion thereof is exercised (provided, however, that full payment is deemed made if the Company receives such payment no later than the date on which the Company must remit such withholding to the Internal Revenue Service in the event of a cashless exercise via a third party in a manner that is compliant with applicable law); or (ii) notice in writing that the Optionee elects to have the number of Shares that would otherwise be issued to the Optionee reduced by a number of Shares having an equivalent Fair Market Value to the payment that would otherwise be made by the Optionee to the Company pursuant to clause (i) of this subsection (c);

(d) A bona fide written representation and agreement, in a form satisfactory to the Committee, signed by the Optionee or other person then entitled to exercise such Option or portion thereof, stating that the Shares of Common Stock are being acquired for his or her own account, for investment and without any present intention of distributing or reselling said Shares or any of them except as may be permitted under the Securities Act of 1933, as amended (the " Act "), and then applicable rules and regulations thereunder, and that the Optionee or other person then entitled to exercise such Option or portion thereof will indemnify the Company against and hold it free and harmless from any loss, damage, expense or liability resulting to the Company if any sale or distribution of the Shares by such person is contrary to the representation and agreement referred to above; provided , however , that the Committee may, in its reasonable discretion, take whatever additional actions it deems reasonably necessary to ensure the observance and performance of such representation and agreement and to effect compliance with the Act and any other federal or state securities laws or regulations; and

(e) In the event the Option or portion thereof shall be exercised pursuant to Section 4.1 by any person or persons other than the Optionee, appropriate proof of the right of such person or persons to exercise the Option.

Without limiting the generality of the foregoing, the Committee may require an opinion of counsel acceptable to it to the effect that any subsequent transfer of Shares acquired on exercise of the Option does not violate the Act, and may issue stop-transfer orders covering such Shares. Share certificates evidencing stock issued on exercise of the Option may bear an appropriate legend referring to the provisions of subsection (d) above and the agreements herein. The written representation and agreement referred to in subsection (d) above shall, however, not be required if the Shares to be issued pursuant to such exercise have been registered under the Act, and such registration is then effective in respect of such Shares.

Section 4.4. Conditions to Issuance of Stock Certificates

The Shares deliverable upon the exercise of the Option, or any portion thereof, 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. The Company shall not be required to issue or deliver any certificate or certificates for Shares purchased (if certificated, or if not certificated, register the issuance of such Shares on its books and records) upon the exercise of the Option or portion thereof prior to fulfillment of all of the following conditions:

(a) The obtaining of approval or other clearance from any state or federal governmental agency which the Committee shall, in its reasonable and good faith discretion, determine to be necessary or advisable; and

(b) The lapse of such reasonable period of time following the exercise of the Option as the Committee may from time to time establish for reasons of administrative convenience or as may otherwise be required by applicable law.

Section 4.5. Rights as Shareholder

Except as otherwise provided in Section 2.4 of this Agreement, the holder of an Option shall not be, nor have any of the rights or privileges of, a shareholder of the Company in respect of any Shares purchasable upon the exercise of the Option or any portion thereof unless and until certificates

representing such Shares shall have been issued by the Company to such holder or the Shares have otherwise been recorded in the records of the Company as owned by such holder.

ARTICLE V
MISCELLANEOUS

Section 5.1. 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 Optionee, 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 Option. 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.

Section 5.2. Option Not Transferable

Neither the Option nor any interest or right therein or part thereof shall be liable for the debts, contracts or engagements of the Optionee 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 5.2 shall not prevent transfers by will or by the applicable laws of descent and distribution or other transfers authorized in limited circumstances by the Committee (or its designee).

Section 5.3. 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 Optionee shall be addressed to him or her at the address given beneath his or her signature hereto. By a notice given pursuant to this Section 5.3, either party may hereafter designate a different address for notices to be given to him or her. Any notice, which is required to be given to the Optionee, shall, if the Optionee is then deceased, be given to the Optionee's personal representative if such representative has previously informed the Company of his status and address by written notice under this Section 5.3. Any notice shall have been deemed duly given when (i) delivered in person; or, except for notice under Section 4.3 which must be received to be duly given, (ii) 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, or (iii) enclosed in a properly sealed envelope or wrapper addressed as aforesaid, deposited (with fees prepaid) in an office regularly maintained by FedEx, UPS, or comparable non-public mail carrier.

Section 5.4. Titles; Pronouns

Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement. The masculine pronoun shall include the feminine and neuter, and the singular the plural, where the context so indicates.

Section 5.5. [Applicability of Plan and Management Stockholder's Agreement

The Option and the Shares of Common Stock issued to the Optionee upon exercise of the Option shall be subject to all of the terms and provisions of the Plan to the extent applicable to an Option and Shares. In the event of any conflict between this Agreement and the Plan, the terms of the Plan shall control. The Option and the Shares of Common Stock issued to the Optionee upon exercise of the Option shall not be subject to, and hereby are expressly exempted from, all of the terms and provisions of any Management Stockholder's Agreement between the Optionee and the Company in existence on the Grant Date.]

Section 5.6. Amendment

This Agreement may only be amended pursuant to Section 10 of the Plan.

Section 5.7. 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.

Section 5.8. 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.

Section 5.9. Clawback

As a condition of receiving the Option, the Optionee acknowledges and agrees that the Optionee's rights, payments, and benefits with respect to the Option shall be subject to any reduction, cancellation, forfeiture or recoupment, in whole or in part, 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 exchange, or by any other applicable law, rule or regulation.

Section 5.10 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 pages*]

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

DOLLAR GENERAL CORPORATION

By: _____

Name: _____

Title: _____

ADDRESS:

Dollar General Corporation
100 Mission Ridge
Goodlettsville, TN 37072

[Signature Page of Stock Option Award Agreement]

OPTIONEE:

Signature: _____

Print Name: _____

Employee ID: _____

HOME ADDRESS:

_____

_____

[Signature Page of Stock Option Award Agreement]

Schedule A to Stock Option Award Agreement

Grant Date : [ ]

Exercise Price (per Share) : $[ ]

Option Grant :
Aggregate number of Shares of Common Stock for which the Option granted hereunder is exercisable: [ ]

Vesting Dates:	**Percentage**	**Date**
	25%	April 1, [year]
	25%	April 1, [year]
	25%	April 1, [year]
	25%	April 1, [year]

Exhibit 10.3

DOLLAR GENERAL CORPORATION
STOCK OPTION AWARD AGREEMENT

THIS AGREEMENT (the " Agreement "), dated as of the date indicated on **Schedule A** hereto (the " Grant Date "), is made by and between Dollar General Corporation, a Tennessee corporation (hereinafter referred to as the " Company "), and the individual whose name is set forth on the signature page hereof, who is an employee of the Company or a Subsidiary or Affiliate of the Company (hereinafter referred to as the " Optionee "). Any capitalized terms herein not otherwise defined in this Agreement shall have the meaning set forth in the Amended and Restated 2007 Stock Incentive Plan for Key Employees of Dollar General Corporation and its Affiliates, as such Plan may be amended from time to time (the " Plan ").

WHEREAS, the Company wishes to carry out the Plan, the terms of which are hereby incorporated by reference and made a part of this Agreement; and

WHEREAS, the Compensation Committee (or a duly authorized subcommittee thereof) of the Board of the Company appointed to administer the Plan (the " Committee ") has determined that it would be to the advantage and best interest of the Company and its shareholders to grant the Option provided for herein to the Optionee, and has advised the Company thereof and instructed the undersigned officer to issue said Option.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I
DEFINITIONS

Whenever the following terms are used in this Agreement, they shall have the meaning specified below unless the context clearly indicates to the contrary.

Section 1.1. Cause

"Cause" shall mean (A) "Cause" as such term may be defined in any employment agreement between the Optionee and the Company or any of its Subsidiaries or Affiliates that is in effect at the time of termination of employment; or (B) if there is no such employment agreement in effect, "Cause" as such term may be defined in any change-in-control agreement between the Optionee and the Company or any of its Subsidiaries or Affiliates that is in effect at the time of termination of employment; or (C) if there is no such employment or change-in-control agreement, with respect to an Optionee: (i) any act of the Optionee involving fraud or dishonesty, or any willful failure to perform reasonable duties assigned to the Optionee which failure is not cured within 10 business days after receipt from the Company of written notice of such failure; (ii) any material breach by the Optionee of any securities or other law or regulation or any Company policy governing trading or dealing with stock, securities, investments or the like, or any inappropriate disclosure or "tipping" relating to any stock, securities, investments or the like; (iii) other than as required by law, the carrying out by the Optionee of any activity, or the Optionee making any public statement, which prejudices or ridicules the good name and standing of the Company or its Affiliates or would bring such persons into public contempt or ridicule; (iv) attendance by the Optionee at work in a state of intoxication or the Optionee otherwise being found in possession at the Optionee's place of work of

any prohibited drug or substance, possession of which would amount to a criminal offense; (v) any assault or other act of violence by the Optionee; or (vi) the Optionee being indicted for any crime constituting (x) any felony whatsoever or (y) any misdemeanor that would preclude employment under the Company's hiring policy.

Section 1.2. Disability

"Disability" shall mean (A) "Disability" as such term may be defined in any employment agreement between the Optionee and the Company or any of its Subsidiaries or Affiliates that is in effect at the time of termination of employment; or (B) if there is no such employment agreement in effect, "Disability" as such term may be defined in any change-in-control agreement between the Optionee and the Company or any of its Subsidiaries or Affiliates that is in effect at the time of termination of employment; or (C) if there is no such employment or change-in-control agreement, "Disability" as defined in the Company's long-term disability plan.

Section 1.3. Option

"Option" shall mean the right and option to purchase, on the terms and conditions set forth herein, all or any part of an aggregate of the number of Shares of Common Stock set forth on **Schedule A** hereto.

Section 1.4. Retirement

"Retirement" shall mean the voluntary termination of the Optionee's employment with the Company or any of its Subsidiaries or Affiliates on or after (A) reaching the minimum age of sixty-two (62) and (B) achieving five (5) consecutive years of service; provided, however, that the sum of the Optionee's age plus years of service (counting whole years only) must equal at least seventy (70) and provided further that there is no basis for the Company to terminate the Optionee for Cause at the time of Optionee's voluntary termination.

Section 1.5. Secretary

"Secretary" shall mean the Secretary of the Company.

ARTICLE II
GRANT OF OPTION

Section 2.1. Grant of Option

For good and valuable consideration, on and as of the Grant Date the Company irrevocably grants to the Optionee the Option on the terms and conditions set forth in this Agreement.

Section 2.2. Exercise Price

Subject to Section 2.4, the exercise price of the Shares of Common Stock covered by the Option (the " Exercise Price ") shall be as set forth on **Schedule A** hereto, which shall be the Fair Market Value on the Grant Date.

