

DOLLAR GENERAL CORP

FORM 10-Q/A (Amended Quarterly Report)

Filed 04/25/00 for the Period Ending 07/30/99

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

DOLLAR GENERAL CORP

FORM 10-Q/A (Amended Quarterly Report)

Filed 4/25/2000 For Period Ending 7/30/1999

Address	100 MISSION RIDGE GOODLETTSVILLE, Tennessee 37072
Telephone	615-855-4000
CIK	0000029534
Industry	Retail (Specialty)
Sector	Services
Fiscal Year	01/31

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q/A

QUARTERLY REPORT PURSUANT TO SECTION 13 OR

15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended July 30, 1999

Amendment No. 1

Commission file number 1-11421

DOLLAR GENERAL CORPORATION

(Exact name of registrant as specified in its charter)

TENNESSEE

61-0502302

(State or other jurisdiction of
incorporation or organization)

(I.R.S. employer
identification no.)

104 Woodmont Blvd. Suite 500 Nashville, Tennessee 37205

(Address of principal executive offices, zip code)

Registrant's telephone number, including area code: (615) 783-2000

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

The number of shares of common stock outstanding at September 9, 1999, was 265,979,479.

This Amendment No. 1 amends the Quarterly Report on Form 10-Q filed by Registrant on September 13, 1999, by amending the following item as set forth in the pages attached hereto.

Item 6. A. Exhibits:

10.1 Master Agreement, dated as of June 11, 1999, by and among Dollar General Corporation, Certain Subsidiaries of Dollar General Corporation, Atlantic Financial Group, Ltd., Three Pillars Funding Corporation, Certain Financial Institutions Parties Hereto, SunTrust Bank, Nashville N.A., First Union National Bank, Bank of American National Trust and Savings Bank, The First National Bank of Chicago and Wachovia Bank, N.A. and SunTrust Equitable Securities Corporation. 10.2 Master Lease Agreement, dated as of June 11, 1999, between Atlantic Financial Group, Ltd. and Dollar General Corporation and certain Subsidiaries of Dollar General Corporation. 10.3 Guaranty Agreement dated June 11, 1999 by Dollar General corporation.

10.4 Subsidiary Guarantee dated June 11, 1999 by Dolgencorp, Inc., Dolgencorp of Texas, Inc., Dade Lease Management, Inc., Dollar General Financial, Inc. and Dollar General Partners.

27 Financial Data Schedule (for SEC use only)

B. Reports on Form 8-K

No Current Reports on Form 8-K were filed by Dollar General Corporation during the quarter ended July 30, 1999.

SIGNATURES

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

DOLLAR GENERAL CORPORATION
(Registrant)

April 18, 2000

By: /s/ *Brian M. Burr*

Brian M. Burr,
Executive Vice President,
Chief Financial Officer

EXHIBIT 10.1

MASTER AGREEMENT

Dated as of June 11, 1999

among

DOLLAR GENERAL CORPORATION,
as a Lessee and Guarantor,

**CERTAIN SUBSIDIARIES OF DOLLAR
GENERAL CORPORATION, as Lessees,**

ATLANTIC FINANCIAL GROUP, LTD., as Lessor,

THREE PILLARS FUNDING CORPORATION, as Lender,

CERTAIN FINANCIAL INSTITUTIONS PARTIES HERETO,
as Liquidity Banks,

SUNTRUST BANK, NASHVILLE, N.A., as Agent and as Liquidity Agent

FIRST UNION NATIONAL BANK, as Syndication Agent,

BANK OF AMERICA NATIONAL TRUST AND SAVINGS BANK, as Documentation Agent,

THE FIRST NATIONAL BANK OF CHICAGO and WACHOVIA BANK, N.A., as Co-Agents

and

SUNTRUST EQUITABLE SECURITIES CORPORATION, as Administrator

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MASTER AGREEMENT

THIS MASTER AGREEMENT, dated as of June 11, 1999 (as it may be amended or modified from time to time in accordance with the provisions hereof, this "Master Agreement"), is among DOLLAR GENERAL CORPORATION, a Tennessee corporation ("Dollar"), certain Subsidiaries of Dollar that may hereafter become parties hereto pursuant to Section 3.6 (together with Dollar in its capacity as a lessee, individually a "Lessee" and collectively, the "Lessees"), ATLANTIC FINANCIAL GROUP, LTD., a Texas limited partnership (the "Lessor"), THREE PILLARS FUNDING CORPORATION, a Delaware corporation ("Lender"), certain financial institutions parties hereto as liquidity providers (together with any other financial institution that becomes a party to the Liquidity Agreement as a liquidity provider, collectively referred to as "Liquidity Banks" and individually as a "Liquidity Bank"), SUNTRUST BANK, NASHVILLE, N.A., a national banking association, as agent for the Funding Parties (in such capacity, the "Agent") and as agent for the Liquidity Banks (in such capacity, the "Liquidity Agent"), FIRST UNION NATIONAL BANK, as Syndication Agent, BANK OF AMERICA NATIONAL TRUST AND SAVINGS BANK, as Documentation Agent, THE FIRST NATIONAL BANK OF CHICAGO and WACHOVIA BANK, N.A., as Co-Agents, and SUNTRUST EQUITABLE SECURITIES CORPORATION, a Tennessee corporation, as administrator for the Lender (in such capacity, the "Administrator").

