

DOLLAR GENERAL CORP

FORM S-8

(Securities Registration: Employee Benefit Plan)

Filed 11/01/04

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

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

FORM S-8

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

AND

**POST-EFFECTIVE AMENDMENT NO. 1 TO
FORM S-8 REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933**

DOLLAR GENERAL CORPORATION

(Exact name of registrant as specified in its charter)

TENNESSEE

(State or other jurisdiction of
incorporation or organization)

61-0502302

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

**100 MISSION RIDGE
GOODLETTSVILLE, TENNESSEE**

(Address of Principal Executive Offices)

37072

(Zip Code)

DOLLAR GENERAL CORPORATION CDP/SERP PLAN

and

**DOLLAR GENERAL CORPORATION DEFERRED COMPENSATION PLAN
FOR NON-EMPLOYEE DIRECTORS**

(Full title of the plan)

**SUSAN S. LANIGAN
SENIOR VICE PRESIDENT, GENERAL COUNSEL AND CORPORATE SECRETARY
100 MISSION RIDGE
GOODLETTSVILLE, TN 37072**

(Name and address of agent for service)

(615) 855-4000

(Telephone number, including area code, of agent for service)

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered (2)	Proposed maximum offering price per share (3)	Proposed maximum aggregate offering price (3)	Amount of registration fee
Deferred Compensation Obligations (1)	\$ 40,000,000 \$ 4,000,000	100% 100%	\$ 40,000,000 \$ 4,000,000	\$ 5,068.00 \$ 506.80
Common Stock, par value \$0.50 per share (4)(5)	650,000 shares 250,000 shares	\$18.52 (6) \$18.52 (6)	\$ 12,038,000 \$ 4,630,000	\$ 1,525.21 \$ 586.62
			TOTAL:	\$ 7,686.63

- (1) The deferred compensation obligations to which this registration statement relates (the “Obligations”) arise under the Dollar General Corporation CDP/SERP Plan (the “Executive Plan”) and the Dollar General Corporation Deferred Compensation Plan for Non-Employee Directors (the “Directors Plan” and, together with the Executive Plan, the “Plans”) and are unsecured obligations of Dollar General Corporation (the “Registrant”) to pay deferred compensation in the future in accordance with the terms of the Plans.
 - (2) The registered amounts are comprised of (A) \$40,000,000 of Obligations and 650,000 shares of common stock, \$0.50 par value per share, of the Registrant (the “Common Stock”) for issuance under the Executive Plan and (B) \$4,000,000 of Obligations and 250,000 shares of Common Stock for issuance under the Directors Plan. The Registrant previously registered \$10,000,000 of Obligations for issuance under the Executive Plan on Form S-8 (Registration No. 333-93309) on December 21, 1999. The Registrant will have an aggregate of \$50,000,000 of Obligations registered for issuance pursuant to the Executive Plan upon the effectiveness of this Registration Statement.
 - (3) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(h)(1) of the Securities Act of 1933 (the “Securities Act”).
 - (4) Includes rights (the “Rights”) to purchase shares under the Registrant’s Rights Agreement dated as of February 29, 2000, that prior to the occurrence of certain events will not be exercisable or evidenced separately from the shares of Common Stock.
 - (5) Includes an indeterminate number of shares of Common Stock that may be issuable under the Plans by reason of stock dividends, stock splits or similar transactions in accordance with Rule 416 of the Securities Act.
 - (6) The proposed maximum offering price per share is based upon the average of the high and low trading prices (U.S. \$18.52) of the Registrant’s Common Stock on October 26, 2004, as reported on the New York Stock Exchange Consolidated Tape.
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PART I

INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

The documents containing the information specified in Part I of Form S-8 will be sent or given to the Participants in the Plans as specified under Rule 428(b)(1) under the Securities Act. Such documents are not required to be, and are not being, filed by the Registrant with the Securities and Exchange Commission (the "SEC"), either as part of this Registration Statement or as prospectuses or prospectus supplements pursuant to Rule 424 under the Securities Act. Such documents, together with the documents incorporated by reference herein pursuant to Item 3 of Part II of this Registration Statement, constitute a prospectus that meets the requirements of Section 10(a) of the Securities Act.

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The Registration Statement on Form S-8 of the Registrant, file number 333-93309, as filed with the SEC on December 21, 1999, is incorporated by reference in this Registration Statement and amended to reflect the information contained herein.

The following documents previously filed by the Registrant with the SEC pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"), are incorporated herein by reference:

- (a) The Registrant's Annual Report on Form 10-K for the fiscal year ended January 30, 2004, filed with the SEC on March 16, 2004;
- (b) The Registrant's Quarterly Reports on Form 10-Q for the fiscal quarters ended April 30, 2004 and July 30, 2004 (as amended by Form 10-Q/A filed with the SEC on September 27, 2004), filed with the SEC on May 27, 2004 and August 26, 2004, respectively;
- (c) The Registrant's Current Reports on Form 8-K, filed with the SEC on October 12, 2004 and October 28, 2004;
- (d) The description of the Registrant's Common Stock contained in the Registrant's Current Report on Form 8-K, filed with the SEC on June 8, 1998, as amended by Amendment No. 1 to Form 8-K filed with the SEC on June 11, 1998; and
- (e) The description of the Registrant's Rights contained in the Registrant's Registration Statement on Form 8-A, filed with the SEC on February 29, 2000.

All documents and reports subsequently filed by the Registrant pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act, prior to the filing of a post-effective amendment to this Registration Statement which indicates that all securities offered hereby have been sold or which deregisters all such securities then remaining unsold, shall be deemed to be incorporated by reference in this Registration Statement and to be a part hereof from the date of filing of such documents. Any statements contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or replaced for purposes hereof to the extent that a statement contained herein (or in any other subsequently filed document which also is incorporated or deemed to be incorporated by reference herein)

modifies or replaces such statement. Any statement so modified or replaced shall not be deemed, except as so modified or replaced, to constitute a part hereof.

Item 4. Description of Securities.

The following descriptions of the Obligations of the Registrant under the Plans are qualified by reference to the Plans, which are included as Exhibits 4.1 and 4.2 to this Registration Statement.

Dollar General Corporation CDP/SERP Plan

On October 29, 2004, the Compensation Committee (the “Compensation Committee”) of the Registrant’s Board of Directors approved an amended and restated Executive Plan, effective as of November 1, 2004 or as otherwise expressly provided. The Executive Plan consists of a Compensation Deferral Plan (the “CDP”) and a Supplemental Executive Retirement Plan (the “SERP”). Pursuant to the CDP, participants may make annual elections to defer up to 65% of base pay, if the participant has elected to make the maximum non-catch-up contribution to the Registrant’s 401(k) plan, and up to 100% of bonus pay. In addition, the Registrant may make certain matching and discretionary contributions to the CDP on behalf of participants. All participants are 100% vested for all compensation deferrals under the CDP. Pursuant to the SERP, the Registrant makes an annual contribution to all participants who are actively employed by the Registrant on both January 1 and December 31 of a year. The SERP contribution is based on a participant’s base pay and bonus, age and years of service. Registrant contributions made pursuant to the SERP generally vest at the earlier of the participant’s attainment of age 50 or the participant’s being credited with 10 or more “years of service,” or upon termination of employment due to death or “total and permanent disability” or upon a “change in control,” all as defined in the Executive Plan.

The Obligations are general unsecured obligations of the Registrant to pay certain retirement benefits and deferred compensation in the future in accordance with the terms of the Executive Plan from the general assets of the Registrant, and rank pari passu with other unsecured indebtedness of the Registrant from time to time outstanding.

The amount of retirement benefits and deferred compensation owed to participants pursuant to the Executive Plan equals the amount of compensation deferred by each participant in accordance with his or her deferral election under the CDP and the amount of the Registrant’s contributions under the CDP and/or the SERP to each participant’s account in accordance with the terms of the Executive Plan, all adjusted to reflect any deemed investment appreciation or depreciation. A participant’s vested account balance will be paid by (a) lump sum, (b) monthly installments over a 5, 10 or 15 year period or (c) a combination of lump sum and installments. However, a lump sum distribution will be paid in lieu of installments if the participant’s account balance is less than \$25,000 (determined separately for a participant’s CDP account and SERP account), if the participant fails to specify a form of payment, or if the participant dies, becomes disabled or does not meet certain retirement criteria (either attainment of age 50 or being credited with 10 or more “years of service”) under the terms of the Executive Plan. The vested amount will be payable upon the participant’s termination of employment or retirement, except that participants may elect to receive an in-service lump sum distribution of vested amounts credited to the CDP account, provided that the date of distribution is a date that is no sooner than 5 years after the end of the year in which amounts are deferred. In addition, a participant who is an employee may request to receive an “unforeseeable emergency hardship” in-service lump sum distribution of vested amounts credited to his CDP account.