Section 2.3. No Guarantee of Employment

Nothing in this Agreement or in the Plan shall confer upon the Optionee any right to continue in the employ of the Company or any Subsidiary or Affiliate or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries or Affiliates, which are hereby expressly reserved, to terminate the employment of the Optionee at any time for any reason whatsoever, with or without cause, subject to the applicable provisions of, if any, the Optionee's employment agreement with the Company or offer letter provided by the Company to the Optionee.

Section 2.4. Adjustments to Option

The Option shall be subject to the adjustment provisions of Sections 8 and 9 of the Plan, provided , however , that in the event of the payment of an extraordinary dividend by the Company to its shareholders: the Exercise Price of the Option shall be reduced by the amount of the dividend paid, but only to the extent the Committee determines it to be permitted under applicable tax laws and to not have adverse tax consequences to the Optionee under Section 409A of the Code; and, if such reduction cannot be fully effected due to such tax laws and it will not have adverse tax consequences to the Optionee, then the Company shall pay to the Optionee a cash payment, on a per Share basis, equal to the balance of the amount of the dividend not permitted to be applied to reduce the Exercise Price of the applicable Option as follows: (a) for each Share subject to a vested Option, immediately upon the date of such dividend payment; and (b) for each Share subject to an unvested Option, on the date on which such Option becomes vested and exercisable with respect to such Share.

ARTICLE III
PERIOD OF EXERCISABILITY

Section 3.1. Commencement of Exercisability

(a) Except as otherwise provided in Section 3.1(b) or (c) below, so long as the Optionee continues to be employed by the Company or any other Service Recipient, the Option shall become vested and exercisable with respect to 25% of the Shares subject to such Option on each of the first four (4) anniversaries of the Grant Date. To the extent this vesting schedule results in the vesting of fractional shares, the fractional shares shall be combined and be exercisable on the first anniversary of the Grant Date.

(b) Notwithstanding Section 3.1(a) above, upon the earliest occurrence of (i) a Change in Control, (ii) the Optionee's death, or (iii) a termination of the Optionee's employment by reason of the Optionee's Disability, the Option shall become immediately vested and exercisable with respect to 100% of the Shares subject to such unvested Option immediately prior to such event (but only to the extent such Option has not otherwise terminated or become exercisable).

(c) Notwithstanding Section 3.1(a) above, in the event of the Optionee's Retirement, that portion of the Option that would have become vested and exercisable within the one (1) year period following the Optionee's Retirement date if the Optionee had remained employed with the Company or the applicable Service Recipient shall remain outstanding for a period of one (1) year following the Optionee's Retirement date and shall become vested and exercisable on the anniversary of the Grant Date that falls within the one (1) year period following the Optionee's Retirement date (but only to the extent such portion of the Option has not otherwise terminated or become exercisable);

provided, however, that if during such one (1) year period there occurs a Change in Control or the Optionee dies or incurs a Disability, such portion of the Option shall instead become immediately vested and exercisable (but only to the extent such portion of the Option has not otherwise terminated).

(d) No Option shall become vested or exercisable as to any additional Shares following the Optionee's termination of employment for any reason, and any Option which is unexercisable as of the Optionee's termination of employment shall immediately expire without payment therefor, in each case except as otherwise provided in Section 3.1(b) or (c) above.

Section 3.2. Expiration of Option

The Optionee may not exercise the Option to any extent after the first to occur of the following events:

(a) The tenth anniversary of the Grant Date;

(b) The fifth anniversary of the date of the Optionee's termination of employment with the Company and all Service Recipients if the Optionee's employment is terminated by reason of Retirement;

(c) The first anniversary of the date of the Optionee's termination of employment with the Company and all Service Recipients if the Optionee's employment is terminated by reason of death or Disability (unless earlier terminated as provided in Section 3.2(h) below);

(d) The first anniversary of the date of the Optionee's termination of employment with the Company and all Service Recipients if the Optionee's employment terminates (1) within two (2) years following a Change in Control and (2) for any reason other than an involuntary termination with Cause or a Retirement (in the case of an involuntary termination with Cause or a Retirement, the provisions of Section 3.2 (g) and (b), as applicable, shall instead apply);

(e) Ninety (90) days after the date of the Optionee's involuntary termination of employment by the Company and all Service Recipients without Cause (for any reason other than as set forth in Section 3.2(c));

(f) Ninety (90) days after the date of the Optionee's voluntary termination of employment with the Company and all Service Recipients by the Optionee (for any reason other than as set forth in Section 3.2(b) or (c));

(g) Immediately upon the date of the Optionee's termination of employment by the Company and all Service Recipients for Cause;

(h) At the discretion of the Company, if the Committee so determines pursuant to Section 9 of the Plan.

ARTICLE IV
EXERCISE OF OPTION

Section 4.1. Person Eligible to Exercise

During the lifetime of the Optionee, only the Optionee (or his or her duly authorized legal representative) may exercise the Option or any portion thereof. After the death of the Optionee, any exercisable portion of the Option may, prior to the time when the Option becomes unexercisable under Section 3.2, be exercised by the Optionee's personal representative or by any person empowered to do so under the Optionee's will or under the then applicable laws of descent and distribution.

Section 4.2. Partial Exercise

Any exercisable portion of the Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part at any time prior to the time when the Option or portion thereof becomes unexercisable under Section 3.2; provided , however , that any partial exercise shall be for whole Shares of Common Stock only.

Section 4.3. Manner of Exercise

The Option, or any exercisable portion thereof, may be exercised solely by delivering to the Secretary or his or her designee all of the following prior to the time when the Option or such portion becomes unexercisable under Section 3.2:

(a) Notice in writing signed by the Optionee or the other person then entitled to exercise the Option or portion thereof, stating that the Option or portion thereof is thereby exercised, such notice complying with all applicable rules established by the Committee;

(b) (i) Full payment (in cash or by check or by a combination thereof) for the Shares with respect to which such Option or portion thereof is exercised (provided, however, that full payment is deemed made if the Company receives cash in respect of the exercise price no later than the date on which the Company or its agent delivers or releases Shares to the Optionee or his or her agent, which date shall not be later than three (3) business days following the date on which the Option is exercised, in the event of a cashless exercise via a third party in a manner that is compliant with applicable law) or (ii) notice in writing that the Optionee elects to have the number of Shares that would otherwise be issued to the Optionee reduced by a number of Shares having an equivalent Fair Market Value to the payment that would otherwise be made by the Optionee to the Company pursuant to clause (i) of this subsection (b);

(c) (i) Full payment (in cash or by check or by a combination thereof) to satisfy the minimum withholding tax obligation with respect to which such Option or portion thereof is exercised (provided, however, that full payment is deemed made if the Company receives such payment no later than the date on which the Company must remit such withholding to the Internal Revenue Service in the event of a cashless exercise via a third party in a manner that is compliant with applicable law); or (ii) notice in writing that the Optionee elects to have the number of Shares that would otherwise be issued to the Optionee reduced by a number of Shares having an equivalent Fair Market Value to the payment that would otherwise be made by the Optionee to the Company pursuant to clause (i) of this subsection (c);

(d) A bona fide written representation and agreement, in a form satisfactory to the Committee, signed by the Optionee or other person then entitled to exercise such Option or portion thereof, stating that the Shares of Common Stock are being acquired for his or her own account, for investment and without any present intention of distributing or reselling said Shares or any of them except as may be permitted under the Securities Act of 1933, as amended (the " Act "), and then applicable rules and regulations thereunder, and that the Optionee or other person then entitled to exercise such Option or portion thereof will indemnify the Company against and hold it free and harmless from any loss, damage, expense or liability resulting to the Company if any sale or distribution of the Shares by such person is contrary to the representation and agreement referred to above; provided , however , that the Committee may, in its reasonable discretion, take whatever additional actions it deems reasonably necessary to ensure the observance and performance of such representation and agreement and to effect compliance with the Act and any other federal or state securities laws or regulations; and

(e) In the event the Option or portion thereof shall be exercised pursuant to Section 4.1 by any person or persons other than the Optionee, appropriate proof of the right of such person or persons to exercise the Option.

Without limiting the generality of the foregoing, the Committee may require an opinion of counsel acceptable to it to the effect that any subsequent transfer of Shares acquired on exercise of the Option does not violate the Act, and may issue stop-transfer orders covering such Shares. Share certificates evidencing stock issued on exercise of the Option may bear an appropriate legend referring to the provisions of subsection (d) above and the agreements herein. The written representation and agreement referred to in subsection (d) above shall, however, not be required if the Shares to be issued pursuant to such exercise have been registered under the Act, and such registration is then effective in respect of such Shares.

Section 4.4. Conditions to Issuance of Stock Certificates

The Shares deliverable upon the exercise of the Option, or any portion thereof, 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. The Company shall not be required to issue or deliver any certificate or certificates for Shares purchased (if certificated, or if not certificated, register the issuance of such Shares on its books and records) upon the exercise of the Option or portion thereof prior to fulfillment of all of the following conditions:

(a) The obtaining of approval or other clearance from any state or federal governmental agency which the Committee shall, in its reasonable and good faith discretion, determine to be necessary or advisable; and

(b) The lapse of such reasonable period of time following the exercise of the Option as the Committee may from time to time establish for reasons of administrative convenience or as may otherwise be required by applicable law.

Section 4.5. Rights as Shareholder

Except as otherwise provided in Section 2.4 of this Agreement, the holder of an Option shall not be, nor have any of the rights or privileges of, a shareholder of the Company in respect of any Shares purchasable upon the exercise of the Option or any portion thereof unless and until certificates

representing such Shares shall have been issued by the Company to such holder or the Shares have otherwise been recorded in the records of the Company as owned by such holder.

ARTICLE V
MISCELLANEOUS

Section 5.1. 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 Optionee, 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 Option. 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.

Section 5.2. Option Not Transferable

Neither the Option nor any interest or right therein or part thereof shall be liable for the debts, contracts or engagements of the Optionee 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 5.2 shall not prevent transfers by will or by the applicable laws of descent and distribution or other transfers authorized in limited circumstances by the Committee (or its designee).

Section 5.3. 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 Optionee shall be addressed to him or her at the address given beneath his or her signature hereto. By a notice given pursuant to this Section 5.3, either party may hereafter designate a different address for notices to be given to him or her. Any notice, which is required to be given to the Optionee, shall, if the Optionee is then deceased, be given to the Optionee's personal representative if such representative has previously informed the Company of his status and address by written notice under this Section 5.3. Any notice shall have been deemed duly given when (i) delivered in person; or, except for notice under Section 4.3 which must be received to be duly given, (ii) 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, or (iii) enclosed in a properly sealed envelope or wrapper addressed as aforesaid, deposited (with fees prepaid) in an office regularly maintained by FedEx, UPS, or comparable non-public mail carrier.