PRELIMINARY STATEMENT

In accordance with the terms and provisions of this Master Agreement, the Lease, the Loan Agreement and the other Operative Documents, (i) the Lessor contemplates acquiring Land identified by Dollar from time to time, and leasing such Land to a Lessee, (ii) Dollar, as Construction Agent for the Lessor, wishes to construct Buildings on such Land for the Lessor and, when completed, to lease such Buildings, or to cause such Buildings to be leased, from the Lessor as part of the Leased Properties under the Lease, (iii) Dollar, as agent, wishes to obtain, and the Lessor is willing to provide, funding for the acquisition of the Land and the construction of Buildings, (iv) the Lessor wishes to obtain, and Lender is willing to provide, from time to time, financing of a portion of the funding of the acquisition of the Land and the construction of the Buildings, (v) Dollar is willing to provide its Guaranty Agreement to the Lender and the Lessor and (vi) Lender will obtain the funds for the Loans either by the issuance of Commercial Paper or draws under the Liquidity Agreement.

In consideration of the mutual agreements contained in this Master Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1 DEFINITIONS; INTERPRETATION

Unless the context shall otherwise require, capitalized terms used and not defined herein shall have the meanings assigned thereto in Appendix A hereto for all purposes hereof; and the rules of interpretation set forth in Appendix A hereto shall apply to this Master Agreement.

SECTION 2 ACQUISITION, CONSTRUCTION AND LEASE; FUNDINGS; NATURE OF TRANSACTION

SECTION 2.1 Agreement to Acquire, Construct, Fund and Lease.

(a) Land. Subject to the terms and conditions of this Master Agreement, with respect to each parcel of Land identified by Dollar that is not an IDB Property acquired by an Authority pursuant to the following sentence, on the related Closing Date (i) the Lessor agrees to acquire such interest in the related Land from the applicable Seller as is transferred, sold, assigned and conveyed to the Lessor pursuant to the applicable Purchase Agreement or other transfer documentation or to lease such interest in the related Land from the applicable Ground Lessor as is leased to the Lessor pursuant to the applicable Ground Lease, (ii) the Lessor hereby agrees to lease, or sublease, as the case may be, such Land to a Lessee pursuant to the Lease, and (iii) the related Lessee hereby agrees to lease, or sublease, as the case may be, such Land from the Lessor pursuant to the Lease. With respect to each IDB Property, (i) the applicable Authority may acquire such interest in the related Land from the applicable Seller as is transferred, sold, assigned and conveyed to the Authority pursuant to the applicable Purchase Agreement, (ii) the applicable Authority will lease such Land to the Lessor pursuant to the related IDB Lease, and (iii) the related Lessee hereby agrees to sublease such Land from the Lessor pursuant to the Lease (it being understood that any reference in the Operative Documents to the lease by a Lessee of an IDB Property acquired by an Authority shall be deemed to refer to the sublease thereof pursuant to the Lease).

(b) Building. With respect to each parcel of Land, subject to the terms and conditions of this Master Agreement, from and after the Closing Date relating to such Land (i) the Construction Agent agrees, pursuant to the terms of the Construction Agency Agreement, to construct and install the Building on such Land for the Lessor prior to the Scheduled Construction Termination Date, (ii) the Lenders and the Lessor agree to fund the costs of such construction and installation (and interest and yield thereon), (iii) the Lessor shall lease, or sublease, as the case may be, such Building as part of such Leased Property to the related Lessee pursuant to the Lease, and (iv) the related

Lessee shall lease, or sublease, as the case may be, such Building from the Lessor pursuant to the Lease.

SECTION 2.2 Fundings of Purchase Price, Development Costs and Construction Costs.

(a) Initial Funding and Payment of Purchase Price for Land and Development Costs on Closing Date. Subject to the terms and conditions of this Master Agreement, on the Closing Date for any Land, the Lender shall make available to the Lessor its initial Loan with respect to such Land in an amount equal to the product of the Lender's Commitment Percentage (or 100% if the Lessor's Commitment has been fully funded in accordance with Section 2.2(g)) times the purchase price for the Land, if applicable, and the development, transaction and closing costs incurred by the Construction Agent, as agent, through such Closing Date, which funds the Lessor shall use, together with the Lessor's own funds in an amount equal to the product of the Lessor's Commitment Percentage times the purchase price, if applicable, for the related Land and the development, transaction and closing costs incurred by the Construction Agent, as agent, through such Closing Date (unless the Lessor's Commitment has already been fully funded in accordance with Section 2.2(g)), to purchase the Land from the applicable Seller pursuant to the applicable Purchase Agreement or lease the Land from the applicable Ground Lessor pursuant to the applicable Ground Lease and to pay to the Construction Agent the amount of such development, transaction and closing costs, and the Lessor shall lease, or sublease, as the case may be, such Land to the related Lessee pursuant to the Lease.

(b) Subsequent Fundings and Payments of Construction Costs during Construction Term. Subject to the terms and conditions of this Master Agreement, on each Funding Date following the Closing Date for each parcel of Land until the related Construction Term Expiration Date, (i) the Lender shall make available to the Lessor a Loan in an amount equal to the product of the Lender's Commitment Percentage (or 100% if the Lessor's Commitment has been fully funded in accordance with Section 2.2(g)) times the amount of Funding requested by the Construction Agent for such Funding Date, which funds the Lessor hereby directs the Lender to pay over to the Construction Agent as set forth in paragraph (d), and (ii) (unless the Lessor's Commitment has already been fully funded in accordance with Section 2.2(g)) the Lessor shall pay over to the Construction Agent its own funds (which shall constitute a part of and an increase in the Lessor's Invested Amount with respect to such Leased Property) in an amount equal to the product of the Lessor's Commitment Percentage times the amount of Funding requested by the Construction Agent for such Funding Date.