Each participant’s Obligations will be adjusted to reflect the investment experience of the underlying Executive Plan investment fund(s), including any appreciation or depreciation. A participant

may request that the participant's Obligations be deemed invested in one or more of the investment alternatives offered under the Executive Plan, including the Registrant's Common Stock. While the committee administering the Executive Plan will consider properly made investment requests, the committee is not obligated to follow any such request.

Effective January 1, 2005, vested Executive Plan account balances deemed to be invested in the non-Common Stock investment fund(s) are payable in cash; and vested Executive Plan account balances deemed to be invested in the Common Stock investment fund are payable in shares of Common Stock and cash in lieu of fractional shares. Prior to January 1, 2005, all Obligations are payable in cash.

A participant's Obligations cannot be sold, transferred, assigned, pledged, hypothecated, or otherwise encumbered, and pass only to a survivor beneficiary designated under the Executive Plan, or by will or the laws of descent and distribution. Except as described above in the case of in-service withdrawals, the Obligations are not subject to redemption, in whole or in part, prior to the termination, retirement, disability or death of the participant. However, the Registrant reserves the right to amend or terminate the Executive Plan at any time, except that no such amendment or termination shall adversely affect a participant's right to Obligations in the amount of the participant's accounts as of the date of such amendment or termination. Except as described above for post-December 31, 2004 payment of Executive Plan account balances deemed to be invested in the Common Stock investment fund under the Executive Plan (which are payable in shares of Common Stock), the Obligations are not convertible into another security of the Registrant. The Obligations will not have the benefit of a negative pledge or any other affirmative or negative covenant on the part of the Registrant. No trustee has been appointed having the authority to take action with respect to the Obligations and each participant will be responsible for acting independently with respect to, among other things, the giving of notices, responding to any requests for consents, waivers or amendments pertaining to the Obligations, enforcing covenants and taking action upon a default.

Dollar General Corporation Deferred Compensation Plan for Non-Employee Directors

On October 29, 2004, the Compensation Committee approved an amended and restated Directors Plan, effective as of November 1, 2004 or as otherwise expressly provided. Pursuant to the Directors Plan, non-employee members of the Board of Directors of the Registrant may make annual elections to defer up to 100% of director fees. All participants are 100% vested for all deferrals.

The Obligations are general unsecured obligations of the Registrant to pay certain retirement benefits and deferred compensation in the future in accordance with the terms of the Directors Plan from the general assets of the Registrant, and rank pari passu with other unsecured indebtedness of the Registrant from time to time outstanding.

The amount of deferred compensation owed to participants pursuant to the Directors Plan equals the amount of director fees compensation deferred by each participant in accordance with his deferral election, all adjusted to reflect any deemed investment appreciation or depreciation. A participant's vested account balance will be paid by (a) lump sum, (b) monthly installments over a 5, 10 or 15 year period or (c) a combination of lump sum and installments. However, a lump sum distribution will be paid in lieu of installments if the participant's account balance is less than \$25,000, if the participant fails to specify a form of payment, or if the participant dies or becomes disabled. The vested amount will be payable upon the participant's termination of service as a non-employee director, provided that a participant who is a non-employee director may request to receive an "unforeseeable emergency hardship" in-service lump sum distribution of amounts credited to his Directors Plan account.

Each participant's Obligations will be adjusted to reflect the investment experience of the underlying Directors Plan investment fund(s), including any appreciation or depreciation. A participant may request that the participant's Obligations be deemed invested in one or more of the investment alternatives offered under the Directors Plan, including the Registrant's Common Stock. While the committee administering the Directors Plan will consider properly made investment requests, the committee is not obligated to follow any such request.

Effective January 1, 2005, Directors Plan account balances deemed to be invested in the non-Common Stock investment fund(s) are payable in cash; and vested Directors Plan account balances deemed to be invested in the Common Stock investment fund are payable in shares of Common Stock and cash in lieu of fractional shares. Prior to January 1, 2005, all Obligations are payable in cash.

A participant's Obligations cannot be sold, transferred, assigned, pledged, hypothecated, or otherwise encumbered, and pass only to a survivor beneficiary designated under the Directors Plan, or by will or the laws of descent and distribution. Except as described above in the case of in-service withdrawals, the Obligations are not subject to redemption, in whole or in part, prior to the termination, retirement, disability or death of the participant. However, the Registrant reserves the right to amend or terminate the Directors Plan at any time, except that no such amendment or termination shall adversely affect a participant's right to Obligations in the amount of the participant's accounts as of the date of such amendment or termination. Except as described above for post-December 31, 2004 payment of Directors Plan account balances deemed to be invested in the Common Stock investment fund under the Directors Plan (which are payable in shares of Common Stock), the Obligations are not convertible into another security of the Registrant. The Obligations will not have the benefit of a negative pledge or any other affirmative or negative covenant on the part of the Registrant. No trustee has been appointed having the authority to take action with respect to the Obligations and each participant will be responsible for acting independently with respect to, among other things, the giving of notices, responding to any requests for consents, waivers or amendments pertaining to the Obligations, enforcing covenants and taking action upon a default.

Item 5. Interests of Named Experts and Counsel.

Not applicable.

Item 6. Indemnification of Directors and Officers.

The Tennessee Business Corporation Act (the "TBCA") provides that a corporation may indemnify any of its directors and officers against liability incurred in connection with a proceeding if (a) the person acted in good faith; (b) in the case of conduct in an official capacity with the corporation, the person reasonably believed the conduct was in the corporation's best interests; (c) in all other cases, the person reasonably believed that the conduct was at least not opposed to the best interests of the corporation; and (d) in connection with any criminal proceeding, the person had no reasonable cause to believe the conduct was unlawful (the requirements set forth in (a) through (d) above will be referred to as the "Standards of Conduct"). In actions brought by or in the right of the corporation, however, the TBCA provides that no indemnification may be made if the director or officer was adjudged to be liable to the corporation. The TBCA also provides that in connection with any proceeding charging improper personal benefit to an officer or director, no indemnification may be made if the person is adjudged liable on the basis that personal benefit was improperly received. In cases where the director or officer is wholly successful, on the merits or otherwise, in the defense of any proceeding instigated because of his or her status as a director or officer of a corporation, the TBCA mandates that the corporation indemnify the director or officer against reasonable expenses incurred in the proceeding. The TBCA provides that a court of competent jurisdiction, unless the corporation's charter provides otherwise, upon application,

may order that an officer or director be indemnified if, in consideration of all relevant circumstances, the court determines that the person is fairly and reasonably entitled to indemnification, notwithstanding the fact that (a) the person was adjudged liable to the corporation in a proceeding by or in the right of the corporation; (b) the person was adjudged liable on the basis that a personal benefit was improperly received by him; or (c) the person failed to meet the Standards of Conduct. Indemnification under circumstances described in (a) and (b), however, is limited to reasonable expenses.

The Registrant's Charter and Bylaws provide that the Registrant shall indemnify its directors and officers to the fullest extent permitted by applicable law. The Registrant's Bylaws further provide that the Registrant shall advance expenses to each director and officer of the Registrant to the full extent allowed by the laws of the State of Tennessee, both as now in effect and as hereafter adopted. These indemnification and advancement of expenses provisions are not exclusive of any other right that a director or officer may have or acquire both as to action in his or her official capacity and as to action in another capacity. The Registrant believes that its Charter and Bylaw provisions are necessary to attract and retain qualified persons as directors and officers.

The Registrant has in effect a directors' and officers' liability insurance policy that provides coverage for its directors and officers. Under this policy, the insurer agrees to pay, subject to certain exclusions, for any claim made against a director or officer of the Registrant for a wrongful act by the director or officer, but only if and to the extent the director or officer becomes legally obligated to pay the claim, or incurs certain costs in defending the claim.

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

See the Exhibit Index immediately following the signature page hereto, which Exhibit Index is incorporated herein by this reference.

Item 9. Undertakings.

A. The undersigned Registrant hereby undertakes:

- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:
 - (i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;
 - (ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20% change in the maximum aggregate offering price set forth in the
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“Calculation of Registration Fee” table in the effective Registration Statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

Provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the SEC by the Registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in the Registration Statement.

- (2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof; and
- (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

B. The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant’s annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

C. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers, and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer, or controlling person of the Registrant in the successful defense of any action, suit, or proceeding) is asserted by such director, officer, or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

The Registrant . Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Goodlettsville, State of Tennessee, on October 29, 2004.

DOLLAR GENERAL CORPORATION

By: /s/ David A. Perdue

David A. Perdue

Chairman and Chief Executive Officer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints David A. Perdue, David M. Tehle, and Susan S. Lanigan, and any of them (with full power in each to act alone), his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this Registration Statement, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto each said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that each said attorney-in-fact and agent, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the date indicated.