Section 5.4. Titles; Pronouns

Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement. The masculine pronoun shall include the feminine and neuter, and the singular the plural, where the context so indicates.

Section 5.5. [Applicability of Plan and Management Stockholder's Agreement

The Option and the Shares of Common Stock issued to the Optionee upon exercise of the Option shall be subject to all of the terms and provisions of the Plan to the extent applicable to an Option and Shares. In the event of any conflict between this Agreement and the Plan, the terms of the Plan shall control. The Option and the Shares of Common Stock issued to the Optionee upon exercise of the Option shall not be subject to, and hereby are expressly exempted from, all of the terms and provisions of any Management Stockholder's Agreement between the Optionee and the Company in existence on the Grant Date.]

Section 5.6. Amendment

This Agreement may only be amended pursuant to Section 10 of the Plan.

Section 5.7. 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.

Section 5.8. 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.

Section 5.9. Clawback

As a condition of receiving the Option, the Optionee acknowledges and agrees that the Optionee's rights, payments, and benefits with respect to the Option shall be subject to any reduction, cancellation, forfeiture or recoupment, in whole or in part, 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 exchange, or by any other applicable law, rule or regulation.

Section 5.10 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 pages*]

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

DOLLAR GENERAL CORPORATION

By: _____

Name: _____

Title: _____

ADDRESS:

Dollar General Corporation
100 Mission Ridge
Goodlettsville, TN 37072

[Signature Page of Stock Option Award Agreement]

OPTIONEE:

Signature: _____

Print Name: _____

Employee ID: _____

HOME ADDRESS:

_____

_____

[Signature Page of Stock Option Award Agreement]

Schedule A to Stock Option Award Agreement

Grant Date : [ ]
Exercise Price (per Share) : $[ ]

Option Grant :
Aggregate number of Shares of Common Stock for which the Option granted hereunder is exercisable: [ ]

DOLLAR GENERAL CORPORATION
PERFORMANCE SHARE UNIT AWARD AGREEMENT

THIS AGREEMENT (the " 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 performance share unit award as provided for hereunder, ultimately payable in shares of Common Stock of the Company, par value $0.875 per Share (the " Performance Share 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 Performance Share Unit Award provided for herein to the Grantee, and has advised the Company thereof and instructed the undersigned officer to issue said Performance Share Unit Award;

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 Performance Share Unit Award** . 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 a certain number of performance units (referred to as " Performance Share Units ") which the Grantee will have an opportunity to earn over a Performance Period of one year if certain performance goal measures are met in accordance with Section 4 and to receive if additional time-based vesting conditions are met in accordance with Section 5. A Performance Share Unit represents the right to receive one Share of Common Stock upon satisfaction of the performance, vesting and other conditions set forth in Agreement.

2. **Target Number of Performance Share Units** . The target number of Performance Share Units awarded is set forth on **Schedule A** hereto. At the end of the Performance Period, and subject to additional time-based vesting, the Grantee can earn up to [300%] of the target number of Performance Share Units or as little as no Performance Share Units, depending upon actual performance compared to the performance goal measures established by the Committee.

3. **Performance Period** . The period during which the performance goal measures apply (the " Performance Period ") begins and ends as set forth on **Schedule A** hereto.

4. **Performance Goal Measures** .

(a) The performance goal measures and the levels of performance for each of the performance goal measures that is required to earn Performance Share Units were established by the Committee on the Grant Date. Performance goals are based on Adjusted EBITDA (weighted [50%]) and ROIC (weighted [50%]), each as defined below and as established by the Committee, for the Performance Period, with the method for determining the number of Performance Share Units that can be earned (including the threshold, target and maximum number of Performance Share Units) set forth on **Schedule A** hereto, subject to the additional time-based vesting requirements that extend beyond the end of the Performance Period as provided in Section 5. If the performance level for a performance goal measure is below the established threshold, no Performance Share Units shall be earned. If the performance level for a performance goal measure is above the established maximum, no additional Performance Share Units shall be earned above the associated maximum payout level. Within sixty (60) days following the end of the Performance Period, the Committee will determine the extent to which the performance goal measures have been met and the number of Performance Share Units earned (subject to the additional time-based vesting requirements that extend beyond the end of the Performance Period as provided in Section 5) and will interpolate on a straight-line basis all stated levels between the performance results and Performance Share Units to be earned and will round to the nearest whole Performance Share Unit. The Performance Share Units are intended to be Performance-Based Awards under the Plan, and the provision of Section 6 (c)(ii) of the Plan shall apply. The Committee must certify the performance results for each of the performance goal measures following the end of the Performance Period. The Committee may exercise its discretion to reduce the number of Performance Share Units earned in its assessment of performance in relation to the performance goal measures or in light of other considerations that the Committee deems relevant. Except as provided in Section 5(h) in the event of a Change in Control during the Performance Period, any Performance Share Units that are not, based on the Committee's determination, earned by performance during the Performance Period, including Performance Share Units that had been potentially earnable by performance in excess of the actual performance levels achieved, shall be cancelled and forfeited as of the last day of the Performance Period. The number of Performance Share Units earned as determined by the Committee (but subject to the additional pro-ration provisions and vesting provisions set forth in Section 5) shall be divided into three equal and separate installments as provided in Section 5. To the extent allocation of the Performance Share Units to the three installments results in fractional shares, the vesting of the fractional shares shall be combined and be a part of the first installment.

(b) The following terms have the following meaning for purposes hereof:

(i) " Adjusted EBITDA " shall be computed as income (loss) from continuing operations before cumulative effect of change in accounting principles plus interest and other financing costs, net, provision for income taxes, and depreciation and amortization, but (1) shall exclude the impact of (a) any costs, fees and expenses directly related to the consideration, negotiation, preparation, or consummation of any asset sale, merger or other transaction that results in a Change in Control (within the meaning of the Plan) of the Company or any offering of Company common stock or other security; (b) share-based compensation charges; (c) any gain or loss recognized as a result of derivative instrument transactions or other hedging activities; (d) any gains or losses associated with the early retirement of debt obligations; (e) charges resulting from significant natural disasters; and (f) any significant gains or losses associated with the Company's LIFO computation; and (2) unless the Committee disallows any such item, shall also exclude (a) non-cash asset impairments; (b) any significant loss as a result of an individual litigation, judgment or

lawsuit settlement (including a collective or class action lawsuit and security holder lawsuit, among others); (c) charges for business restructurings; (d) losses due to new or modified tax or other legislation or accounting changes enacted after the beginning of the Performance Period; (e) significant tax settlements; and (f) any significant unplanned items of a non-recurring or extraordinary nature.

(ii) " ROIC " shall mean (a) the result of (x) the sum of (i) the Company's operating income, plus (ii) depreciation and amortization, plus (iii) minimum rentals, minus (y) taxes, divided by (b) the result of (x) the sum of the averages of: (i) total assets, plus (ii) accumulated depreciation and amortization, minus (y) (i) cash, minus (ii) goodwill, minus (iii) accounts payable, minus (iv) other payables, minus (v) accrued liabilities, plus (vi) 8x minimum rentals (with all of the foregoing terms as determined per the Company's financial statements), but (1) shall exclude the impact of (a) any costs, fees and expenses directly related to the consideration, negotiation, preparation, or consummation of any asset sale, merger or other transaction that results in a Change in Control (within the meaning of the Plan) of the Company or any offering of Company common stock or other security; (b) any gain or loss recognized as a result of derivative instrument transactions or other hedging activities; (c) any gains or losses associated with the early retirement of debt obligations; (d) charges resulting from significant natural disasters; and (e) any significant gains or losses associated with the Company's LIFO computation; and (2) unless the Committee disallows any such item, shall also exclude (a) non-cash asset impairments; (b) any significant loss as a result of an individual litigation, judgment or lawsuit settlement (including a collective or class action lawsuit and security holder lawsuit, among others); (c) charges for business restructurings; (d) losses due to new or modified tax or other legislation or accounting changes enacted after the beginning of the Performance Period; (e) significant tax settlements; and (f) any significant unplanned items of a non-recurring or extraordinary nature.

5. **Vesting and Payment** .

(a) Vesting and Payment of One-Third of Earned Performance Share Units . One-third of the Performance Share Units earned based on the Committee's determination of the level of achievement for each of the performance goal measures in accordance with Section 4 (such one-third installment being the " Initial Earned Performance Share Units ") shall become vested and nonforfeitable as of the last day of the Performance Period but only if the Grantee has remained continuously employed through such date and the Grantee is not terminated for Cause prior to the date of payment unless prohibited by law. If the Grantee does not remain continuously employed through the last day of the Performance Period because of Grantee's Retirement, death or Disability during the Performance Period, then a Pro-Rata Portion of the Initial Earned Performance Share Units (rounded to the nearest whole share) shall become vested and nonforfeitable as of the last day of the Performance Period and all remaining Initial Earned Performance Share Units shall be automatically forfeited to the Company and cancelled. For purposes of this Section 5(a) only, a "Pro Rata Portion" is determined by a fraction (not to exceed one), the numerator of which is the number of months in the Performance Period during which the Grantee was continuously in the employment of the Company and the denominator of which is the number of months in the Performance Period. Grantee will be deemed to be employed for a month if the Grantee's Retirement, death or Disability occurs after the fifteenth (15 th) day of a month. If the Grantee does not remain continuously employed through the last day of the Performance Period for any other reason, then all Initial Earned Performance Share Units shall be automatically forfeited to the Company and cancelled on the date the Grantee's employment terminates. The Initial Earned Performance Share Units that become vested under this Section 5 (a) shall be paid on April 1, [Grant Date year + 1 year]. Notwithstanding

the above and except to the extent required by law, no Initial Earned Performance Share Units shall be paid if the Grantee is terminated for Cause prior to the date of payment.