(c) Aggregate Limits on Funded Amounts. The aggregate amount that the Funding Parties shall be committed to provide as Funded Amounts under this Master Agreement and the Loan Agreement shall not exceed

(x) with respect to each Leased Property the costs of purchase and construction of such Leased Property and the related closing and financing costs, or (y) \$200,000,000 in the aggregate for all Leased

Properties minus the Reduction Amount for each non-renewing Liquidity Bank; provided, however, that in the event that any Lessee exercises a Partial Purchase Option, the amount set forth in this clause (y) shall be reinstated to the extent of the Funded Amounts paid by such Lessee in connection with such Partial Purchase Option. The aggregate amount that any Funding Party shall be committed to fund under this Master Agreement and the Loan Agreement shall not exceed the lesser of (i) such Funding Party's Commitment and (ii) such Funding Party's Commitment Percentage of the aggregate Fundings requested under this Master Agreement.

(d) Notice, Time and Place of Fundings. With respect to each Funding, the Construction Agent shall give the Lessor, the Agent and the Administrator an irrevocable prior written notice not later than 11:00 a.m., Nashville, Tennessee time, three Business Days prior to the proposed Closing Date or other Funding Date, as the case may be, pursuant, in each case, to a Funding Request in the form of Exhibit A (a "Funding Request"), specifying the Closing Date or subsequent Funding Date, as the case may be, and the amount of Funding requested. All documents and instruments required to be delivered on such Closing Date pursuant to this Master Agreement shall be delivered at the offices of Mayer, Brown & Platt, 190 South LaSalle Street, Chicago, Illinois 60603, or at such other location as may be determined by the Lessor, the Construction Agent, the Agent and the Administrator. Each Funding shall occur on a Business Day and shall be in an amount equal to \$3,000,000 or an integral multiple of \$100,000 in excess thereof. There shall be no more than four Fundings in any calendar month. All remittances made by the Lender and the Lessor for any Funding shall be made in immediately available funds by wire transfer to or, as is directed by, the Construction Agent, with receipt by the Construction Agent not later than 12:00 noon, Nashville, Tennessee time, on the applicable Funding Date, upon satisfaction or waiver of the conditions precedent to such Funding set forth in Section 3; such funds shall (1) unless no purchase price is payable to the applicable Seller for the related Land, in the case of the initial Funding on a Closing Date, be used to pay the purchase price to the applicable Seller or the rent to the applicable Ground Lessor, as the case may be, for the related Land and pay the Construction Agent development, transaction and closing costs related to such Land, and (2) in the case of each subsequent Funding (or first Funding in the case of a Leased Property for which no purchase price was payable for the related Land) be paid to the Construction Agent, for the payment or reimbursement of Construction costs that have been incurred on or prior to such Funding Date.

(e) Lessees' Deemed Representation for Each Funding. Each Funding Request by the Construction Agent shall be deemed a reaffirmation of each Lessee's indemnity obligations in favor of the Indemnitees under the Operative Documents and a representation by Dollar to the Lessor, the Agent, the Lender and the Liquidity Banks that on the proposed Closing Date or Funding Date, as the case may be, (i) the amount of Funding requested represents amounts owing in respect of the purchase price of the related Land and development, transaction and closing costs in respect of the Leased Property (in the case of the initial Funding on a Closing Date, unless no purchase price is payable to the applicable Seller for the related Land) or amounts that are due from

the Construction Agent to third parties in respect of the Construction, or amounts paid by the Construction Agent to third parties in respect of the Construction for which the Construction Agent has not previously been reimbursed by a Funding (in the case of any Funding), (ii) no Event of Default or Potential Event of Default exists, and (iii) the representations of the Lessees set forth in Section 4.1 are true and correct in all Material respects as though made on and as of such Funding Date, except to the extent such representations or warranties relate solely to an earlier date, in which case such representations and warranties shall have been true and correct in all Material respects on and as of such earlier date.

(f) Not Joint Obligations. Notwithstanding anything to the contrary set forth herein or in the other Operative Documents, the Lender's and the Lessor's commitments shall be several, and not joint. In no event shall any Funding Party be obligated to fund an amount in excess of such Funding Party's Commitment Percentage of any Funding, or to fund amounts in the aggregate in excess of such Funding Party's Commitment.

(g) Non-Pro Rata Fundings. Notwithstanding anything to the contrary set forth in this Master Agreement, at the Agent's option, Fundings may be made by drawing on the Lessor's Commitment until such Commitment is fully funded before drawing on the Lender's Commitment. In such event, when the Lessor's Commitment is fully funded, the Lender will fund 100% of the amount of the Fundings thereafter. In no event shall any Funding Party have any obligation to fund any amount hereunder in excess of the amount of such Funding Party's Commitment.