<u>Signature</u>	<u>Capacity</u>	<u>Date</u>
<u>/s/ David A. Perdue</u> David A. Perdue	Chairman and Chief Executive Officer (principal executive officer)	October 29, 2004
<u>/s/ David M. Tehle</u> David M. Tehle	Executive Vice President and Chief Financial Officer (principal financial and accounting officer)	October 29, 2004
<u>/s/ David L. Beré</u> David L. Beré	Director	October 29, 2004
<u>/s/ Dennis C. Bottorff</u> Dennis C. Bottorff	Director	October 29, 2004
<u>/s/ Barbara L. Bowles</u> Barbara L. Bowles	Director	October 29, 2004

/s/ James L. Clayton

James L. Clayton Director

October 29, 2004

/s/ Reginald D. Dickson

Reginald D. Dickson Director

October 29, 2004

/s/ E. Gordon Gee

E. Gordon Gee Director

October 29, 2004

/s/ Barbara M. Knuckles

Barbara M. Knuckles Director

October 29, 2004

/s/ J. Neal Purcell

J. Neal Purcell Director

October 29, 2004

/s/ James D. Robbins

James D. Robbins Director

October 29, 2004

/s/ David M. Wilds

David M. Wilds Director

October 29, 2004

EXHIBIT INDEX

Exhibit No.	Description
4.1	Dollar General Corporation CDP/SERP Plan (as amended and restated effective November 1, 2004).
4.2	Dollar General Corporation Deferred Compensation Plan for Non-Employee Directors (as amended and restated effective November 1, 2004).
4.3	Dollar General Corporation Amended and Restated Charter (filed as Exhibit 3.1 to the Company's Annual Report on Form 10-K for the fiscal year ended January 30, 2004, filed with the SEC on March 16, 2004 and incorporated herein by this reference).
4.4	Dollar General Corporation Bylaws (filed as Exhibit 3 to the Company's Quarterly Report on Form 10-Q for the quarter ended August 2, 2002, filed with the SEC on August 28, 2002 and incorporated herein by this reference).
4.5	Rights Agreement dated as of February 29, 2000, between Dollar General Corporation and Registrar and Transfer Company (filed as Exhibit 4 to the Company's Current Report on Form 8-K filed with the SEC on February 29, 2000 and incorporated herein by this reference).
5	Opinion of Troutman Sanders LLP.
23.1	Consent of Ernst & Young LLP.
23.2	Consent of Troutman Sanders LLP (included in Exhibit 5).
24	Power of Attorney (included on signature page hereto).

DOLLAR GENERAL CORPORATION
CDP/SERP PLAN
(As Amended and Restated Effective November 1, 2004)

ARTICLE I

Purpose and Adoption of Plans

1.1 “ **Introduction** ” Dollar General Corporation (the “Company”) previously established and maintained the Dollar General Corporation Supplemental Executive Retirement Plan (the “SERP”) and the Dollar General Corporation Compensation Deferral Plan (the “CDP”) as separate plans. Effective as of January 1, 2000, the Company amended, restated, and consolidated the SERP and CDP plans, so that such plans were combined into one plan with one master plan document. Effective as of January 1, 2003, the Company amended and restated the master plan document. The separate provisions of both the SERP and CDP are contained in this one plan document as separate portions of the combined plan document. Nevertheless, the terms of the SERP and CDP portions of the Plan independently govern participation in, and benefits provided hereunder. Accordingly, an employee may be designated for participation in one or both portions of this Plan, as determined by the terms of each portion of the Plan. Effective as of November 1, 2004, the Company hereby amends and restates the plan document of the Plan, provided, however, that if this amendment and restatement does not comply with Code Section 409A in any manner, the provision(s) not so complying shall not be effective until amended to so comply (which amendment may be retroactive to the extent permitted under Code Section 409A).

1.2 “ **Rights of Employees** ” The rights and benefits, if any, of an Employee whose employment terminated before or after the effective date of this amendment and restatement shall be determined in accordance with the provisions of the Plan provided herein, provided, however, that there shall be no change in the form or manner of benefits in pay status on November 1, 2004.

1.3 “ **Purpose of SERP** ” The SERP is designed to permit a select group of management or highly compensated employees who contribute materially to the continued growth, development and future business success of the Company and the Subsidiaries additional benefits and in such amounts as the Company shall determine in its sole discretion. Employees who previously participated in the SERP prior to January 1, 2000 were credited with an initial benefit under the restated CDP/SERP master document equal to the present value of their benefit under the SERP as of December 31, 1999. Such present value of each Participant’s SERP benefit was credited to that Participant’s SERP Account described in Section 2.1 hereof as of January 1, 2000.

1.4 “ **Purpose of CDP** ” The CDP is designed to permit a select group of management or highly compensated Employees who contribute materially to the continued growth, development and future business success of the Company and the Subsidiaries to elect to defer a portion of their compensation until their death, disability, retirement or termination of employment with the Company or the Subsidiaries. The CDP also provides additional benefits,

in the form of CDP Company Matching Credits and CDP Company Discretionary Credits, that are, or may be, credited pursuant to Article V.

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 accounts established and maintained by the Plan Committee for bookkeeping purposes to reflect the interest of a Participant in the SERP and/or CDP portions of 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.

(a) **CDP Accounts** shall consist of a CDP Participant’s Company Match Account, Discretionary Credit Account, and Optional Deferral Account.

(b) **SERP Account** shall mean the account established to reflect the interest of a SERP Participant in SERP benefits that may be payable under this Plan.

2.2 “ **Base Pay** ” shall mean with respect to each CDP Participant, the Participant’s base wages or salary determined prior to any deferrals under Article IV hereof and determined without regard to any qualified plan limits under Code Section 401(a)(17), exclusive of bonuses or other amounts paid in excess of the Participant’s stated base wages or salary, but inclusive of amounts deferred as Elective Deferrals under the Dollar General Corporation 401(k) Savings and Retirement Plan and any amounts contributed on a pre-tax basis under a cafeteria plan maintained by the Company under Code Section 125, all as determined in the sole discretion of the Plan Committee or its delegate.

2.3 “ **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.

2.4 “ **Board** ” shall mean the Board of Directors of the Company.

2.5 “ **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.

2.6 “ **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.

2.7 “ **Company** ” shall mean Dollar General Corporation, a Tennessee corporation with principal offices at Goodlettsville, Tennessee.

2.8 “ **Company Match Account** ” shall mean a CDP Account that is maintained to reflect any CDP Company Matching Credits credited on a CDP Participant's behalf pursuant to Article V.

2.9 “ **Deferral Election** ” shall mean a CDP Participant's written election under the CDP to defer a portion of his Base Pay and/or his bonus pursuant to Article IV.

2.10 “ **Discretionary Credit Account** ” shall mean a CDP Account that is maintained to reflect any CDP Company Discretionary Credits credited on a CDP Participant's behalf pursuant to Article V (including amounts attributable to the Automatic Contribution Account for periods prior to January 1, 2003).

2.11 “ **Effective Date** ” shall mean the January 1 next following or coinciding with the date on which an Employee is designated by the Plan Committee as eligible for participation in the CDP or SERP, as provided by the terms of each plan.

2.12 “ **Eligible SERP Compensation** ” shall mean a SERP Participant's base wages or salary and bonuses, determined prior to any CDP deferrals under Article IV, and inclusive of amounts deferred as Elective Deferrals under the Dollar General Corporation 401(k) Savings and Retirement Plan and any amounts contributed on a pre-tax basis under a cafeteria plan maintained by the Company under Code Section 125, all as determined in the sole discretion of the Plan Committee or its delegate.

2.13 “ **Employee** ” shall mean any common law employee who is actively employed by the Company. For this purpose, an Employee receiving severance pay shall not be considered “actively employed” by the Company. If an individual is not considered to be an "Employee" of the Company in accordance with this Section for a Plan Year, a subsequent determination by the Company, any governmental agency or court that the individual is a common law employee of the Company, even if such determination is applicable to prior years, will not have a retroactive effect for purposes of eligibility to participate in the Plan.

2.14 “ **Enrollment Date** ” shall mean January 1 of each Plan Year.

2.15 “ **ERISA** ” shall mean the Employee Retirement Income Security Act of 1974, as the same may be amended from time to time, or the corresponding section of any subsequent legislation which replaces it, and, to the extent not inconsistent therewith, the regulations issued thereunder.

2.16 “ **Exchange Act** ” shall mean the Securities Exchange Act of 1934, as amended.

2.17 “ **Investment Request** ” shall mean a Participant’s written request to have his Accounts deemed to be invested pursuant to Article VII.

2.18 “ **Leave of Absence** ” shall mean a Participant’s leave of absence from his employment on account of military service, Total and Permanent Disability, or any other reason and which is authorized, in writing, by the Company.

2.19 “ **Optional Deferral Account** ” shall mean a CDP Account that is maintained to reflect a CDP Participant’s elective deferrals, and earnings thereon, made pursuant to Article IV.