(b) Vesting and Payment of Additional One-Third of Earned Performance Share Units . An additional one-third of the Performance Share Units earned based on the Committee's determination of the level of achievement for each of the performance goal measures in accordance with Section 4 (such one-third installment being the " Additional Earned Performance Share Units ") shall become vested and nonforfeitable and shall be paid on April 1, [Grant Date year + 2 years] but only if the Grantee has remained continuously employed through such date. If the Grantee does not remain continuously employed through April 1, [Grant Date year + 2 years] because of Grantee's earlier Retirement, but only if Grantee remained continuously employed through April 2, [Grant Date year + 1 year], then the Additional Earned Performance Share Units shall become vested and nonforfeitable and shall be paid on the date of Grantee's Retirement. If the Grantee does not remain continuously employed through April 1, [Grant Date year + 2 years] because of Grantee's death or Disability, but only if the Grantee does not die or become Disabled prior to April 2, [Grant Date year + 1 year], then the Additional Earned Performance Share Units shall become vested and nonforfeitable as of the date of Grantee's death or Disability. The Additional Earned Performance Share Units that become vested and nonforfeitable on the date of Grantee's death or Disability as provided above shall be paid within thirty (30) days following such death or Disability but in all events no later than the Latest Payment Date, as defined in Section 5(j). If the Grantee does not remain continuously employed through April 1, [Grant Date year + 2 years] under any other circumstances, then all Additional Earned Performance Share Units that are not vested as of the date of the Grantee's termination of employment shall be automatically forfeited to the Company and cancelled on the date of the Grantee's termination of employment.

(c) Vesting and Payment of Remaining Earned Performance Share Units . The remaining one-third Performance Share Units earned based on the Committee's determination of the level of achievement for each of the performance goal measures in accordance with Section 4 (such one-third installment being the " Remaining Earned Performance Share Units ") shall become vested and nonforfeitable and shall be paid on April 1, [Grant Date year + 3 years] but only if the Grantee has remained continuously employed through such date. If the Grantee does not remain continuously employed through April 1, [Grant Date year + 3 years] because of Grantee's earlier Retirement, but the Grantee has remained continuously employed through April 2, [Grant Date year + 2 years], then the Remaining Earned Performance Share Units shall become vested and nonforfeitable and shall be paid on the date of Grantee's Retirement. If the Grantee does not remain continuously employed through April 1, [Grant Date year + 3 years] because of Grantee's death or Disability, but only if the Grantee does not die or become Disabled prior to April 2, [Grant Date year + 1 year], then the Remaining Earned Performance Share Units shall become vested and nonforfeitable as of the date of Grantee's death or Disability. All Remaining Earned Performance Share Units that become vested and nonforfeitable on the date of Grantee's death or Disability shall be paid within thirty (30) days following such death or Disability but in no event later than the Latest Payment Date, as defined in Section 5(j). If the Grantee does not remain continuously employed through April 1, [Grant Date year + 3 years] under any other circumstances, then all Remaining Performance Share Units that are not vested as of the date of the Grantee's termination of employment shall be automatically forfeited to the Company and cancelled on the date of the Grantee's termination of employment.

(d) Transfers 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 Performance Share Units previously forfeited and cancelled under this Agreement.

(e) Retirement . For purposes of this Agreement, Retirement shall mean the voluntary termination of Grantee's employment with the Company on or after (i) reaching the minimum age of sixty-two (62) and (ii) achieving five (5) consecutive years of service; provided, however, that the sum of the Grantee's age plus years of service (counting whole years only) must equal at least seventy (70) and provided further that there is no basis for the Company to terminate the Grantee for Cause at the time of Grantee's voluntary termination.

(f) Disability . For the purposes of this Agreement, Disability shall mean the Grantee's termination of employment by the Company due to Grantee's "Disability" (i) as defined in any employment agreement between the Grantee and the Company that is in effect at the time of termination of employment; or (ii) if there is no such employment agreement in effect or no definition therein, as defined in any change-in-control agreement between the Grantee and the Company that is in effect at the time of termination of employment; or (iii) if there is no such employment or change-in-control agreement or definitions therein, as defined in the Company's long-term disability plan.

(g) Cause . For the purposes of this Agreement, Cause shall mean (i) "Cause" as such term may be defined in any employment agreement between the Grantee and the Company that is in effect at the time of termination of employment; or (ii) if there is no such employment agreement in effect, "Cause" as such term may be defined in any change-in-control agreement between the Grantee and the Company that is in effect at the time of termination of employment; or (iii) if there is no such employment or change-in-control agreement, with respect to a Grantee: (A) any act of the Grantee involving fraud or dishonesty, or any willful failure to perform reasonable duties assigned to the Grantee which failure is not cured within 10 business days after receipt from the Company of written notice of such failure; (B) any material breach by the Grantee of any securities or other law or regulation or any Company policy governing trading or dealing with stock, securities, investments or the like, or any inappropriate disclosure or "tipping" relating to any stock, securities, investments or the like; (C) other than as required by law, the carrying out by the Grantee of any activity, or the Grantee making any public statement, which prejudices or ridicules the good name and standing of the Company or its Affiliates or would bring such persons into public contempt or ridicule; (D) attendance by the Grantee at work in a state of intoxication or the Grantee otherwise being found in possession at the Grantee's place of work of any prohibited drug or substance, possession of which would amount to a criminal offense; (E) any assault or other act of violence by the Grantee; or (F) the Grantee being indicted for any crime constituting (I) any felony whatsoever or (II) any misdemeanor that would preclude employment under the Company's hiring policy.

(h) Change in Control . Notwithstanding any other provision of this Section 5 (other than Section 5(i)), in the event of a Change in Control, vesting and payment of the Performance Share Units that have not previously become vested and nonforfeitable, or have not previously been forfeited, under Section 4, 5(a), 5(b), or 5(c) shall be determined under this Section 5(h). If a Change in Control occurs on or before the end of the Performance Period and provided the Grantee is continuously employed until the Change in Control, the target number of the Performance Share Units shall be deemed earned and shall become vested and nonforfeitable and shall be paid upon the Change in Control. In the event a Change in Control occurs following the end of the Performance Period and provided the Grantee is continuously employed until the Change in Control, all of the Performance Share Units previously earned based on the Committee's determination of

performance in accordance with Section 4 shall become vested and nonforfeitable and shall be paid upon the Change in Control.

(i) [Reserved]

(j) Delivery of Shares . Shares of Common Stock corresponding to the number of Performance Share Units that have been earned and become vested and nonforfeitable (" Performance Shares ") shall be paid to the Grantee, or, if deceased, to the Grantee's estate, in settlement of the Performance Share Units at the times provided in Sections 5 (a), 5(b), 5(c), and 5(h), although no interest shall be payable in the event there is a delay in the time of payment for any reason. However, notwithstanding any other payment timing provision, in all events, payment and delivery of the Performance Shares shall be made no later than the later of the 15 th day of the third month following the end of the Grantee's first taxable year (usually the calendar year) in which the right to the payment is no longer subject to a substantial risk of forfeiture (upon the fixed payment date, death, Disability, or a Change in Control or when the Grantee who is eligible for Retirement has met all service requirements for vesting) or the 15 th day of the third month following the end of the Company's first taxable year (usually the fiscal year) in which the right to the payment is no longer subject to such substantial risk of forfeiture (the latest such date, the " Latest Payment Date "). Such payment shall be accomplished either by delivering a share certificate or by providing evidence of electronic delivery, and the Performance Shares shall be registered in the name of the Grantee or, if deceased, Grantee's estate. The Performance 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. In determining the number of Performance Shares to be withheld for taxes as provided in Section 10, the value of the Performance Shares shall be based upon the Fair Market Value of the Shares on the date of payment. If a designated date of payment falls on a weekend, holiday or other non-trading day, the value of any Performance Shares payable on such designated date of payment shall be determined based on the Fair Market Value of the Shares on the most recent prior trading date.

6. **No Dividend Equivalents** . The Grantee shall have no right to dividend equivalents or dividends on the Performance Share Units.

7. **Transferability** . Neither the Performance Shares prior to delivery pursuant to Section 5 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 7 shall not prevent transfers by will or by the applicable laws of descent and distribution.

8. **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 Grantee's employment agreement with the Company or offer letter provided by the Company to the Grantee.

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

10. **Taxes**. The Grantee shall have full responsibility, and the Company shall have no responsibility (except as to applicable tax withholdings), for satisfying any liability for any federal, state or local income or other taxes required by law to be paid with respect to the Performance Shares. The Grantee is hereby advised to seek his or her own tax counsel regarding the taxation of the Performance Shares hereunder. Unless otherwise determined by the Committee, at the time of vesting the Company shall withhold from any Performance Shares deliverable in payment of the Performance Share Units the number of shares of Performance 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. 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 of the Performance Share Units.

11. **Limitation on Obligations**. This Performance Share 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. 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.

12. **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 Performance Share Units and Performance Shares shall be subject to all applicable laws, rules and regulations and to such approvals of any governmental agencies as may be required.

13. **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 13, 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 13. 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.

14. **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.

15. **Section 409A of the Code**. This Agreement is intended to be exempt from Section 409A of the Code as a short-term deferral. Each installment payment under this Agreement will be treated as a separate payment. 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.

16. **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.

17. **Clawback**. As a condition of receiving the Performance Share Units, the Grantee acknowledges and agrees that the Grantee's rights, payments, and benefits with respect to the Performance Share Units shall be subject to any reduction, cancellation, forfeiture or recoupment, in whole or in part, 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 exchange, or by any other applicable law, rule or regulation.

18. [**Applicability of Plan and Management Stockholder's Agreement**. The Performance Share Units and the Performance Shares issued to the Grantee upon payment of the Performance Share Units shall be subject to all terms and provisions of the Plan to the extent applicable to performance share units and Shares. In the event of any conflict between this Agreement and the Plan, the terms of the Plan shall control. The Performance Share Units and the Performance Shares issued to the Grantee shall not be subject to, and hereby are expressly exempted from, all of the terms and provisions of any Management Stockholder's Agreement between the Grantee and the Company in existence on the Grant Date.]

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

20. **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 Performance Share 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.

21. **Rights as Shareholder**. The holder of a Performance Share Unit Award shall not be, nor have any of the rights or privileges of, a shareholder of the Company in respect of any Performance Shares issuable upon the payment of a vested Performance Share Unit unless and

until a certificate or certificates representing such Performance 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 Performance Shares has been made by the registrar of the Company.

22. **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.

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

DOLLAR GENERAL CORPORATION

By: _____

Name: _____

Title: _____

GRANTEE

_____

[name]

ADDRESS:

_____

_____

Schedule A to Performance Share Unit Award Agreement

Grant Date :	[ ]
Target Number of Performance Share Units Awarded :	[ ]
Performance Period :	Begins on [1 st day of applicable fiscal year] and ends on [last day of applicable fiscal year]
Threshold, Target and Maximum Calculation Chart:	See attached Exhibit 1

Exhibit 1 to Schedule A to Performance Share Unit Award Agreement

[ ] Performance Share Matrix

	EBITDA Based Shares Earned ([50%] Weighting)				ROIC Based Shares Earned ([50%] Weighting)				
Performance Level	**EBITDA Result Vs. Target**	**EBITDA Based Shares**	**EBITDA Weight**	**Shares Earned**	**ROIC Result Vs. Target**	**ROIC Shares**	**ROIC Weight**	**Shares Earned**	**Total Shares Earned**
Threshold									
Target									
Maximum									

Note: Interpolate between all EBITDA & ROIC results and award levels

DOLLAR GENERAL CORPORATION
RESTRICTED STOCK UNIT AWARD AGREEMENT

THIS AGREEMENT (the " 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 Award;

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 Unit .** 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.