(h) Pre-Funded Amount. The Construction Agent may request, by delivery of an irrevocable prior written notice to the Lessor, the Agent and the Administrator not later than 11:00 a.m. Nashville, Tennessee time, three Business Days prior to the proposed funding date, that the Funding Parties prefund amounts to the Construction Agent for anticipated acquisitions (the "Pre-Funded Amount"), provided that at no time shall the Pre-Funded Amount exceed \$5,000,000. The Pre-Funded Amount shall accrue interest or Yield, as the case may be, commencing on the date such amount is funded to the Construction Agent. The Funding Parties shall not be obligated to make such Funding if (i) any Event of Default or Potential Event of Default has occurred and in continuing or (ii) the representations of the Lessees set forth in Section 4.1 are not true and correct in all Material respects as of the date of deposit, except to the extent such representations and warranties related solely to an earlier date, in which case such representations and warranties shall have been true in all Material respects as of such earlier date. The Construction Agent may disburse the Pre-Funded Amount, which date of disbursement shall be a Closing Date or a Funding Date, as applicable, provided that all of the conditions precedent set forth herein with respect to such Closing Date or Funding Date, as the case may be, have been satisfied. If any portion of the Pre-Funded Amount has not been disbursed on the date that is 120 days from the date of the funding thereof by the Funding Parties to the Construction Agent, such funds, together with accrued interest and Yield thereon, shall be returned to the Funding Parties.

SECTION 2.3 Funded Amounts and Interest and Yield Thereon; Facility Fee.

1. The Lessor's Invested Amount for any Leased Property outstanding from time to time shall accrue yield ("Yield") at the Lessor Rate, computed using the actual number of days elapsed and a 360 day year. If all or a portion of the principal amount of or yield on the Lessor's Invested Amounts shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall, without limiting the rights of the Lessor under the Lease, to the maximum extent permitted by law, accrue yield at the Overdue Rate, from the date of nonpayment until paid in full (both before and after judgment).
2. The Lender's Funded Amount for any Leased Property outstanding from time to time shall accrue interest as provided in the Loan Agreement.
3. During the Construction Term, in lieu of the payment of accrued interest, on each Payment Date, the Lender's Funded Amount in respect of a Construction Land Interest shall automatically be increased by the amount of interest accrued and unpaid on the related Loans pursuant to the Loan Agreement during the Rent Period ending immediately prior to such Payment Date (except to the extent that at any time such increase would cause the Lender's Funded Amount to exceed the Lender's Commitment, in which event the related Lessee shall pay such excess amount to the Lender in immediately available funds on such Payment Date). Similarly, in lieu of the payment of accrued Yield, on each Payment Date, the Lessor's Invested Amount in respect of such Construction Land Interest shall automatically be increased by the amount of Yield accrued on the Lessor's Invested Amount in respect of such Construction Land Interest during the Rent Period ending immediately prior to such Payment Date (except to the extent that at any time such increase would cause the Lessor's Invested Amount to exceed the Lessor's Commitment, in which event the related Lessee shall pay such excess amount to the Lessor in immediately available funds on such Payment Date). Such increases in Funded Amounts shall occur without any disbursement of funds by the Funding Parties.
4. Dollar hereby agrees to pay to the Agent, for the benefit of the Lessor and the Liquidity Banks, a facility fee for each day from June 29, 1999 until the Lease Termination Date equal to (i) the applicable Facility Fee Percentage per annum times (ii) the amount of the Aggregate Commitment, whether used or unused, times (iii) 1/360. Such facility fee shall be payable in arrears on each Quarterly Payment Date.

SECTION 2.4 Lessee Owner for Tax Purposes.

With respect to each Leased Property, it is the intent of the Lessee and the Funding Parties that the Lease shall constitute and be interpreted as a true leasing transaction, except that for federal, state and local tax purposes, and for bankruptcy, commercial and regulatory law purposes, the Lease shall be treated as the repayment and security provisions of a loan by the Lessor to such Lessee, and that such Lessee

shall be treated as the legal and beneficial owner entitled to any and all benefits of ownership of such Leased Property and all payments of Basic Rent during the Lease Term shall be treated as payments of interest and principal. Each of the related Lessee and each Funding Party agrees to file tax returns consistent with such intent. Nevertheless, each Lessee acknowledges and agrees that no Funding Party or any other Person has made any representations or warranties concerning the tax, financial, accounting or legal characteristics or treatment of the Operative Documents and that each Lessee has obtained and relied solely upon the advice of its own tax, accounting and legal advisors concerning the Operative Documents and the accounting, tax, financial and legal consequences of the transactions contemplated therein.

SECTION 2.5 Amounts Due Under Lease.

With respect to each Leased Property, anything else herein or elsewhere to the contrary notwithstanding, it is the intention of the Lessees and the Funding Parties that: (i) the amount and timing of Basic Rent due and payable from time to time from the related Lessee under the Lease shall be equal to the aggregate payments due and payable with respect to interest on, and principal of, the Loans in respect of such Leased Property and Yield on, and principal of, the Lessor's Invested Amounts in respect of such Leased Property on each Payment Date; (ii) if the related Lessee elects the Purchase Option or the Partial Purchase Option with respect to a Leased Property or becomes obligated to purchase such Leased Property under the Lease, the Funded Amounts in respect of such Leased Property, all interest and Yield thereon and all other obligations of such Lessee owing to the Funding Parties in respect of the Leased Property shall be paid in full by such Lessee, (iii) if the related Lessee properly elects the Remarketing Option, the principal amount of, and accrued interest on, the A Loans in respect of such Leased Property, will be paid out of the Recourse Deficiency Amount, and such Lessee shall only be required to pay to the Lender in respect of the principal amount of the B Loans in respect of such Leased Property and to the Lessor in respect of the Lessor's Invested Amounts in respect of such Leased Property, the proceeds of the sale of such Leased Property; and (iv) upon an Event of Default resulting in an acceleration of the related Lessee's obligation to purchase such Leased Property under the Lease, the amounts then due and payable by such Lessee under such Lease shall include all amounts necessary to pay in full the Loans in respect of such Leased Property, and accrued interest thereon, the Lessor's Invested Amounts in respect of such Leased Property and accrued Yield thereon and all other obligations of such Lessee owing to the Funding Parties in respect of such Leased Property.