2.20 “ **Participant** ” shall have the following meanings, depending upon whether participation is in the CDP or the SERP:

(a) For purposes of the CDP, a “ **CDP Participant** ” shall mean an Employee or former Employee who meets all of the conditions of eligibility under Section 3.2 and who participates in the CDP portion of the Plan in accordance with Article IV.

(b) For purposes of the SERP, a “ **SERP Participant** ” shall mean an Employee or former Employee who meets all of the conditions of eligibility under Section 3.1 and who participates in the SERP portion of the Plan.

2.21 “ **Plan** ” shall mean this Dollar General Corporation CDP/SERP Plan, as reflected in this Plan document.

2.22 “ **Plan Committee** ” shall mean the Compensation Committee of the Board or another committee that is appointed by the Compensation Committee to serve as the Plan Committee, subject to the provisions of Section 10.1.

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

2.24 “ **Retirement Eligibility** ” shall mean, with respect to a Participant, the earlier of the Participant’s attainment of age 50 or the date such Participant is credited with 10 Years of Service under this Plan.

2.25 “ **SERP Company Credit** ” shall mean amounts credited to a SERP Participant’s Account under Article V of the Plan.

2.26 “ **Subsidiary** ” shall mean any corporation, the majority of the outstanding voting stock of which is owned, directly or indirectly, by the Company.

2.27 “ **Total and Permanent Disability** ” shall mean the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or to be of continuous period of not less than 12 months, as evidenced by qualification for disability income benefits under the federal Social Security system.

2.28 “ **Year of Service** ” shall mean each one-year period of time, including time before a Participant’s Effective Date, commencing on the date on which the Participant was first employed by the Company or a Subsidiary and each anniversary thereof during which the Participant was an Employee of the Company or a Subsidiary or on a Leave of Absence for the entire year. The Plan Committee, in its discretion, shall develop policies and procedures to determine Years of Service for purposes of this Plan and that address the determination of Years of Service for Participants who terminate employment and are later rehired by the Company or a Subsidiary.

2.29 “ **Trust Agreement** ”: The agreement, if any, by and between the Company and any trustee under which assets pertaining to the Plan, if any, is 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 “ **SERP Eligibility Rules** ” The Plan Committee shall establish, and amend as necessary, rules to determine which individuals or groups of employees shall be eligible to participate in the SERP.

3.2 “ **CDP Eligibility Rules** ” The Plan Committee shall establish, and amend as necessary, rules to determine which individuals or groups of employees shall be eligible to participate in the CDP.

ARTICLE IV

Deferral of Compensation under CDP

4.1 “ **Compensation Which May Be Deferred** ”

(a) Subject to Section 4.1(b), a CDP Participant may elect to defer amounts under this Plan as follows:

(i) A CDP Participant who has elected to make the maximum pre-tax elective deferral permitted under the Dollar General Corporation 401(k) Savings and Retirement Plan (determined without regard to the catch-up contributions thereunder) may elect to defer from his Base Pay otherwise payable to him during each payroll period after his Effective Date any whole percentage from 1% to 65% of his Base Pay. The amount of any elective deferral made under this Section 4.1(a) shall be credited to a CDP Participant’s Optional Deferral Account; and

(ii) A CDP Participant may elect to defer from any bonus otherwise payable to him by the Company any whole percentage from 1% to 100% of such bonus. The amount of any elective deferral under this Section 4.1(b) shall be credited to a CDP Participant’s Optional Deferral Account. The Plan Committee shall determine, in its sole discretion, the bonus type that is eligible for deferrals under this Plan.

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

4.2 “ **Establishment of Optional Deferral Account** ” An Optional Deferral Account shall be established for each CDP Participant by the Plan Committee as of the Effective Date of such Participant’s initial Deferral Election. The Participant’s Optional Deferral Account shall be credited at least monthly with amounts that a CDP Participant has deferred under Section 4.1.

4.3 “ **Deferral Election Form** ” A CDP 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 CDP Participant wishes to make an election to defer the receipt of a portion of his Base Pay and/or bonus pay;

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

(c) Subject to the provisions of Sections 4.5 and 4.6 and Article VIII, the form of any distribution from the Plan, which election may in the discretion of the Plan Committee be made on a Plan Year (or multiple prospective Plan Years) by Plan Year (or multiple prospective Plan Years) basis and/or separately for different Accounts and/or contributions thereto;

(d) That the deferral is to termination of employment or, pursuant to Section 4.5(a), a specified date no sooner than 5 years after the end of the Plan Year in which amounts are deferred (provided, however, that upon the Participant's unforeseeable emergency, amounts deferred may be paid pursuant to Section 4.5(b) and that upon the Participant's termination of employment (whether before or after Retirement Eligibility) for any reason, death, or Total and Permanent Disability, all amounts deferred to a date certain shall nevertheless be paid as provided in Article VIII), which election of a specified date may in the discretion of the Plan Committee be made on a Plan Year (or multiple prospective Plan Years) by Plan Year (or multiple prospective Plan Years) basis and/or separately for different Accounts and/or contributions thereto; and

(e) 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) The Deferral Election form of a new CDP Participant shall be made by a signed written notice, in a form acceptable to the Plan Committee, that is delivered to the Plan Committee at a date established by the Plan Committee, but no later than the day before the CDP Participant's Effective Date. A CDP Participant shall complete a Deferral Election form annually thereafter at a date established by the Plan Committee, but no later than the last day of the Plan Year immediately preceding the Plan Year to which such election relates, 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). A CDP Participant who desires to modify or revoke a Deferral Election for a subsequent Plan Year must provide the Plan Committee with a signed written notice no later than such date as the Plan Committee may determine in its sole discretion, but not later than the day immediately prior to the first day of the Plan Year to which such modification or revocation relates. Subject to the provisions of this Section 4.4, any modification or revocation shall be effective on the first day of the Plan Year to which such modification or revocation relates.

(b) As an alternative to the foregoing, in the discretion of the Plan Committee, any Deferral Election to defer a bonus which is performance-based compensation based on services performed over a period of at least 12 months (within the meaning of Code Section 409A(a)(4)(B)(iii)) and is payable for a period commencing after 2004 may be made no later than 6 months prior to the end of the performance period for such bonus determination. Any such Deferral Election therefor may not be modified or revoked by the Participant after the latest time for making the election.

(c) The termination of participation in the CDP shall not affect amounts previously deferred by the CDP Participant under the Plan.

(d) 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 the requirements of Code Section 409A (including any transition or grandfather

rules thereunder). In this regard the Committee is expressly authorized to permit elections prior to January 1, 2005 on such basis as it deems necessary or appropriate.

4.5 “In-Service Distributions and Election Form Procedures”

(a) A CDP Participant may elect to receive a “time specific” in-service lump sum distribution of amounts credited to his CDP Accounts, provided that the date of distribution is a date that is no sooner than 5 years after the end of the Plan Year in which amounts are deferred. Notwithstanding anything to the contrary, any amounts deferred to a “time specific” date certain pursuant to this Section 4.5 shall nevertheless be paid as soon as practicable after the Participant’s termination of employment (whether before or after Retirement Eligibility), death or Total and Permanent Disability, subject to the further provisions of Article VIII. If a CDP Participant elects a “time specific” in-service distribution, payment of benefits pursuant to that election shall be made in the form of a lump sum distribution. With the approval of the Plan Committee, a CDP Participant may amend the timing of his “time specific” in-service benefit distribution date while actively employed by the Company or a Subsidiary, provided, however, that no such amendment shall be effective if it, coupled with the Plan requirement that Plan benefits be distributed after separation from service (regardless of the Participant’s “time specific” in-service distribution date), would cause the Plan to violate the requirements of Code Section 409A(a)(2), (3) or (4). Any such amendment must be made on a signed written form that is acceptable to the Plan Committee and must be provided to the Plan Committee not later than 12 months before the CDP Participant’s “time specific” in-service distribution date as stated on the Participant’s currently effective election form and the new payment date must be at least 5 years later than the date such payment would otherwise have been made. A CDP Participant that completes an amendment to his “time specific” in-service benefit distribution date in accordance with this Section 4.5 may defer distribution of his Accounts to a date after the date selected in his most recent validly completed form or until his termination of employment, attainment of Retirement Eligibility, or Total and Permanent Disability. A CDP Participant may only complete one amendment with respect to his “time specific” in-service benefit distribution date, unless the Plan Committee in its sole discretion waives this rule with respect to the CDP Participant. A CDP Participant may not elect to have “time specific” distributions paid to him in any form of distribution other than a single lump sum payment at the elected date of distribution.

(b) A Participant who is an Employee may request to receive an “unforeseeable emergency hardship” in-service lump sum distribution of vested amounts credited to his Account in the event he has an unforeseeable emergency hardship. Upon a finding by the Plan Committee that the Participant has an unforeseeable emergency hardship, 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 or her ceasing to be an Employee. Any such written request must set forth the circumstances constituting such unforeseeable emergency hardship. 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 hardship 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. Any distribution due to unforeseeable emergency hardship shall only be permitted to the extent reasonably needed to satisfy such hardship 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 hardship 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 hardship" means as 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 8.7.