2. **Vesting .**

(a) Vesting Date and Forfeiture . The Restricted Stock Units shall become vested and nonforfeitable in three equal installments on April 1 of the three (3) fiscal years following the fiscal year in which the Grant Date occurs, as set forth on **Schedule A** hereto (each such date, a " Vesting Date "), so long as the Grantee continues to be an employee of the Company through each such Vesting Date. To the extent the application of this vesting schedule results in the vesting of fractional shares, the fractional shares shall be combined and vest on the earliest Vesting Date. If the Grantee's employment with the Company terminates prior to a Vesting Date and Section 2(b) does not apply or has not applied, or to the extent Section 2(b) cannot apply, then any unvested Restricted Stock Units at the date of such termination of employment shall be automatically forfeited to the Company.

(b) Accelerated Vesting Events . Notwithstanding the foregoing, to the extent such Restricted Stock Units have not previously terminated or become vested and nonforfeitable, (i) if the Grantee terminates his employment with the Company due to the Grantee's Retirement (as defined below), then that one-third of the Restricted Stock Units that would have become vested and nonforfeitable on the next immediately following Vesting Date if the Grantee had remained employed through such date shall become vested and nonforfeitable upon such Retirement, provided, however, that, if the Grantee retires on a Vesting Date, no accelerated vesting shall occur but rather Grantee shall be entitled only to the portion of the Restricted Stock Units that were scheduled to vest on such Vesting Date; and (ii) in the event of the Grantee's death or Disability (as defined below), one hundred percent (100%) of the Restricted Stock Units shall become vested and nonforfeitable upon such death or Disability; and (iii) upon a Change in Control, one hundred percent (100%) of the Restricted Stock Units shall become vested and nonforfeitable.

(c) 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.

(d) Retirement . For purposes of this Agreement, Retirement shall mean the voluntary termination of Grantee's employment with the Company on or after (i) reaching the minimum age of sixty-two (62) and (ii) achieving five (5) consecutive years of service; provided, however, that (i) the sum of the Grantee's age plus years of service (counting whole years only) must equal at least seventy (70); (ii) there is no basis for the Company to terminate the Grantee for Cause at the time of Grantee's voluntary termination; and (iii) the termination also constitutes a "separation from service" within the meaning of Section 409A of the Code.

(e) Disability . For the purposes of this Agreement, Disability shall have the meaning as provided under Section 409A(a)(2)(C)(i) of the Code.

(f) Cause . For the purposes of this Agreement, Cause shall mean (i) "Cause" as such term may be defined in any employment agreement between the Grantee and the Company that is in effect at the time of termination of employment; or (ii) if there is no such employment agreement in effect, "Cause" as such term may be defined in any change-in-control agreement between the Grantee and the Company that is in effect at the time of termination of employment; or (iii) if there is no such employment or change-in-control agreement, with respect to a Grantee: (A) any act of the Grantee involving fraud or dishonesty, or any willful failure to perform reasonable duties assigned to the Grantee which failure is not cured within 10 business days after receipt from the Company of written notice of such failure; (B) any material breach by the Grantee of any securities or other law or regulation or any Company policy governing trading or dealing with stock, securities, investments or the like, or any inappropriate disclosure or "tipping" relating to any stock, securities, investments or the like; (C) other than as required by law, the carrying out by the Grantee of any activity, or the Grantee making any public statement, which prejudices or ridicules the good name and standing of the Company or its Affiliates or would bring such persons into public contempt or ridicule; (D) attendance by the Grantee at work in a state of intoxication or the Grantee otherwise being found in possession at the Grantee's place of work of any prohibited drug or substance, possession of which would amount to a criminal offense; (E) any assault or other act of violence by the Grantee; or (F) the Grantee being indicted for any crime constituting (I) any felony whatsoever or (II) any misdemeanor that would preclude employment under the Company's hiring policy.

(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 (" RSU Shares ") shall be paid to the Grantee, or, if deceased, the Grantee's estate, either through delivery of a share certificate or by providing evidence of electronic delivery, and such RSU Shares shall be registered in the name of the Grantee or, if deceased, the Grantee's estate. The RSU Shares shall be paid on the Vesting Date unless vesting is accelerated under Section 2(b) prior to such Vesting Date. In the event vesting is accelerated under Section 2(b), the RSU Shares shall be paid as follows (based on the first to occur of Retirement, death, Disability or Change in Control): (i) six (6) months and one (1) day following the date of termination of employment due to Retirement; (ii) within thirty (30) days following the date of the Grantee's death or Disability; or (iii) upon a Change in Control. If the Grantee dies prior to payment under Section 3(a)(i), payment of the RSU Shares shall occur within thirty (30) days following the Grantee's death.

(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 becoming vested pursuant to Section 2 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 Grantee's employment agreement with the Company or offer letter provided by the Company to the Grantee.

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 vesting, 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. 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 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. 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 any reduction, cancellation, forfeiture or recoupment, in whole or in part, 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 exchange, or by any other applicable law, rule or regulation.

16. [**Applicability of Plan and Management Stockholder's Agreement**. 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, the terms of the Plan shall control. The Restricted Stock Units and the RSU Shares issued to the Grantee shall not be subject to, and hereby are expressly exempted from, all of the terms and provisions of any Management Stockholder's Agreement between the Grantee and the Company in existence on the Grant Date.]

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: _____

Name: _____

Title: _____

GRANTEE

Signature: _____

Print Name: _____

Employee ID: _____

HOME ADDRESS:

Schedule A to Restricted Stock Unit Award Agreement

Grant Date : [ ]

Number of Restricted Stock Units Awarded : [ ]

Vesting Dates:	**Percentage**	**Date**
	33 1/3 %	April 1, [year]
	33 1/3 %	April 1, [year]
	33 1/3 %	April 1, [year]

Exhibit 10.6

DOLLAR GENERAL CORPORATION
DEFERRED COMPENSATION PLAN
FOR NON-EMPLOYEE DIRECTORS
(Effective December 3, 2014)

ARTICLE I

Purpose and Adoption of Plans

1.1 **Introduction .** Dollar General Corporation (the "Company") wishes to provide each Director with an opportunity to defer some or all of his or her Fees as a means of saving for retirement or other purposes. Accordingly, effective as of December 3, 2014, the Company hereby establishes this Dollar General Corporation Deferred Compensation Plan for Non-Employee Directors.

ARTICLE II

Definitions

For purposes of the Plan, the following terms shall have the following meanings unless a different meaning is plainly required by the context. The words in the masculine gender shall include the feminine and neuter genders and words in the singular shall include the plural and words in the plural shall include the singular.

2.1 " **Accounts** " shall mean the account or accounts established and maintained by the Plan Committee for bookkeeping purposes to reflect the interest of a Participant in the Plan, as described below. The Accounts shall be bookkeeping entries only and shall be utilized solely as devices for the measurement and determination of the amounts to be paid to a Participant or Beneficiary under the Plan. Any Account balance for one or more periods may be separately accounted for in subaccounts for any reason determined by the Plan Committee.

2.2 " **Beneficiary** " shall mean any person, estate, trust or organization entitled to receive any payment under the Plan upon the death of a Participant. The Participant shall designate his beneficiary on a form provided by the Plan Committee.

2.3 " **Board** " shall mean the Board of Directors of the Company.

2.4 " **Change in Control** " means the happening of any of the following:

(a) Any person or entity, including a "group" as defined in Section 13(d)(3) of the Exchange Act, other than the Company or a wholly-owned subsidiary thereof or any employee benefit plan of the Company or any of its subsidiaries, becomes the beneficial owner of the Company's securities having 35% or more of the combined voting power of the then outstanding securities of the Company that may be cast for the election of directors of the Company (other than as a result of an issuance of securities initiated by the Company in the ordinary course of business);

(b) As the result of, or in connection with, any cash tender or exchange offer, merger or other business combination, sales of assets or contested election, or any combination of the foregoing transactions, less than a majority of the combined voting power of the then outstanding securities of the Company or any successor corporation or entity entitled to vote generally in the election of the directors of the Company or such other corporation or entity after such transaction are held in the aggregate by the holders of the Company's securities entitled to vote generally in the election of directors of the Company immediately prior to such transaction; or

(c) During any period of two consecutive years, individuals who at the beginning of any such period constitute the Board cease for any reason to constitute at least a majority thereof, unless the election, or the nomination for election by the Company's shareholders, of each director of the Company first elected during such period was approved by a vote of at least two-thirds of the directors of the Company then still in office who were directors of the Company at the beginning of any such period.

2.5 " **Code** " shall mean the Internal Revenue Code of 1986, as the same may be amended from time to time, or the corresponding section of any subsequent Internal Revenue Code, and, to the extent not inconsistent therewith, regulations issued thereunder.

2.6 " **Company** " shall mean Dollar General Corporation.

2.7 " **Deferral Election** " shall mean a Participant's written election to defer a portion of his Fees pursuant to Article IV.

2.8 " **Deferral Period ”** shall mean the twelve-month period commencing on the first day of the Company's fiscal tax year.

2.9 " **Director** " shall mean any non-employee director of the Company.

2.10 " **Exchange Act** " shall mean the Securities Exchange Act of 1934, as amended.

2.11 " **Fees** " shall mean any retainer, meeting, or other fees, as well as any per diem compensation for special assignments, that are paid in cash and earned by a Director for his service as a member of the Board or a committee thereof during a Deferral Period or portion thereof, but excluding in all events any such fees or compensation that is paid in equity.

2.12 " **Investment Request** " shall mean a Participant's written request to have his Accounts deemed to be invested pursuant to Article VII.

2.13 " **Participant** " shall mean a Director or former Director who meets all of the conditions of eligibility under Section 3.1 and who participates in the Plan in accordance with Article IV.

2.14 " **Plan** " shall mean this Dollar General Corporation Deferred Compensation Plan for Non-Employee Directors, as reflected in this Plan document, as same may be amended from time to time.

2.15 " **Plan Committee** " shall mean the Board or another committee that is appointed by the Board (or any committee designated by the Board with such authority) to serve as the Plan Committee, subject to the provisions of Section 10.1.

2.16 " **Plan Year** " shall mean the 12 consecutive month period commencing each January 1st and ending on the last day of December next following.