SECTION 3 CONDITIONS PRECEDENT; DOCUMENTS

SECTION 3.1 Conditions to the Obligations of the Funding Parties on each Closing Date.

The obligations of the Lessor and the Lender to carry out their respective obligations under Section 2 of this Master Agreement to be performed on the Closing Date with respect to any Leased Property shall be subject to the fulfillment to the satisfaction of, or waiver by, each such party hereto (acting directly or through its counsel) on or prior to such Closing Date of the following conditions precedent, provided that the obligations of any Funding Party shall not be subject to any conditions contained in this Section 3.1 which are required to be performed by such Funding Party:

(a) Documents. The following documents shall have been executed and delivered by the respective parties thereto:

(i) Deed and Purchase Agreement. The related original Deed duly executed by the applicable Seller and in recordable form, and copies of the related Purchase Agreement, duly executed by such Seller and the Lessor, shall each have been delivered to the Agent by Dollar, with copies thereof to each Funding Party, or the related Ground Lease duly executed by the Lessor and the related Ground Lessor shall have been delivered to the Agent, with copies thereof to each Funding Party, as applicable (it being understood, that each Purchase Agreement and each Ground Lease shall be satisfactory in form and substance to the Lessor and the Agent). If such Leased Property is an IDB Property, the IDB Documentation therefor shall be satisfactory in form and substance to the Lessor and the Agent.

(ii) Lease Supplement. The original of the related Lease Supplement, duly executed by the related Lessee and the Lessor and in recordable form, shall have been delivered to the Agent by the related Lessee.

(iii) Mortgage and Assignment of Lease and Rents. Counterparts of the Mortgage (substantially in the form of Exhibit D attached hereto), duly executed by the Lessor and in recordable form, shall have been delivered to the Agent (which Mortgage shall secure all of the debt to the Funding Parties unless such mortgage is subject to a tax based on the amount of indebtedness secured thereby, in which case the amount secured will be limited to debt in an amount equal to 125% of the projected cost of acquisition and construction of such Leased Property); and the Assignment of Lease and Rents (substantially in the form of Exhibit B attached hereto) in recordable form, duly executed by the Lessor, shall have been delivered to the Agent by the Lessor.

(iv) Security Agreement and Assignment. If such Leased Property is a Major Property, counterparts of the Security Agreement and Assignment (substantially in the form of Exhibit C attached hereto), duly executed - by the Construction Agent, with an acknowledgment and consent thereto satisfactory to the Lessor and the Agent duly executed by the related General Contractor and the related Architect, as applicable, and complete copies of the related Construction Contract and the related Architect's Agreement certified by the Construction Agent, shall have been delivered to the Lessor and the Agent (it being understood and agreed that if no related Construction Contract or Architect's Agreement exists on such Closing Date, such delivery shall not be a condition precedent to the Funding on such Closing Date, and in lieu thereof the Construction Agent shall deliver complete copies of such Security Agreement and Assignment and consents concurrently with the Construction Agent's entering into such contracts). Counterparts of the supplement to the Construction Agency Agreement for such Leased Property duly executed by the Construction Agent and the Lessor, shall have been delivered to the Agent.

(v) Survey. If such Leased Property is a Major Property, the related Lessee shall have delivered, or shall have caused to be delivered, to the Lessor and the Agent, at such Lessee's expense, an accurate survey certified to the Lessor and the Agent in a form reasonably

satisfactory to the Lessor and the Agent and showing no state of facts unsatisfactory to the Lessor or the Agent and prepared within ninety (90) days of the Closing Date by a Person reasonably satisfactory to the Lessor and the Agent. Such survey shall (1) be acceptable to the Title Insurance Company for the purpose of providing extended coverage to the Lessor and a lender's comprehensive endorsement to the Agent, (2) show no encroachments on such Land by structures owned by others, and no encroachments from any part of such Leased Property onto any land owned by others, and (3) disclose no state of facts reasonably objectionable to the Lessor, the Agent or the Title Insurance Company, and be reasonably acceptable to each such Person.

(vi) Title and Title Insurance. On such Closing Date, the Lessor shall receive from a title insurance company acceptable to the Lessor and the Agent an ALTA Owner's Policy of Title Insurance issued by such title insurance company and the Agent shall receive from such title insurance company an ALTA Mortgagee's Policy of Title Insurance issued by such title insurance company, in each case, in the amount of the projected cost of acquisition and construction of such Leased Property, reasonably acceptable in form and substance to the Lessor and the Agent, respectively (collectively, the "Title Policy"). The Title Policy shall be dated as of the Closing Date, and, to the extent permitted under Applicable Law, shall include such affirmative endorsements as the Lessor or the Agent shall reasonably request.

(vii) Appraisal. If such Leased Property is a Major Property or if requested by the Agent (provided that the Agent shall not be entitled to so request an Appraisal with respect to more than five Minor Properties) each Funding Party shall have received a report of the Appraiser (an "Appraisal"), paid for by the related Lessee, which shall meet the requirements of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, shall be satisfactory to such Funding Party and shall state in a manner satisfactory to such Funding Party the estimated "as vacant" value of such Land and the Building to be constructed thereon. Such Appraisal must show that the "as vacant" value of the Leased Property (determined as if the Building had already been completed in accordance with the related Plans and Specifications and by excluding from such value the amount of assessments on such Leased Property) is at least 45% of the total cost of the Leased Property, including the trade fixtures, equipment and personal property utilized in connection with the Leased Property and to be funded by the Funding Parties. Upon request by the related Lessee, the Funding Parties agree to waive delivery on such Closing Date of an Appraisal, provided that no subsequent Funding with respect to such Leased Property shall occur until such Appraisal has been delivered.