(d) A SERP Participant may not elect to receive a "time specific" or an "unforeseeable emergency hardship" in-service distribution of vested amounts credited to his SERP Account.

4.6 **"Amending the Deferral Election to Change Form of Distribution at Retirement or Termination of Service Not Permitted"** A Participant may not change his elected or default form of the distribution of his existing Account (including the CDP and SERP portions of the Plan) to be made at retirement or other termination of employment. The foregoing is not intended to prohibit new and different elections on a prospective basis for amounts earned in a subsequent Plan Year to the extent permitted under Section 4.3. Form of payment elections in effect on November 1, 2004 shall continue to apply to all Account balances attributable to deferrals and credits (and earnings thereon) for periods prior to January 1, 2005 and, unless otherwise determined by the Plan Committee (e.g., by permitting Plan Year by Plan Year elections effective prospectively), to Deferral Elections made on or after November 1, 2004.

ARTICLE V

Company Credits

5.1 **"SERP Company Credits"**

(a) As of the last day of each Plan Year, the Plan Committee shall credit as a SERP Company Credit such amounts as the Plan Committee may deem appropriate to the account of an eligible SERP Participant, in accordance with the requirements of Section 5.1(b) below.

(b) The amount of the SERP Company Credit shall be calculated by using a SERP Participant's Eligible SERP Compensation, as defined in Section 2.12 as a base. The Plan Committee shall credit a SERP Company Credit only to the SERP Account of a Participant who was a SERP Participant on the first day of the Plan Year and last day of the Plan Year to which the SERP Company Credit relates.

(c) The Company, and any Subsidiary of which a Participant is employed at the end of the calendar year, shall reflect as a liability on its books and as reflected in a SERP Account, the SERP Company Credit within 31 days after the last day of each Plan Year.

5.2 “ **CDP Company Matching Credits** ” The Company shall credit, each calendar month, an amount for each CDP Participant employed by the Company or a Subsidiary determined as follows:

(a) Determine the maximum amount subject to a match under the CDP for such calendar month, which is the lesser of (i) 5% of the CDP Participant’s Base Pay; or (ii) the CDP Participant’s Optional Deferrals from his Base Pay under Section 4.1(a) of this Plan for such month;

(b) Apply to the amount determined under (a) immediately above the employer matching contribution percentage which applies for such month under the Dollar General Corporation 401(k) Savings and Retirement Plan; and

(c) Subtract from the amount determined under (b) immediately above the employer matching contribution actually allocated to the CDP Participant for such month under the Dollar General Corporation 401(k) Savings and Retirement Plan, regardless of whether such match is forfeited or distributed under Code Section 401(m).

Any CDP Matching Credit shall be credited to the CDP Participant’s CDP Company Match Account each calendar month.

5.3 “ **Special Rule for a CDP Participant who has not yet met eligibility requirements to receive a matching contribution in the Dollar General Corporation 401(k) Savings and Retirement Plan** ” Notwithstanding Section 5.2 above, if for a given calendar month a CDP Participant has not yet met the eligibility requirements to receive a matching contribution in the Dollar General 401(k) Savings and Retirement Plan, such CDP Participant shall nevertheless be credited with a CDP Company Matching Credit under this Plan for such month. In such event, the amount subtracted under Section 5.2(c) above shall be zero.

5.4 “ **CDP Company Discretionary Credits** ” The Company may, in its sole discretion and from time to time, credit an amount equal to 2% of each CDP Participant’s Base Pay, if any, that exceeds the compensation limit established under Code Section 401(a)(17). Any CDP Company Discretionary Credit shall be credited to a CDP Participant’s Discretionary Credit Account.

ARTICLE VI

Vesting

6.1 “ **SERP Vesting** ” SERP Company Credits credited pursuant to the provisions of Article V, along with any earnings thereon, shall be fully vested at the earlier of the SERP Participant’s attainment of age 50 or the SERP Participant’s being credited with 10 or more Years of Service. However, until full vesting occurs, a SERP Participant will not have a vested interest in any percentage of his SERP Account. The Plan Committee shall have the discretion to accelerate the vesting of SERP Company Credits on an individual by individual basis for any reason at any time and from time to time.

6.2 “ **CDP Vesting** ” Amounts credited to a CDP Participant’s Company Match Account, Discretionary Credit Account, and Optional Deferral Account, along with any earnings thereon, shall be fully vested at all times.

6.3 “ **Full Vesting Under SERP on Death, Disability or Change In Control** ” Notwithstanding Section 6.1 hereof, a SERP Participant shall be fully vested in his SERP Account if he terminates employment with the Company because of a Total and Permanent Disability, dies while employed by the Company or a Subsidiary, or is a SERP Participant at the time of a Change in Control.

ARTICLE VII

Investments

7.1 “ **In General** ”

(a) The Plan Committee shall determine the investment options available under the Plan and the procedures for making Investment Requests therefore. Such investment options and procedures may be changed by the Plan Committee at any time and from time to time. The Plan Committee may provide for suspension of any investment option as it deems appropriate at any 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 could 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 in accordance with procedures established by the Plan Committee. 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 investment option changes effective November 1, 2004 and any subsequent change in investment options under the Plan (whether by reason of changes effected in the investment options under the Plan by the Plan Committee 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 its deems appropriate.

(f) Effective January 1, 2005, no amount attributable to an Account balance deemed to be invested in a Company stock investment option shall be transferred by Investment Request to an investment option other than the Company stock investment option, and no amount attributable to an Account balance deemed to be invested in an investment option other than a Company stock investment option shall be transferred by Investment Request to the Company stock investment option.

(g) Company Common Stock acquired by the Plan for distribution or investment purposes may be acquired on the open market, in private transactions or directly from the Company as determined in the sole discretion of the Plan Committee, provided that acquisitions from the Company are approved by the Board of Directors or its Compensation Committee. Fractional shares of Company Common Stock disposed of by the Plan may be disposed of the open market, in private transactions or directly from the Company as determined in the sole discretion of the Plan Committee. Company Common Stock acquired or disposed by the Plan on the open market shall be acquired or disposed of based on such procedures and standards as may be determined by the Plan Committee. Company Common Stock acquired by the Plan in private transactions or directly from the Company shall be acquired for not more than its fair market value as determined by the Plan Committee. Company Common Stock disposed of by the Plan in private transactions or directly from the Company shall be disposed of for not less than its fair market value as determined by the Plan Committee.

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 Upon Separation from Service After Retirement Eligibility ”

(a) For benefits payable from the Plan on or after the Participant's separation from service (within the meaning of Code Section 409A(a)(2)(A)(i)) after having attained Retirement Eligibility, 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) Monthly installments payable over a 5, 10 or 15 year period, determined by dividing (A) the current balance in such Account by (B) the number of installments in which distributions remain to be made (including the current distribution); or

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

(b) Notwithstanding the other provisions of this Plan to the contrary, the Plan shall distribute in a lump sum distribution any benefits payable to a Participant from the SERP portion of the Plan if the value of the Participant's SERP Account as of the valuation date coincident with or next following his termination or retirement is \$25,000 (or any lesser amount required to comply with the requirements of Code Section 409A) or less; and the Plan shall distribute in a lump sum distribution any benefits payable to a Participant from the CDP portion of the Plan if the value of the Participant's CDP Account as of the valuation date coincident with or next following his termination or retirement is \$25,000 (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) If a Participant separates from service prior to attaining Retirement Eligibility, distribution of his Accounts shall be governed by Section 8.5 hereof.

(e) The transfer of a Participant between the Company and a Subsidiary shall not be treated as a termination of employment with the Company for purposes of this Plan.

(f) Solely for purposes of this Section 8.1, prior to November 1, 2004, any benefit payments from the CDP or SERP Accounts shall be paid or commence to be paid no later than 60 days after the last day of the Plan Year in which the Participant terminates employment after having attained Retirement Eligibility. Effective November 1, 2004, all distributions to Participants who separate from service during January through June after having attained Retirement Eligibility shall commence in the following February, and all distributions to Participants who separate from service during July through December after having attained Retirement Eligibility shall commence in the following August.

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 (including, unless violative of the requirements of Code Section 409A, the Participant’s death subsequent to the Participant’s commencement of payment under the Plan or after the Participant’s separation from service), the balance of his Accounts shall be paid in a lump sum distribution to his Beneficiary within 60 days following the close of the calendar quarter in which the Plan Committee is provided evidence of the Participant’s death (or as soon as reasonably practicable thereafter). 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 estate of the Participant or former Participant. Notwithstanding the foregoing, in the event of the death of a Participant subsequent to the commencement of installment payments, but prior to the completion of such payments and prior to November 1, 2004, the installment payments shall continue and shall be paid to the Beneficiary as if the Participant had not died; provided, however, that if the Beneficiary is a trust or estate, the remaining benefits shall be paid in a lump sum distribution.