2.17 " **Termination** " means retirement or other separation from service (within the meaning of Code Section 409A(a)(2)(A)(i)) for any reason other than Total and Permanent Disability or death.

2.18 " **Total and Permanent Disability** " shall mean the Participant (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Company.

2.19 " **Trust Agreement** " shall mean the agreement, if any, by and between the Company and any trustee under which assets pertaining to the Plan, if any, are maintained. If assets pertaining to the Plan are maintained pursuant to a Trust Agreement, such Trust Agreement is intended to be a grantor trust (sometimes referred to as a rabbi trust), of which the Company is the grantor, within the meaning of subpart E, part I, subchapter J, chapter 1, subtitle A of the Code.

ARTICLE III

Eligibility

3.1 **Eligibility Rules** . Any Director shall be eligible to participate in the Plan.

ARTICLE IV

Deferral of Fees under the Plan

4.1 **Fees Which May Be Deferred** .

(a) Subject to Section 4.1(b), a Participant may elect to defer all or any portion of his Fees.

(b) Notwithstanding the provisions of Section 4.1(a), the Plan Committee may establish lower deferral limits for any Participant (or Participants) as it deems necessary or advisable from time to time. Any affected Participants will be notified of such lower deferral limits by the Plan Committee.

4.2 **Establishment of Account** . An Account shall be established for each Participant by the Plan Committee as of the effective date of such Participant's initial Deferral Election. The Participant's Account shall be credited with amounts that a Participant has deferred under Section 4.1.

4.3 **Deferral Election Form .** A Participant shall complete a Deferral Election form, which shall be made in writing on a form prescribed by the Plan Committee. The initial Deferral Election form shall state:

(a) That the Participant wishes to make an election to defer the receipt of all or a portion of his Fees;

(b) The percentage or amount of such elective deferral, consistent with the provisions of Section 4.1;

(c) Subject to the other provisions of the Plan, the form of any distribution from the Plan; and

(d) Such other information that the Plan Committee, in its discretion determines to be necessary or advisable to administer Deferral Elections hereunder.

4.4 **Making and Modifying Deferral Elections** .

(a) Except as provided in Section 4.4(b), a Deferral Election for a Deferral Period must be filed on or before the last day of the Plan Year immediately preceding the Plan Year in which the Deferral Period begins in order to be effective for Fees earned in that Deferral Period.

(b) With respect to Fees payable for all or any portion of a Deferral Period after a person's initial election to the office of Director, any such person wishing to participate in the Plan may file a proper Deferral Election upon election to office or within 30 days after election to office. Any Deferral Election filed on or before the first day of the Director's term shall be effective on the first day of the Director's term. Any Deferral Election filed within 30 days after election to office shall be effective on the first day of the fiscal year quarter following the quarter in which such Deferral Election is filed.

(c) No Deferral Election shall apply to any Fees earned for services provided prior to filing of such Deferral Election, even if such Fees are paid after such Deferral Election is filed.

(d) All Deferral Elections made pursuant to this Plan shall be made in accordance with the procedures prescribed by the Plan Committee and must be timely filed with the Plan Committee or the individual (s) designated by the Plan Committee for such purposes.

(e) An effective Deferral Election may not be revoked or modified (except as to changes in the designation of Beneficiary and as otherwise stated herein) with respect to Fees payable for the Deferral Period for which the Deferral Election is effective. A Deferral Election shall apply only for such Deferral Period, unless the Plan Committee in its sole

discretion waives the requirement for an annual election form (thereby making Deferral Elections evergreen until changed or revoked). Absent such a waiver by the Committee, a Director must make a new Deferral Election in accordance with this Section in order to defer a portion of his Fees for a subsequent Deferral Period.

(f) A Participant's termination of participation in the Plan shall not affect amounts previously deferred by the Participant under the Plan.

(g) It is intended that all Deferral Elections and modifications thereto will comply with the requirements of Code Section 409A. The Plan Committee is authorized to adopt rules or regulations deemed necessary or appropriate in connection therewith to anticipate and/or comply with the requirements of Code Section 409A, Treasury Regulations thereunder, and other applicable guidance.

4.5 **In-Service Distributions and Election Form Procedures** .

(a) A Participant may not elect to receive a "time specific" in-service distribution of vested amounts credited to his Account.

(b) A Participant who is a Director may request to receive an in-service lump sum distribution of vested amounts credited to his Account in the event he has an unforeseeable emergency, as defined in Code Section 409A and Treasury Regulations thereunder. Upon a finding by the Plan Committee that the Participant has an unforeseeable emergency, the Plan Committee (in its sole discretion) may authorize the payment of all or a part of a Participant's vested Account in the form of a lump sum distribution prior to his Termination. Any such written request must set forth the circumstances constituting such unforeseeable emergency. Notwithstanding the foregoing, the Plan Committee may not direct payment of any amounts credited to the Account of a Participant to the extent that such unforeseeable emergency is or may be relieved (i) through reimbursement or compensation by insurance or otherwise or (ii) by liquidation of the Participant's assets, to the extent that such liquidation would itself not cause severe financial hardship, as determined in the sole discretion of the Plan Committee. Any distribution due to an unforeseeable emergency shall only be permitted to the extent reasonably needed to satisfy such emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution, and shall be made in the sole discretion of the Plan Committee, both with respect to the determination as to whether an unforeseeable emergency exists and as to the amount distributable. In all cases, the requirements and standards set forth in Code Section 409A will govern the determinations of a Participant's eligibility for and the amount of any distributions under this Section 4.5(b). For purposes hereof, "unforeseeable emergency" means a severe financial hardship of the Participant resulting from an illness or accident of the Participant, the Participant's spouse, or the Participant's dependent (as defined in Code Section 152(a)), loss of the Participant's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, e.g., as a result of a natural disaster), or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant.

(c) In-service distributions shall be made in the manner described in Section 8.5.

4.6 **Amending the Deferral Election to Change Form of Distribution at Termination Not Permitted .** A Participant may not make a subsequent Deferral Election to change his elected or default form of the distribution of amounts previously deferred. A Participant may make new and different Deferral Elections on a prospective basis for amounts earned in a subsequent Plan Year to the extent permitted under Section 4.3.

ARTICLE V

Change in Control

5.1 **Change in Control .** Notwithstanding any provision of this Plan to the contrary, upon a Change in Control which also constitutes a change in the ownership of the Company, a change in effective control of the Company, or a change in the ownership of a substantial portion of the assets of the Company (as defined under the default rules of Treasury Regulation § 1.409A-3(i)(5)), each Participant shall receive an automatic lump sum distribution of his entire Account.

ARTICLE VI

Vesting

6.1 **Vesting .** Amounts credited to a Participant's Account, along with any earnings thereon, shall be fully vested at all times.

ARTICLE VII

Investments

7.1 **In General** .

(a) The investment options available under the Plan shall be the same as the investment options available under the Dollar General Corporation CDP/SERP Plan (the "CDP") at any given time.

(b) The Accounts of each Participant shall be credited as of the last day of each calendar month with the deemed investment gains and losses based upon the Account value as of the first day of the calendar month, or on a more frequent basis as determined by the Plan Committee. Unless otherwise provided by the Plan Committee, the Company will pay for general Plan administrative expenses, although the Plan Committee may direct that these expenses be charged to Participants' Accounts as a Plan administrative expense and the manner in which such expenses are charged.

(c) A Participant shall request how his Accounts are deemed to be invested by completing an Investment Request. Such Investment Request shall be made in writing, or through electronic means, in accordance with procedures established by the Plan Committee. Such procedures may be changed by the Plan Committee at any time and from time to time. Any Investment Request made in accordance with this Section 7.1 shall continue unless

the Participant changes the Investment Request under this Plan in accordance with procedures established by the Plan Committee.

(d) Deemed elections made under this Plan and pursuant to an Investment Request shall be applicable only with respect to this Plan and Investment Requests and changes thereto requested by the Participant shall be effective prospectively only. The Plan Committee shall be authorized to permit more frequent changes in investment options to be effective on such dates as it shall specify. The Plan Committee shall consider an Investment Request, but is not obligated to follow such request.

(e) In connection with any change in available investment options under the Plan (whether by reason of changes effected in the investment options under the CDP or otherwise), the Plan Committee may establish such blackout period or periods during which Investment Requests and Plan distributions will be suspended and may provide for such mapping of Account balances from old investment options to new investment options and/or such Participant choice with respect thereto as it deems appropriate.

7.2 **Gains Invested in Same Option** . Dividends, interest and other distributions credited with respect to any deemed investment election shall be deemed to be invested in the same investment option.

7.3 **Participant Reports on Account Values** . At the end of each Plan Year (or on a more frequent basis as determined by the Plan Committee), a report shall be issued to each Participant who has an Account stating the value of such Account.

ARTICLE VIII

Distribution of Accounts

8.1 **Distribution on or after Termination** .

(a) For benefits payable from the Plan upon the Participant's Termination, the Participant shall be entitled to receive the balance of his Accounts (or portions thereof) in one of the following forms as elected by him pursuant to Section 4.3:

(i) A lump sum distribution;

(ii) Substantially equal monthly installments payable over a 5, 10 or 15 year period; or

(iii) A combination of an initial lump sum distribution of a specified dollar amount and the remainder in substantially equal monthly installments payable over a 5, 10 or 15 year period.

(b) Notwithstanding the other provisions of this Plan to the contrary and only to the extent allowed by Code Section 409A and guidance promulgated thereunder, the Plan shall distribute in a lump sum distribution any benefits payable to a Participant from the Plan if the value of the Participant's Account as of the valuation date coincident with or next

following his Termination is the limit on elective deferrals to qualified plans under Code Section 402(g)(1)(B) (or any lesser amount required to comply with the requirements of Code Section 409A) or less.

(c) If a Participant fails to specify a form of payment (or if there is no validly executed form of payment elected by the Participant) for any portion of his Accounts, such portion of his Accounts shall be distributed in a lump sum distribution.

(d) Except as otherwise provided herein, distribution of a Participant's Account shall commence upon the Participant's Termination; provided, however, that, notwithstanding any other provisions in the Plan to the contrary, if a Participant is a "specified employee" as defined under Code Section 409A at the time of the Participant's Termination, then, to the extent necessary to comply with Code Section 409A and the Treasury regulations thereunder, no distribution of the Participant's Account will occur during the first six months following the Participant's Termination and distribution will instead be delayed and will commence in the seventh month following the Participant's Termination.

8.2 **Distribution on Participant's Death** . Upon the death of a Participant or a former Participant prior to the complete distribution of his Accounts, the balance of his Accounts shall be paid in a lump sum distribution to his Beneficiary. In the event a beneficiary designation is not on file with the Plan Committee or the Beneficiary is deceased or cannot be located, payment will be made to the Participant's surviving spouse, or if none, to the estate of the Participant or former Participant.