(viii) Environmental Audit and related Reliance Letter. The Lessor and the Agent shall have received an Environmental Audit for such Leased Property, which shall be conducted in accordance with ASTM standards and shall not include a recommendation for further investigation and is otherwise satisfactory to the

Lessor and the Agent; and the firm that prepared the Environmental Audit for such Leased Property shall have delivered to the Lessor and the Agent a letter stating that the Lessor, the Agent, the Lender and the Liquidity Banks may rely upon such firm's Environmental Audit of such Land, it being understood that the Lessor's and the Agent's acceptance of any such Environmental Audit shall not release or impair any Lessee's obligations under the Operative Documents with respect to any environmental liabilities relating to such Leased Property.

(ix) Evidence of Insurance. If such Leased Property is a Major Property, the Lessor and the Agent shall have received from the related Lessee certificates of insurance evidencing compliance with the provisions of Article VIII of the Lease (including the naming of the Lessor, the Agent, the Lender and the Liquidity Banks as additional insured or loss payee with respect to such insurance as their interests may appear), in form and substance reasonably satisfactory to the Lessor and the Agent.

(x) UCC Financing Statement; Recording Fees; Transfer Taxes. Each Funding Party shall have received satisfactory evidence of (i) the execution and delivery to Agent of a UCC-1 and, if required by applicable law, UCC-2 financing statement to be filed with the Secretary of State of the applicable State (or other appropriate filing office) and the county where the related Land is located, respectively, and such other Uniform Commercial Code financing statements as any Funding Party deems necessary or desirable in order to perfect such Funding Party's or the Agent's interests and (ii) the payment of all recording and filing fees and taxes with respect to any recordings or filings made of the related Deed, the related Lease Supplement, the related Mortgage and the related Assignment of Lease and Rents.

(xi) Opinions. If such Leased Property is a Major Property or if such Leased Property is the first Leased Property to be located in a particular state, the opinion of local counsel for the related Lessee qualified in the jurisdiction in which such Leased Property is located, substantially in the form set forth in Exhibit G-2 attached hereto, and containing such other matters as the parties to whom they are addressed shall reasonably request, shall have been delivered and addressed to each of the Lessor, the Agent, the Lender, the Administrator and the Liquidity Banks. To the extent requested by the Agent, opinions supplemental to those delivered under Section 3.2(vii) and reasonably satisfactory to the Agent shall have been delivered and addressed to each of the Lessor, the Agent, the Lender, the Administrator and the Liquidity Banks.

(xii) Officer's Certificate. The Agent shall have received an Officer's Certificate of the Lessor stating that, to the best of such officer's knowledge, (A) each and every representation and warranty of the Lessor contained in the Operative Documents is true and correct in all Material respects on and as of the Closing Date as though made on and as of the Closing Date, except to the extent such representations or warranties relate solely to an earlier date, in which case such

representations and warranties shall have been true and correct in all Material respects on and as of such earlier date; (B) no Event of Default or Potential Event of Default has occurred and is continuing; (C) each Operative Document to which the Lessor is a party is in full force and effect with respect to it; and (D) no event that could have a Materially Adverse Effect has occurred since the date of the most recent financial statements of the Lessor delivered or required to be delivered to the Agent.

(xiii) Good Standing Certificates. If such Leased Property is a Major Property or if such Leased Property is the first Leased Property to be located in a particular state by the related Lessee, the Agent shall have received good standing certificates for the Lessor and the related Lessee from the appropriate offices of the state where the related Land is located.

(b) Litigation. No action or proceeding shall have been instituted or, to the knowledge of any Funding Party, threatened nor shall any governmental action, suit, proceeding or investigation be instituted or threatened before any Governmental Authority, nor shall any order, judgment or decree have been issued or proposed to be issued by any Governmental Authority, to set aside, restrain, enjoin or prevent the performance of this Master Agreement or any transaction contemplated hereby or by any other Operative Document or which is reasonably likely to materially adversely affect the Leased Property or any transaction contemplated by the Operative Documents or which could reasonably be expected to result in a Materially Adverse Effect.

(c) Legality. In the opinion of such Funding Party or its counsel, the transactions contemplated by the Operative Documents shall not violate any Applicable Law, and no change shall have occurred or been proposed in Applicable Law that would make it illegal for such Funding Party to participate in any of the transactions contemplated by the Operative Documents.

(d) No Events. (i) No Event of Default, Potential Event of Default, Event of Loss or Event of Taking relating to such Leased Property shall have occurred and be continuing, (ii) no action shall be pending or threatened by a Governmental Authority to initiate a Condemnation or an Event of Taking, and (iii) there shall not have occurred any event that could reasonably be expected to have a Materially Adverse Effect since January 29, 1999.

(e) Representations. Each representation and warranty of the parties hereto or to any other Operative Document contained herein or in any other Operative Document shall be true and correct in all Material respects as though made on and as of the Closing Date, except to the extent such representations or warranties relate solely to an earlier date, in which case such representations and warranties shall have been true and correct in all Material respects on and as of such earlier date.