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** ”

(a) Upon the Total and Permanent Disability of a Participant or former Participant (whether before or subsequent to the commencement of payment to the Participant) prior to November 1, 2004, the Participant shall be entitled to receive the balance of his Accounts in a form permitted or provided under Section 8.1, as selected by the Participant on a form provided by the Plan Committee for such purpose.

(b) Upon the Total and Permanent Disability of a Participant or former Participant (including, unless violative of the requirements of Code Section 409A, the Participant’s Total and Permanent Disability subsequent to the Participant’s commencement of payment under the Plan or after the Participant’s separation from service) on or after November 1, 2004, the balance of his Accounts shall be paid in a lump sum distribution to him.

(c) Payments made pursuant to this Section 8.4 shall commence within 60 days following the close of the calendar quarter in which the Plan Committee receives notification of the determination of disability by the Social Security Administration (or as soon as reasonably practicable thereafter).

8.5 “ **Distribution Upon Separation from Service Prior to Retirement Eligibility** ” If a Participant separates from service (within the meaning of Code Section 409A(a)(2)(A)(i)) prior to attaining Retirement Eligibility and for reasons other than death or Total and Permanent Disability, then the Participant’s vested Accounts will be paid in a lump sum distribution, or, at the discretion of the Plan Committee, as directed in the most recent validly executed distribution election form. Any SERP amounts credited to the Participant’s Accounts which are not otherwise vested shall be forfeited immediately upon such termination of employment. Prior to November 1, 2004, any benefit payments under this Section 8.5 shall be paid no later than 60 days after the last day of the Plan Year in which the Participant terminates employment.

Effective November 1, 2004, all distributions to Participants who separate from service during January through June prior to attaining Retirement Eligibility shall commence in the following February, and all distributions to Participants who separate from service during July through December prior to attaining Retirement Eligibility shall commence in the following August.

8.6 “ **Correction of Erroneous Credits or Payments** ” The Company intends only to credit amounts to a Participant’s Accounts and distribute benefits to which Participants are entitled under the Plan. If the Plan Committee discovers that an amount was or was not appropriately credited to a Participant’s Account(s), the Plan Committee shall take any steps necessary to adjust the Participant’s Account(s) to correct the error, including an adjustment for earnings, if applicable. If the Plan Committee determines that a Participant is entitled to a benefit that is greater than the benefit that has been or is being distributed to the Participant, then the Plan Committee shall adjust future benefit payments, or make a lump sum distribution, if appropriate, of any additional benefit. If the Plan distributes a benefit to a Participant and the Plan Committee determines that the Participant was not entitled to receive such benefit, then the Plan Committee shall take reasonable steps to recover the total amount of the additional benefit from the individual to whom the amounts were distributed. The Plan Committee may, in its sole discretion, reduce subsequent payments from the Plan to a Participant, if any, until such time as the full amount of the additional payment has been returned to the Company. At its discretion, the Plan Committee may also require that the Participant return the additional payment immediately or over a period of time. If the Plan Committee elects to reduce a Participant’s subsequent benefit payment(s), the Plan Committee shall provide the Participant with notice of such reduction and the reasons therefor.

8.7 “ **Medium of Distribution** ” Effective January 1, 2005, distributions attributable to an Account balance deemed to be invested in a Company stock investment option shall be made in whole shares of Company stock (rounded to the next lowest whole share) and, in the case of a lump sum distribution or the last installment distribution, cash in lieu of any fractional share (where the Company does not issue fractional shares); and distributions attributable to an Account balance deemed to be invested in an investment option other than a Company stock investment option shall be made in cash.

ARTICLE IX

Nature of Employer 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 or Company stock 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 employee benefit program sponsored by the Company for its employees 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 members of the Plan Committee, if not the Compensation Committee, shall be appointed by and may be removed by the Compensation Committee, in each case by written notice delivered to the Plan Committee member. 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 CDP and SERP portions of the Plan, a Participant’s right to benefits from the Plan, the amount of any benefit due and the manner in which any benefit is to be paid by the Plan. 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 Compensation Committee 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 of Directors 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** ” Upon application for benefits made by a Participant or Beneficiary, the Plan Committee shall determine, no later than 90 days after receipt of the claim, whether or not the benefits applied for shall be denied either in whole or in part and so notify the applicant in writing. If benefits applied for are denied either in whole or in part, the following provisions shall govern:

(a) **Notice of Denial** . The Plan Committee, upon its denial of a claim for benefits under the Plan, shall provide the applicant with the aforesaid written notice of such denial setting forth:

- (i) the specific reason for the denial;
- (ii) specific reference to pertinent Plan provisions upon which the denial is based;
- (iii) a description of any additional material or information necessary for the claimant to perfect the claim; and
- (iv) an explanation of the claimant's right with respect to the claims review procedure as provided in subsection (b) of this Section.

(b) **Claims Review**. Every claimant with respect to whom a claim is denied shall, upon written notice of such denial, have the right in the period which expires 60 days after receipt by the claimant of the aforesaid written notice of denial to:

- (i) request a review of the denial of benefits by written notice delivered to the Plan Committee;
- (ii) review pertinent documents; and
- (iii) submit issues and comments in writing.

(c) **Decision on Review**. The Plan Committee, upon receipt of a request for review submitted by the claimant in accordance with subsection (b), shall conduct a review of its decision, and provide the claimant with written notice of the decision reached by the Plan Committee setting forth the specific reasons for the decision and specific references to the provisions of the Plan upon which the decision on review is based. Such notice shall be delivered to the claimant not later than 60 days following the receipt of the claimant's request, or, in the event that the Plan Committee shall determine that a hearing is needed, no later than 120 days following the receipt of such request.

The Plan Committee shall establish and consistently apply procedures hereunder.

10.9 “ **Modification of Eligibility Rules** ” Notwithstanding anything to the contrary in the Plan, the Compensation Committee shall be authorized to modify the eligibility requirements and rescind the eligibility of any Participant if necessary to ensure that the Plans are maintained primarily for the purpose of providing additional benefits to a select group of management or highly compensated employees under ERISA.

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** ” The Plan may be amended, modified, or terminated by the Board of Directors or the Compensation Committee in its sole discretion at any time and from time to time; provided, however, that 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.

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 employment by 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 or Medicare 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 employee benefit plan sponsored or maintained by the Company or a Subsidiary.

11.7 “ **No Promise of Employment** ” No provision of this Plan shall be construed to affect in any manner the existing rights of the Company to suspend, terminate, alter, modify, whether or not for cause, the employment relationship between the Participant and the Company.

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

11.9 “ **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.

11.10 “ **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.

11.11 “ **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.

11.12 “ **Construction** ”.

(a) The Plan is created for the exclusive benefit of Employees of the Company and its Subsidiaries and their Beneficiaries, and the Plan and any Trust Agreement shall be interpreted and administered in a manner consistent with their being an unfunded deferred compensation plan maintained for a select group of management or highly compensated employees (sometimes referred to as a “top-hat” plan) described in ERISA Sections 201(2), 301(a)(3) and 401(a)(1) and a nonqualified deferred compensation plan which complies with the requirements of Code Section 409A. If the fund is maintained pursuant to a Trust Agreement, it is intended to be a grantor 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, and shall be construed accordingly.

(b) In determining separation from service for purposes of the Plan and Code Section 409A, the Company, the Employer and each of the following business entities or other organizations (whether or not incorporated) which during the relevant period is treated (but only for the portion of the period so treated and for the purpose and to the extent required to be so treated) shall be treated as single employer:

(i) Any corporation which is a member of a controlled group of corporations (as defined in Section 414(b) of the Code) which includes the Employer, and

(ii) Any trade or business (whether or not incorporated) which is under common control (as defined in Section 414(c) of the Code) with the Employer.

IN WITNESS WHEREOF, this amendment and restatement of the Plan has been executed on the 29th day of October, 2004, but effective as of November 1, 2004.

DOLLAR GENERAL CORPORATION

By: /s/ Jeffrey R. Rice
Its: Vice President, Human Resources

ATTEST:

/s/ Brenda M. Mosley

**DOLLAR GENERAL CORPORATION
DEFERRED COMPENSATION PLAN
FOR NON-EMPLOYEE DIRECTORS
(As Amended and Restated Effective November 1, 2004)**

ARTICLE I

Purpose and Adoption of Plans

1.1 “ **Introduction** ” Dollar General Corporation (the “Company”) previously established and maintained the Dollar General Corporation Deferred Compensation Plan for Non-Employee Directors (the “Plan”). Effective as of November 1, 2004, the Company hereby amends and restates the plan document of the Plan, provided, however, that if this amendment and restatement does not comply with Code Section 409A in any manner, the provisions(s) not so complying shall not be effective until amended to so comply (which amendment may be retroactive to the extent permitted under Code Section 409A).