8.3 **Change of Beneficiary Permitted** . A Participant's beneficiary designation may be changed by the Participant or former Participant at any time without the consent of the Participant's prior named Beneficiary.

8.4 **Distribution on Total and Permanent Disability** . Upon the Total and Permanent Disability of a Participant or former Participant (including the Participant's Total and Permanent Disability subsequent to the Participant's commencement of payment under the Plan), the balance of his Accounts shall be paid in a lump sum distribution to him.

8.5 **Medium of Distribution** . Distributions shall be made in cash.

ARTICLE IX

Nature of Company Obligation and Participant Interest

9.1 **In General** . A Participant, his Beneficiary, and any other person or persons having or claiming a right to payments under the Plan shall rely solely on the unsecured promise of the Company set forth herein, and nothing in this Plan or any Trust Agreement shall be construed to give a Participant, Beneficiary, or any other person or persons any right, title, interest, or claim in or to any specified assets, fund, reserve, account, or property of any kind whatsoever owned by the Company or in which it may have any right, title or interest now or in the future; but a Participant shall have the right to enforce his claim against the Company in the same manner as any unsecured creditor.

9.2 **Benefits Payable from General Assets of Company** . All amounts paid under the Plan shall be paid in cash from the general assets of the Company (including, where applicable, any such assets held pursuant to a Trust Agreement). Benefits shall be reflected on the accounting records of the Company but shall not be construed to create, or require the creation of, a trust, custodial or escrow accounting. Nothing contained in this Plan or any Trust Agreement, and no action taken pursuant to the provisions of this Plan or any Trust Agreement, shall create or be construed to create a trust or fiduciary relationship of any kind between the Company and a Participant, Beneficiary or any other person. Neither the Participant, Beneficiary, nor any other person shall acquire any interest greater than that of an unsecured creditor.

9.3 **Other Benefit Programs** . Any benefits payable under the Plan shall be independent of and in addition to any other benefits or compensation of any sort payable to or on behalf of the Participant under or pursuant to any other plan or program sponsored by the Company for its Directors generally.

ARTICLE X

Administration of the Plan

10.1 **In General .** The Plan Committee shall be responsible for the general administration of the Plan. The Plan Committee may select a chairman and may select a secretary (who may, but need not, be a member of the Plan Committee) to keep its records or to assist it in the discharge of its duties. A majority of the members of the Plan Committee shall constitute a quorum for the transaction of business at any meeting. Any determination or action of the Plan Committee may be made or taken by a majority of the members present at any meeting thereof, or without a meeting by resolution or written memorandum concurred in by a majority of members. Meetings may be held electronically.

10.2 **No Special Compensation for Committee .** No member of the Plan Committee shall receive any compensation from the Plan for his service.

10.3 **Powers of the Committee** . The Plan Committee shall administer the Plan in accordance with its terms and shall have all powers necessary or appropriate to carry out the provisions of the Plan. It shall be the sole interpreter of the Plan provisions and shall determine all questions arising in the administration, interpretation and application of the Plan. The Plan Committee shall determine a person's eligibility for participation in the Plan, a Participant's right to benefits from the Plan, and the amount of any benefit due. It will construe the Plan, supply any omissions, reconcile any differences and determine all factual issues that relate to the Plan. Any such determination by the Plan Committee shall be conclusive and binding on all persons. It may adopt any procedure or administrative regulation as it deems necessary or desirable for the conduct of its affairs and appropriate administration of the Plan. The Plan Committee may appoint and retain service providers, including accountants, counsel, actuaries, specialists and other persons as it deems necessary or desirable in connection with the administration of this Plan, and shall be the agent for the service of process.

10.4 **Expenses of Committee Reimbursed**. The Plan Committee shall be reimbursed by the Company for all reasonable expenses incurred by it in the fulfillment of its duties. Such expenses shall include any expenses incident to its functioning, including, but not limited to, fees of accountants, counsel, actuaries, and other specialists, and other costs of administering the Plan.

10.5 **Appointment of Agents**. The Plan Committee is responsible for the daily administration of the Plan. It may appoint other persons or entities to perform any of its fiduciary or other functions as required by the terms of the Plan. The Plan Committee and any such appointee may employ advisors and other persons necessary or desirable to help it carry out its duties, including their respective fiduciary duties; provided, however, that any trustee appointed in connection with the Plan shall be appointed by and may be removed by the Board (or any committee designated by the Board with such authority) rather than the Plan Committee. The Plan Committee shall from time to time review the work and performance of each such appointee, and shall have the right to remove any such appointee from his position at any time, with or without notice. Any person, group of persons or entity may serve in more than one fiduciary capacity.

10.6 **Plan Accounting**. The Plan Committee shall maintain accurate and detailed records of Participants and Accounts established under the Plan and of all receipts, disbursements, transfers and other transactions concerning the Plan. Such Accounts, books and records relating thereto shall be open at all reasonable times to inspection and audit by the Board and by persons designated thereby.

10.7 **Plan to Comply with Law**. The Plan Committee shall take all steps necessary to ensure that the Plan complies with applicable laws at all times. These steps shall include such items as the preparation and filing of all documents and forms required by any governmental agency; maintaining of adequate Participants' records; withholding of applicable taxes and filing of all required tax forms and returns; recording and transmission of all notices required to be given to Participants and their Beneficiaries; the receipt and dissemination, if required, of all reports and information received from the Company; and doing such other acts necessary for the administration of the Plan. The Plan Committee shall keep a record of all of its proceedings and acts and shall keep all such books of account, records and other data as may be necessary for the proper administration of the Plan. The Plan Committee shall notify the Company upon its request of any action taken by it, and when required, shall notify any other interested person or persons.

10.8 **Claims and Appeals Procedures; Consistent Application of Procedures Required**. The following claims procedure applies to claims filed under the Plan:

(a) A Participant or Beneficiary (the "claimant") shall have the right to request any benefit under the Plan by filing a written claim for any such benefit with the Plan Committee on a form provided or approved by the Plan Committee for such purpose. The Plan Committee (or a claims fiduciary appointed by the Plan Committee) shall give such claim due consideration and shall either approve or deny it in whole or in part. The following procedure shall apply:

(i) The Plan Committee (or a claims fiduciary appointed by the Plan Committee) may schedule and hold a hearing.

(ii) Within ninety (90) days following receipt of such claim by the Plan Committee, notice of any approval or denial thereof, in whole or in part, shall be delivered to the claimant or his duly authorized representative or such notice of denial shall be sent by mail (postage prepaid) to the claimant or his duly authorized representative at the address shown on the claim form or such individual's last known address. The aforesaid ninety (90) day response period may be extended to one hundred eighty (180) days after receipt of the claimant's claim if special circumstances exist and if written notice of the extension to one hundred eighty (180) days indicating the special circumstances involved and the date by which a decision is expected to be made is furnished to the claimant or his duly authorized representative within ninety (90) days after receipt of the claimant's claim.

(iii) Any notice of denial shall be written in a manner calculated to be understood by the claimant and shall:

(A) set forth a specific reason or reasons for the denial,

(B) make reference to the specific provisions of the Plan document or other relevant documents, records or information on which the denial is based,

(C) describe any additional material or information necessary for the claimant to perfect the claim and explain why such material or information is necessary, and

(D) explain the Plan's claim review procedures, including the time limits applicable to such procedures (which are generally contained in Section 10.8(b)).

(b) A Participant or Beneficiary whose claim filed pursuant to Section 10.8(a) has been denied, in whole or in part, may, within sixty (60) days following receipt of notice of such denial, make written application to the Plan Committee for a review of such claim, which application shall be filed with the Plan Committee. For purposes of such review, the following procedure shall apply:

(i) The Plan Committee (or a claims fiduciary appointed by the Plan Committee) may schedule and hold a hearing.

(ii) The claimant or his duly authorized representative shall be provided the opportunity to submit written comments, documents, records, and other information relating to the claim for benefits.

(iii) The claimant or his duly authorized representative shall be provided, upon request in writing and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to such claim and may submit to the Plan Committee written comments, documents, records, and other information relating to such claim.

(iv) The Plan Committee (or a claims fiduciary appointed by the Plan Committee) shall make a full and fair review of any denial of a claim for benefits, taking into account all comments, documents, records, and other information submitted by the claimant or his duly authorized representative relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

(v) The decision on review shall be in writing, shall be delivered or mailed by the Plan Committee to the claimant or his duly authorized representative in the manner prescribed in Section 10.8(a) for notices of approval or denial of claims, shall be written in a manner calculated to be understood by the claimant and shall in the case of an adverse determination:

(A) include the specific reason or reasons for the adverse determination,

(B) make reference to the specific provisions of the Plan on which the adverse determination is based,

(C) include a statement that the claimant is entitled to receive, upon request in writing and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claimant's claim for benefits, and

The Plan Committee's decision made in good faith shall be final.

(c) The period of time within which a benefit determination initially or on review is required to be made shall begin at the time the claim or request for review is filed in accordance with the procedures of the Plan, without regard to whether all the information necessary to make a benefit determination accompanies the filing. In the event that a period of time is extended as permitted pursuant to this Section due to the failure of a claimant or his duly authorized representative to submit information necessary to decide a claim or review, the period for making the benefit determination shall be tolled from the date on which the notification of the extension is sent to the claimant or his duly authorized representative until the date on which the claimant or his duly authorized representative responds to the request for additional information.

(d) For purposes of the Plan's claims procedure, a document, record, or other information shall be considered "relevant" to a claimant's claim if such document, record, or other information (i) was relied upon in making the benefit determination, (ii) was submitted, considered, or generated in the course of making the benefit determination, without regard to whether such document, record, or other information was relied upon in making the benefit determination, or (iii) demonstrates compliance with the administrative processes and safeguards required in making the benefit determination.

(e) The Plan Committee may establish and consistently apply reasonable procedures for determining whether a person has been authorized to act on behalf of a claimant. The Plan Committee shall establish and consistently apply other procedures hereunder. A claimant's compliance with the foregoing provisions of this Section is a mandatory prerequisite to the claimant's right to commence any legal action with respect to any claim for benefits under this Plan.

ARTICLE XI

Miscellaneous Provisions

11.1 **No Assignment** . Neither the Participant, his Beneficiary, nor his legal representative shall have any rights to commute, sell, assign, transfer or otherwise convey, or hypothecate or pledge, the right to receive any payments hereunder, which payments and the rights thereto are expressly declared to be nonassignable and nontransferable except by will or the laws of descent and distribution. Any attempt to assign or transfer the right to payments of this Plan shall be void and have no effect.