(f) Cutoff Date. No Closing Date shall occur after the Funding Termination Date.

(g) Transaction Expenses. The related Lessee shall have paid the Transaction Costs then accrued and invoiced which such Lessee has agreed to pay pursuant to Section 8.8.

SECTION 3.2 Additional Conditions for the Initial Closing Date.

The obligations of the Lessor and the Lender to carry out their respective obligations under Section 2 of this Master Agreement to be performed on the initial Closing Date shall be subject to the satisfaction of, or waiver by, each such party hereto (acting directly or through its counsel) on or prior to the initial Closing Date of the following conditions precedent in addition to those set forth in Section 3.1, provided that the obligations of any Funding Party shall not be subject to any conditions contained in this Section 3.2 which are required to be performed by such Funding Party:

(i) Guaranty. Counterparts of the Guaranty Agreement, duly executed by Dollar, shall have been delivered to each Funding Party.

(ii) Loan Agreement. Counterparts of the Loan Agreement, duly executed by the Lessor, the Agent and the Lender shall have been delivered to each of the Lessor and the Agent. An A Note and a B Note, duly executed by the Lessor, shall have been delivered to the Lender.

(iii) Master Agreement. Counterparts of this Master Agreement, duly executed by the parties hereto, shall have been delivered to each of the parties hereto.

(iv) Construction Agency Agreement. Counterparts of the Construction Agency Agreement, duly executed by the parties thereto, shall have been delivered to each of the parties hereto.

(v) Lease. Counterparts of the Lease, duly executed by each Lessee party hereto on the Initial Closing Date, respectively, and the Lessor, shall have been delivered to each Funding Party and the original, chattel paper copy of such Lease shall have been delivered to the Agent.

(vi) Lessee's Resolutions and Incumbency Certificate, etc. Each of the Agent and the Lessor shall have received (x) a certificate of the Secretary or an Assistant Secretary of each Lessee party hereto on the Initial Closing Date, attaching and certifying as to (i) the Board of Directors' (or appropriate committee's) resolution duly authorizing the execution, delivery and performance by it of each Operative Document to which it is or will be a party, (ii) the incumbency and signatures of persons authorized to execute and deliver such documents on its behalf, (iii) its articles or certificate of incorporation, certified as of a recent date by the Secretary of State of the state of its incorporation and (iv) its by-laws, and (y) good standing certificates for such Lessee from the appropriate offices of the States of such Person's incorporation and principal place of business.

(vii) Opinions of Counsel. The opinion of Larry Wilcher, dated the initial Closing Date, substantially in the form set forth in Exhibit G-1 attached hereto, and containing such other matters as the parties to whom it is addressed shall reasonably request, shall have been delivered and addressed to each of the Lessor, the Agent, the Lender, the Administrator and the Liquidity Banks. The opinion of Brown McCarroll & Oaks Hartline, L.L.P., dated the initial Closing Date, substantially in the form set forth in Exhibit G-3 attached hereto, and containing such other matters as the parties to whom it is addressed shall reasonably request, shall have been delivered to each of the Agent, the Lender, the Administrator and the Liquidity Banks.

(viii) Good Standing Certificate. The Agent shall have received a good standing certificate for the Lessor from the appropriate offices of the State of Texas.

(ix) Lessor's Consents and Incumbency Certificate, etc. The Agent shall have received a certificate of the Secretary or an Assistant Secretary of the General Partner of the Lessor attaching and certifying as to (i) the consents of the partners of the Lessor duly authorizing the execution, delivery and performance by it of each Operative Document to which it is or will be a party, (ii) the incumbency and signatures of persons authorized to execute and deliver such documents on its behalf, and (iii) the Partnership Agreement.

(x) Liquidity Agreement. Counterparts of the Liquidity Agreement, duly executed by the parties thereto, shall have been delivered to each of the parties thereto.

(xi) Rating Agency Approval. The Rating Agencies that rate the Commercial Paper shall have confirmed the rating of the Commercial Paper, after giving effect to the transactions contemplated hereby.

(xi) Fee Letter. Counterparts of the Fee Letter, duly executed by the parties thereto shall have been delivered to the Agent.

SECTION 3.3 Conditions to the Obligations of Lessee.

The obligations of any Lessee to lease a Leased Property from the Lessor are subject to the fulfillment on the related Closing Date to the satisfaction of, or waiver by, such Lessee, of the following conditions precedent:

(a) General Conditions. The conditions set forth in Sections 3.1 and 3.2 that require fulfillment by the Lessor or the Lender shall have been satisfied, including the delivery of good standing certificates by the Lessor pursuant to Sections 3.1(a)(xiv) and 3.2(b)(viii) and the delivery of an opinion of counsel for the Lessor pursuant to Section 3.2(b)(vii).

(b) Legality. In the opinion of such Lessee or its counsel, the transactions contemplated by the Operative Documents shall not violate any Applicable Law, and no change shall have occurred or

been proposed in Applicable Law that would make it illegal for such Lessee to participate in any of the transactions contemplated by the Operative Documents.

(c) Purchase Agreement; Ground Lease. The Purchase Agreement and, if applicable, the Ground Lease shall be reasonably satisfactory to such Lessee.

SECTION 3.4 Conditions to the Obligations of the Funding Parties on each Funding Date.