1.2 “ **Rights of Directors** ” The rights and benefits, if any, of a Director whose service terminated before or after the effective date of this amendment and restatement shall be determined in accordance with the provisions of the Plan provided herein, provided, however, that there shall be no change in the form or manner of benefits in pay status on November 1, 2004.

1.3 “ **Purpose of Plan** ” The purpose of the Plan is to provide each Director with an opportunity to defer some or all of the Director’s Fees as a means of saving for retirement or other purposes.

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, a Tennessee corporation with principal offices at Goodlettsville, Tennessee.

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

2.8 “ **Director** ” shall mean any non-employee director of the Company.

2.9 “ **ERISA** ” shall mean the Employee Retirement Income Security Act of 1974, as the same may be amended from time to time, or the corresponding section of any subsequent legislation which replaces it, and, to the extent not inconsistent therewith, the regulations issued thereunder.

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

2.11 “ **Fees** ” shall mean the annual retainer, meeting and other fees, as well as any per diem compensation for special assignments, earned by a Director for his service as a member of the Board or a committee thereof during a Plan Year or portion thereof.

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.

2.15 “ **Plan Committee** ” shall mean the Compensation Committee of the Board or another committee that is appointed by the Compensation Committee to serve as the Plan Committee, subject to the provisions of Section 10.1.

2.16 “ **Plan Year** ” shall mean:

(i) For periods beginning before February 1, 2004, the 12 consecutive month period commencing each February 1st and ending on the last day of January next following;

(ii) For the period beginning on February 1, 2004, the 11 consecutive month period commencing on February 1st and ending on the last day of December next following; and

(iii) For periods beginning on or after January 1, 2005, the 12 consecutive month period commencing each January 1st and ending on the last day of December next following.

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

2.18 “ **Total and Permanent Disability** ” shall mean the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or to be of continuous period of not less than 12 months, as evidenced by qualification for disability income benefits under the federal Social Security system.

2.19 “ **Trust Agreement** ”: The agreement, if any, by and between the Company and any trustee under which assets pertaining to the Plan, if any, is 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 of the Company 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 or its delegate 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 (or its delegate).

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 at least monthly 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 of such elective deferral, consistent with the provisions of Section 4.1;

(c) Subject to the provisions of Sections 4.5 and 4.6 and Article VIII, the form of any distribution from the Plan, which election may in the discretion of the Plan Committee be made on a Plan Year (or multiple prospective Plan Years) by Plan Year (or multiple prospective Plan Years) basis and/or separately for different Accounts and/or contributions thereto;

(d) That the deferral is to termination of service as a Director (provided, however, that upon the Participant’s unforeseeable emergency, amounts deferred may be paid pursuant to Section 4.5(b)); and

(e) 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 Plan Year must be filed on or before the last day of the Plan Year immediately preceding the Plan Year to which the Deferral Election relates in order to be effective for Fees earned in that Plan Year.

(b) With respect to Directors’ Fees payable for all or any portion of a Plan Year after a person’s initial election to the office of Director of the Company, any such person wishing to participate in the Plan may file a proper Deferral Election within 30 days after election to office. Any Deferral Election shall be effective upon filing or as soon as possible thereafter with respect to such Fees earned subsequent to filing.

(c) 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 a Plan Year or portion of a Plan Year for which the Deferral Election is effective. A Deferral Election shall apply only for such Plan Year, 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). In order to defer a portion of his Fees for a subsequent Plan Year, a Director must make a new Deferral Election in accordance with this Section.

(d) The termination of participation in the Plan shall not affect amounts previously deferred by the Participant under the Plan.

(e) 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 the requirements of Code Section 409A (including any transition or grandfather rules thereunder). In this regard the Committee is expressly authorized to permit elections prior to January 1, 2005 on such basis as it deems necessary or appropriate.

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 “unforeseeable emergency hardship” in-service lump sum distribution of vested amounts credited to his Account in the event he has an unforeseeable emergency hardship. Upon a finding by the Plan Committee that the Participant has an unforeseeable emergency hardship, 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 or other cessation of service as Director. Any such written request must set forth the circumstances constituting such unforeseeable emergency hardship. 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 hardship 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. Any distribution

due to unforeseeable emergency hardship shall only be permitted to the extent reasonably needed to satisfy such hardship 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 hardship 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 hardship" means as 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 8.6.

4.6 **"Amending the Deferral Election to Change Form of Distribution at Termination Not Permitted"**

A Participant may not change his elected or default form of the distribution of his existing Account to be made at Termination. The foregoing is not intended to prohibit new and different elections on a prospective basis for amounts earned in a subsequent Plan Year to the extent permitted under Section 4.3. Form of payment elections in effect on November 1, 2004 shall continue to apply to all Account balances attributable to deferrals (and earnings thereon) for periods prior to January 1, 2005 and, unless otherwise determined by the Plan Committee (e.g., by permitting Plan Year by Plan Year elections effective prospectively), to Deferral Elections made on or after November 1, 2004.

ARTICLE V

Change in Control

5.1 **"Change in Control"** Notwithstanding any provision of this Plan to the contrary, in the event of a Change in Control, each Participant shall receive an automatic lump sum distribution of his entire Account not later than 15 days after the date of the "Change in Control", but in no event earlier than the earliest time permitted for payment assuming compliance with Code Section 409A (e.g., if the Change in Control is not a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the Company, within the meaning of Code Section 409A). In addition, the Company shall reimburse a Director for the legal fees and expenses incurred if the Director is required to seek to obtain or enforce any right to distribution pursuant to this Section. Notwithstanding any provision of this Plan to the contrary, the definition of the term "Change in Control" and this Section may not be amended after a "Change in Control" occurs without the written consent of a majority in number of Directors.

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 Plan Committee shall determine the investment options available under the Plan and the procedures for making Investment Requests therefore. Such investment options and procedures may be changed by the Plan Committee at any time and from time to time. The Plan Committee may provide for suspension of any investment option as it deems appropriate at any 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 could 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 in accordance with procedures established by the Plan Committee. 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 investment option changes effective November 1, 2004 and any subsequent change in investment options under the Plan (whether by reason of changes effected in the investment options under the Plan by the Plan Committee 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 its deems appropriate.

(f) Effective January 1, 2005, no amount attributable to an Account balance deemed to be invested in a Company stock investment option shall be transferred by Investment Request to an investment option other than the Company stock investment option, and no amount attributable to an Account balance deemed to be invested in an investment option other than a Company stock investment option shall be transferred by Investment Request to the Company stock investment option.

(g) Company Common Stock acquired by the Plan for distribution or investment purposes may be acquired on the open market, in private transactions or directly from the Company as determined in the sole discretion of the Plan Committee, provided that acquisitions from the Company are approved by the Board of Directors or its Compensation Committee. Fractional shares of Company Common Stock disposed of by the Plan may be disposed of the open market, in private transactions or directly from the Company as determined in the sole discretion of the Plan Committee. Company Common Stock acquired or disposed by the Plan on the open market shall be acquired or disposed of based on such procedures and standards as may be determined by the Plan Committee. Company Common Stock acquired by the Plan in private transactions or directly from the Company shall be acquired for not more than its fair market value as determined by the Plan Committee. Company Common Stock disposed of by the Plan in private transactions or directly from the Company shall be disposed of for not less than its fair market value as determined by the Plan Committee.

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 on or after the Participant’s Termination, the Participant shall be entitled to receive the balance of his Account (or portions thereof) in one of the following forms as elected by him pursuant to Section 4.3:

(i) A lump sum distribution;

(ii) Monthly installments payable over a 5, 10 or 15 year period, determined by dividing (A) the current balance in such Account by (B) the number of installments in which distributions remain to be made (including the current distribution); or

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

(b) Notwithstanding the other provisions of this Plan to the contrary, 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 \$25,000 (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 Account, such portion of his Account shall be distributed in a lump sum distribution.

(d) Solely for purposes of this Section 8.1, prior to November 1, 2004, payments of amounts deferred pursuant to a valid Deferral Election shall commence after a Director's Termination (i) with respect to a lump sum, on the February 1 of the year selected by a Director in his or her Deferral Election and (ii) with respect to annual installments, on the February 1 of the first year of deferred payment selected by a Director in his or her Deferral Election. Effective November 1, 2004, all distributions shall commence in the August following the calendar year in which the Director's Termination occurs.

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 (including, unless violative of the requirements of Code Section 409A, the Participant's death subsequent to the Participant's commencement of payment under the Plan or after the Participant's separation from service), the balance of his Accounts shall be paid in a lump sum distribution to his Beneficiary within 60 days following the close of the calendar quarter in which the Plan Committee is provided evidence of the Participant's death (or as soon as reasonably practicable thereafter). 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 estate of the Participant or former Participant. Notwithstanding the foregoing, in the event of the death of a Participant subsequent to the commencement of installment payments, but prior to the completion of such payments and prior to November 1, 2004, the installment payments shall continue and shall be paid to the Beneficiary as if the Participant had not died; provided, however, that if the Beneficiary is a trust or estate, the remaining benefits shall be paid in a lump sum distribution.