11.2 **All Benefits Before Payment Subject to Company's Creditors** . The assets from which Participants' benefits shall be paid shall at all times be subject to the claims of the creditors of the Company before payment to a Participant and a Participant shall have no right, claim or interest in any assets as to which such Participant's Account is deemed to be invested or credited under the Plan.

11.3 **Plan Amendment or Termination** . Subject to the restrictions imposed by and consistent with applicable provisions of Code Section 409A, the Plan may be amended, modified, or terminated by the Board, or solely with respect to amendments and modifications that are nonsubstantive in nature or that are adopted solely for purposes of complying with the law, the committee designated by the Board with such authority, in the sole discretion of the Board or committee, as applicable, at any time and from time to time. No such amendment, modification, or termination shall reduce the value of benefits credited under the Plan prior to such amendment, modification or termination, provided such benefits remain non-forfeitable as determined by the terms of the Plan immediately prior to such amendment, modification or termination and such benefits are subject to the claims of the Company's creditors as described in Article IX hereof. Termination of the Plan shall mean termination of active participation by Participants, but shall not automatically mean immediate or accelerated payment of all vested Account balances; provided, however, that, subject to the restrictions imposed by and consistent with applicable provisions of Code Section 409A, the Board (or any committee designated by the Board with such authority) or the Plan Committee may provide for the acceleration of payment of the vested Accounts of all affected Participants on such basis as it may direct in connection with the termination of the Plan.

11.4 **Benefits Under This Plan Are Additional to Other Benefits or Pay** . It is expressly understood and agreed that the payments made in accordance with the Plan are in addition to any other benefits or compensation to which a Participant may be entitled or for which he may be eligible, whether funded or unfunded, by reason of his service to the Company.

11.5 **Company to Withhold Taxes** . The Company shall deduct from each payment under the Plan the amount of any tax (whether federal, state or local income taxes, Social Security taxes, Medicare taxes, or other taxes) required by any governmental authority to be withheld and paid over by the Company to such governmental authority for the account of the person entitled to such distribution.

11.6 **Distributions Not Compensation for Purposes of Any Other Plan** . Distributions from this Plan shall not be considered wages, salaries or compensation under any other plan or program sponsored or maintained by the Company or a subsidiary of the Company.

11.7 **Applicable Law** . To the extent state law is not preempted by federal law, this Plan, and all its rights under it, shall be governed and construed in accordance with the laws of the State of Tennessee.

11.8 **Binding Affects on Assigns and Successors** . This Plan shall be binding upon the Company, its assigns, and any successor which shall succeed to substantially all of its assets and business through sale of assets, merger, consolidation or acquisition.

11.9 **Titles Do Not Prevail** . The titles to the Sections of this Plan are included only for ease of use and are not terms of the Plan and shall not prevail over the actual provisions of the Plan.

11.10 **Electronic Administration** . Notwithstanding anything to the contrary in the Plan, the Plan Committee may announce from time to time that Participant enrollments, Participant elections, and any other aspect of Plan administration may be made by telephonic or other electronic means rather than in paper form.

11.11 **Construction** . The Plan is created for the benefit of Directors and their Beneficiaries, and the Plan and any Trust Agreement shall be interpreted and administered in a manner consistent with there being an unfunded deferred compensation plan and a nonqualified deferred compensation plan which complies with the requirements of Code Section 409A.

IN WITNESS WHEREOF, this Plan has been executed on the 3rd day of December, 2014, but effective as of December 3, 2014.

DOLLAR GENERAL CORPORATION

By: /s/ Robert D. Ravener

Its: Executive Vice President & Chief People Officer

ATTEST

/s/ Chad Bearry

Exhibit 10.7

DOLLAR GENERAL CORPORATION
RESTRICTED STOCK UNIT AWARD AGREEMENT

THIS AGREEMENT (the " Agreement ") is made effective as of [Date] (the " Grant Date "), between Dollar General Corporation, a Tennessee corporation (hereinafter called the " Company "), and [Name] (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 committee 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;

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 Unit . 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 [xxxx] Restricted Stock Units. 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.

2. Vesting .

(a) The Restricted Stock Units shall become vested and nonforfeitable on the first anniversary of the Grant Date (the " Vesting Date "), so long as the Grantee continues to be a member of the Board through the Vesting Date.

(b) Notwithstanding the foregoing, to the extent the Restricted Stock Units have not previously terminated or become vested and nonforfeitable (i) if the Grantee ceases to be a member of the Board due to the Grantee's death, Disability (as defined below) or voluntary departure from the Board, then 100% of the Restricted Stock Units that would have become vested and nonforfeitable on the Vesting Date if the Grantee had remained a member of the Board through such date will become vested and nonforfeitable upon such death, Disability or voluntary departure from the Board; and (ii) the Restricted Stock Units shall become immediately vested and nonforfeitable as to 100% of the shares of Common Stock subject to such Restricted Stock Units immediately prior to a Change in Control so long as the Grantee is a member of the Board through the date of the Change in Control.

(c) For the purposes of this Agreement, Disability shall have the meaning as provided under Section 409A (a)(2)(C)(i) of the Code.

(d) 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. Entitlement to Receive Common Stock .

(a) Shares corresponding to the number of Restricted Stock Units granted herein (" RSU Shares ") are to be paid to the Grantee on the Vesting Date or, if earlier, upon the Grantee's death, Disability or termination of Board service (but only to the extent the RSU Shares are vested at the time of termination). *However* , if the Grantee has made a timely and valid irrevocable election to defer receipt of all or any portion of the vested RSU Shares in accordance with the provisions of the RSU Award Deferral Election Form provided to the Grantee and returned it to the Company [*for a Grantee receiving an Award under the Plan for the first time:* prior to the Grant Date] [*for a Grantee receiving an annual Award:* prior to December 31 of the calendar year preceding the Grant Date] (such shares, the " Deferred Shares "), any such Deferred Shares shall instead be paid on the date so elected by the Grantee pursuant to such RSU Award Deferral Election Form, or, if earlier, upon the Grantee's death or Disability or upon a Change in Control.

(b) On any date on which any RSU Shares are to be paid to the Grantee in accordance with Section 3 (a) above, the Company shall deliver to the Grantee or the Grantee's legal representative or, if the Grantee is deceased, the Grantee's designated beneficiary, or, if none, his personal representative, a share certificate or evidence of electronic delivery of such RSU Shares in the amount of the RSU Shares so delivered to the Grantee, and such RSU Shares shall be registered in the name of the Grantee.

(c) The shares of Common Stock deliverable upon the payment of a vested Restricted Stock Unit 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. Dividend Equivalents . In the event that the Company pays any ordinary dividend (whether in cash, shares of Common Stock or other property) on its Shares, on the date such dividend is paid to shareholders the Grantee shall be credited, based on the number of unvested Restricted Stock Units held by the Grantee and the number of Deferred Shares (if any) that the Grantee is entitled to receive, in each case as of the record date of such dividend, with additional Restricted Stock Units or Deferred Shares, as applicable, that reflect the amount of such dividend (or if such dividend is paid in shares of Common Stock or other property, the fair value of the dividend, as determined in good faith by the Board). Any such additional Restricted Stock Units and Deferred Shares, as applicable, shall be subject to all terms and conditions of this Agreement.

5. Transferability . Neither the Restricted Stock Units prior to becoming vested pursuant to Section 2 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. Grantee's Continued Service on the Board . Nothing contained in this Agreement or in any other agreement entered into by the Company and the Grantee guarantees that the Grantee will continue to serve as a member of the Board for any specified period of time.

7. Change in Capitalization . If any event described in Section 9 of the Plan occurs, this Agreement and the Restricted Stock Units (and any Deferred Shares due to be delivered hereunder) shall be adjusted to the extent required or permitted, as applicable, pursuant to Section 9 of the Plan.

8. Taxes . The Grantee shall have full responsibility, and the Company shall have no responsibility, for satisfying any liability for any federal, state or local income or other taxes required by law to be paid with respect to such Restricted Stock Units, including upon the vesting of the Restricted Stock Units and the delivery of any RSU Shares. The Grantee is hereby advised to seek his or her own tax counsel regarding the taxation of the grant and vesting of the Restricted Stock Units hereunder (and the tax consequences of any deferral election made in respect of the delivery of any RSU Shares).

9. Limitation on Obligations . This Restricted Stock Unit Award shall not be secured by any specific assets of the Company or any of its Subsidiaries, nor shall any assets of the Company or any of its Subsidiaries be designated as attributable or allocated to the satisfaction of the Company's obligations under this Agreement. 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 granting of the Restricted Stock Units hereunder 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.

14. Restricted Stock Units Subject to Plan . The Restricted Stock Unit Award and the 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 the Restricted Stock Units and such Shares. In the event of any conflict between this Agreement and the Plan, the terms of the Plan shall control.

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

16. 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.

17. Rights as Shareholder . Except as may be otherwise provided in Section 7 of this Agreement, 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 Shares issuable upon the payment of a vested Restricted Stock Unit unless and until a certificate or certificates representing such 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 Shares has been made by the registrar of the Company.

18. 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, the parties hereto have executed this Agreement as of the date first above written.

DOLLAR GENERAL CORPORATION

By: _____
Name: _____
Title: _____

GRANTEE

_____
[Name]
[Address]

Exhibit 15

December 4, 2014
The Board of Directors and Shareholders
Dollar General Corporation

We are aware of the incorporation by reference in the Registration Statements (Nos. 333-151047, 333-151049, 333-151655, and 333-163200 on Form S-8 and 333-187493 on Form S-3) of Dollar General Corporation of our report dated December 4, 2014 relating to the unaudited condensed consolidated interim financial statements of Dollar General Corporation that are included in its Form 10-Q for the quarter ended October 31, 2014.

/s/ Ernst & Young LLP
Nashville, Tennessee

Exhibit 31

CERTIFICATIONS

I, Richard W. Dreiling, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Dollar General Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 4, 2014

/s/ Richard W. Dreiling
Richard W. Dreiling
Chief Executive Officer

I, David M. Tehle, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Dollar General Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 4, 2014

/s/ David M. Tehle
David M. Tehle
Chief Financial Officer

Exhibit 32

CERTIFICATIONS
Pursuant to 18 U.S.C. Section 1350

Each of the undersigned hereby certifies that to his knowledge the Quarterly Report on Form 10-Q for the fiscal quarter ended October 31, 2014 of Dollar General Corporation (the "Company") filed with the Securities and Exchange Commission on the date hereof fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Richard W. Dreiling

Name: Richard W. Dreiling
Title: Chief Executive Officer
Date: December 4, 2014

/s/ David M. Tehle

Name: David M. Tehle
Title: Chief Financial Officer
Date: December 4, 2014