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, unless violative of the requirements of Code Section 409A, the Participant's Total and Permanent Disability subsequent to the Participant's commencement of payment under the Plan or after the Participant's separation from service) on or after November 1, 2004, the balance of his Accounts shall be paid in a lump sum distribution to him. Payments made pursuant to this Section 8.4 shall commence within 60 days following the close of the calendar quarter in which the Plan Committee receives notification of the determination of disability by the Social Security Administration (or as soon as reasonably practicable thereafter).

8.5 “ **Correction of Erroneous Credits or Payments** ” The Company intends only to credit amounts to a Participant’s Account and distribute benefits to which Participants are entitled under the Plan. If the Plan Committee discovers that an amount was or was not appropriately credited to a Participant’s Account(s), the Plan Committee shall take any steps necessary to adjust the Participant’s Account(s) to correct the error, including an adjustment for earnings, if applicable. If the Plan Committee determines that a Participant is entitled to a benefit that is greater than the benefit that has been or is being distributed to the Participant, then the Plan Committee shall adjust future benefit payments, or make a lump sum distribution, if appropriate, of any additional benefit. If the Plan distributes a benefit to a Participant and the Plan Committee determines that the Participant was not entitled to receive such benefit, then the Plan Committee shall take reasonable steps to recover the total amount of the additional benefit from the individual to whom the amounts were distributed. The Plan Committee may, in its sole discretion, reduce subsequent payments from the Plan to a Participant, if any, until such time as the full amount of the additional payment has been returned to the Company. At its discretion, the Plan Committee may also require that the Participant return the additional payment immediately or over a period of time. If the Plan Committee elects to reduce a Participant’s subsequent benefit payment(s), the Plan Committee shall provide the Participant with notice of such reduction and the reasons therefor.

8.6 “ **Medium of Distribution** ” Effective January 1, 2005, distributions attributable to an Account balance deemed to be invested in a Company stock investment option shall be made in whole shares of Company stock (rounded to the next lowest whole share) and, in the case of a lump sum distribution or the last installment distribution, cash in lieu of any fractional share (where the Company does not issue fractional shares); and distributions attributable to an Account balance deemed to be invested in an investment option other than a Company stock investment option 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 or Company stock 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 members of the Plan Committee, if not the Compensation Committee, shall be appointed by and may be removed by the Compensation Committee, in each case by written notice delivered to the Plan Committee member. 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, the amount of any benefit due and the manner in which any benefit is to be paid by the Plan. 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 Compensation Committee 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 of Directors 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.

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** ” The Plan may be amended, modified, or terminated by the Board of Directors or the Compensation Committee in its sole discretion at any time and from time to time; provided, however, that 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.

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 or Medicare 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.

11.7 “ **Applicable Law** ” To the extent state law is not preempted by ERISA, 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** ”.

(a) The Plan is created for the exclusive benefit of Directors of the Company and their Beneficiaries, and the Plan and any Trust Agreement shall be interpreted and administered in a manner consistent with their being an unfunded deferred compensation plan

exempt from ERISA and a nonqualified deferred compensation plan which complies with the requirements of Code Section 409A. If the fund is maintained pursuant to a Trust Agreement, it is intended to be a grantor 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, and shall be construed accordingly.

(b) In determining separation from service for purposes of the Plan and Code Section 409A, the Company and each of the following business entities or other organizations (whether or not incorporated) which during the relevant period is treated (but only for the portion of the period so treated and for the purpose and to the extent required to be so treated) shall be treated as single employer:

(i) Any corporation which is a member of a controlled group of corporations (as defined in Section 414(b) of the Code) which includes the Employer, and

(ii) Any trade or business (whether or not incorporated) which is under common control (as defined in Section 414(c) of the Code) with the Employer.

IN WITNESS WHEREOF, this amendment and restatement of the Plan has been executed on the 29th day of October, 2004, but effective as of November 1, 2004.

DOLLAR GENERAL CORPORATION

By: /s/ Jeffrey R. Rice
Its: Vice President, Human Resources

ATTEST:

/s/ Brenda M. Mosley

TROUTMAN SANDERS

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P.O. BOX 1122
RICHMOND, VIRGINIA 23218-1122

October 29, 2004

Dollar General Corporation
100 Mission Ridge
Goodlettsville, TN 37072

**Dollar General Corporation
Registration Statement on Form S-8 and
Post-Effective Amendment No. 1 to Registration Statement on Form S-8**

Ladies and Gentlemen:

We have acted as counsel for Dollar General Corporation, a Tennessee corporation (the “Company”), in connection with the proposed registration under the Securities Act of 1933, as amended, of (i) \$40 million of unsecured obligations of the Company (“Executive Plan Obligations”) to pay deferred compensation in accordance with the terms and conditions of the Company’s CDP/SERP Plan, as amended and restated effective November 1, 2004 (the “Executive Plan”) and \$4 million of unsecured obligations of the Company (“Directors Plan Obligations” and together with Executive Plan Obligations, the “Obligations”) to pay deferred compensation in accordance with the terms and conditions of the Company’s Deferred Compensation Plan for Non-Employee Directors, as amended and restated effective November 1, 2004 (the “Directors Plan”) and (ii) 650,000 shares of the common stock, par value \$0.50 per share, of the Company (the “Common Stock”) which may be acquired for the benefit of participants pursuant to the Executive Plan (the “Executive Plan Shares”) and 250,000 shares of Common Stock which may be acquired for the benefit of participants pursuant to the Directors Plan (the “Directors Plan Shares” and together with the Executive Plan Shares, the “Plan Shares”). The Company contemplates that the only Plan Shares to be acquired for the benefit of participants in the Executive Plan and the Directors Plan (together, the “Plans”) will be shares acquired for the benefit of such participants through open-market purchases. Absent further authorization by the Board of Directors of the Company, no Plan Shares will be issued by the Company to participants in the Plans.

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Dollar General Corporation

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We have assisted in the preparation of the combined Registration Statement on Form S-8 and Post-Effective Amendment No. 1 to Registration Statement on Form S-8 (Commission File No. 333-93309) proposed to be filed by the Company with the Securities and Exchange Commission for the registration of the Obligations that may be assumed, and Plan Shares that may be acquired or delivered to participants, under the Plans (the "Registration Statement").

We also have examined each of the Plans and certain books and records of the Company and have made such other investigations as we have deemed necessary for purposes of this opinion. In such examinations we have assumed the genuineness of all signatures on all original documents, the authenticity of all documents submitted to us as originals, the conformity to original documents of all copies submitted to us, the authenticity of the originals of documents submitted to us as copies and the due execution and delivery of all documents where due execution and delivery are prerequisite to the effectiveness thereof.

Based upon and subject to the foregoing, we are of the opinion that the Obligations have been duly authorized and, when accrued for the account of participants in the Plans in accordance with the terms of the Plans, will be valid and binding obligations of the Company, enforceable in accordance with the terms of the Plans except as enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally and general principles of equity, whether such enforcement is considered in a proceeding at law or in equity.

In expressing the opinion set forth above, we are not passing on the laws of any jurisdiction other than the federal laws of the United States of America and the laws of the State of Tennessee, and as to the latter only with respect to the Tennessee For-Profit Business Corporation Act, as well as applicable provisions of the Tennessee Constitution and reported judicial decisions interpreting these laws.

This opinion is limited to the matters expressly opined on herein, and no opinion may be implied or inferred beyond those expressly stated. This opinion is rendered as of the date hereof, and we make no undertaking and expressly disclaim any duty to supplement or update such opinion, if, after the date hereof, facts or circumstances come to our attention or changes in the law occur which could affect such opinion. This opinion is being furnished to you solely for your benefit in connection with the transactions contemplated by the Plans and, except as expressly set forth below, is not to be used, circulated, quoted or otherwise referred to for any other purpose without our prior express written consent and may not be relied upon by any other person without our express written consent.

TROUTMAN SANDERS LLP
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A LIMITED LIABILITY PARTNERSHIP

Dollar General Corporation
October 29, 2004
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We consent to the filing of this opinion as an exhibit to the Registration Statement.

Very truly yours,

/s/ TROUTMAN SANDERS LLP

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in this Registration Statement on Form S-8 and Post-Effective Amendment No. 1 to the Registration Statement (Form S-8 No. 333-93309) pertaining to the Dollar General Corporation CDP/SERP Plan and this Registration Statement on Form S-8 pertaining to the Dollar General Corporation Deferred Compensation Plan for Non-Employee Directors of our report dated March 11, 2004, with respect to the consolidated financial statements of Dollar General Corporation included in its Annual Report (Form 10-K) for the year ended January 30, 2004, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

Nashville, Tennessee
October 26, 2004