The obligations of the Lessor and the Lender to carry out their respective obligations under Section 2 of this Master Agreement to be performed on each Funding Date shall be subject to the fulfillment to the satisfaction of, or waiver by, each such party hereto (acting directly or through their respective counsel) on or prior to each such Funding Date of the following conditions precedent, provided that the obligations of any Funding Party shall not be subject to any conditions contained in this Section 3.4 which are required to be performed by such Funding Party:

(a) Funding Request. The Lessor, the Agent and the Administrator shall have received from the Construction Agent the Funding Request therefor pursuant to Section 2.2(d).

(b) Condition Fulfilled. As of such Funding Date, the condition set forth in Section 3.1(d)(i) shall have been satisfied.

(c) Representations. As of such Funding Date, both before and after giving effect to the Funding requested by the Construction Agent on such date, the representations and warranties that the Lessees are deemed to make pursuant to Section 2.2(e) shall be true and correct in all Material respects on and as of such Funding Date as though made on and as of such Funding Date, except to the extent such representations or warranties relate solely to an earlier date, in which case such representations and warranties shall have been true and correct in all Material respects on and as of such earlier date.

(d) No Bonded Stop Notice or Filed Mechanics Lien. As of each Funding Date, and as to any Funded Amount requested for any Leased Property on each such Funding Date, (i) neither the Lessor, the Agent, the Lender nor the Administrator has received (with respect to such Leased Property) a bonded notice to withhold Loan funds that has not been discharged by the related Lessee or the Construction Agent, and (ii) no mechanic's liens or materialman's liens have been filed against such Leased Property that have not been discharged by the related Lessee, bonded over in a manner reasonably satisfactory to the Agent or insured over by the Title Insurance Company.

(e) Lease Supplement. If the Funding relates to a Building that will be leased under a Lease Supplement separate from the Lease Supplement for the related Land, the original of such separate Lease Supplement, duly executed by the related Lessee and the Lessor and in recordable form, shall have been delivered to the Agent.

SECTION 3.5 Completion Date Conditions.

The occurrence of the Completion Date with respect to any Leased Property shall be subject to the fulfillment to the satisfaction of, or waiver by, each party hereto (acting directly or through its counsel) of the following conditions precedent:

(a) Title Policy Endorsements; Architect's Certificate. If such Leased Property is a Major Property, the Construction Agent shall have furnished to each Funding Party (1) the following endorsements to the related Title Policy (each of which shall be subject to no exceptions other than those reasonably acceptable to the Agent): a date-down endorsement (redating and confirming the coverage provided under the Title Policy and each endorsement thereto) and a "Form 9" endorsement (if available in the applicable jurisdiction), in each case, effective as of a date not earlier than the date of completion of the Construction, and (2) a certificate of the Architect or the related General Contractor dated at or about the Completion Date, in form and substance reasonably satisfactory to the Agent and the Lessor, and stating that (i) the related Building has been completed substantially in accordance with the Plans and Specifications therefor, and such Leased Property is ready for occupancy, (ii) such Plans and Specifications comply in all Material respects with all Material Applicable Laws in effect at such time, and (iii) to the best of the Architect's or General Contractor's knowledge, such Leased Property, as so completed, complies in all Material respects with all Material Applicable Laws in effect at such time. If such Leased Property is a Major Property, the Construction Agent shall also deliver to the Agent true and complete copies of: (A) an "as built" or "record" set of the Plans and Specifications, (B) a plat of survey of such Leased Property "as built" to a standard reasonably acceptable to the Agent showing all easements, paving, driveways, fences and exterior improvements, and (C) copies of a certificate or certificates of occupancy for such Leased Property or other legally equivalent permission to occupy such Leased Property.

(b) Construction Completion. The related Construction shall have been completed substantially in accordance with the related Plans and Specifications, the related Deed and all Applicable Laws, and such Leased Property shall be ready for occupancy and operation. All fixtures, equipment and other property contemplated under the Plans and Specifications to be incorporated into or installed in such Leased Property shall have been substantially incorporated or installed, free and clear of all Liens except for Permitted Liens.

(c) Construction Agent Certification. The Construction Agent shall have furnished the Lessor, the Agent and the Lender with a certification of the Construction Agent (substantially in the form of Exhibit F) that:

(i) all amounts owing to third parties for the related Construction have been paid in full (other than contingent obligations for which the Construction Agent has made adequate reserves), and no litigation or proceedings are pending, or to the best of the Construction Agent's knowledge, are threatened, against such Leased Property or the Construction Agent or the related Lessee which could reasonably be expected

to have a Materially Adverse Effect;

(ii) all Material consents, licenses and permits and other governmental authorizations or approvals required for such Construction and operation of such Leased Property have been obtained and are in full force and effect;

(iii) such Leased Property has available all services of public facilities and other utilities necessary for use and operation of such Leased Property for its intended purposes including, without limitation, adequate water, gas and electrical supply, storm and sanitary sewerage facilities, telephone, other required public utilities and means of access between the related Building and public highways for pedestrians and motor vehicles;

(iv) all Material agreements, easements and other rights, public or private, which are necessary to permit the lawful use and operation of such Leased Property as the related Lessee intends to use the Leased Property under the Lease and which are necessary to permit the lawful intended use and operation of all then intended utilities, driveways, roads and other means of egress and ingress to and from the same have been obtained and are in full force and effect and neither the Construction Agent nor the related Lessee has any knowledge of any pending modification or cancellation of any of the same; and the use of such Leased Property does not depend on any variance, special exception or other municipal approval, permit or consent that has not been obtained and is in full force and effect for its continuing legal use;

(v) all of the requirements and conditions set forth in Section 3.5(b) hereof have been completed and fulfilled with respect to such Leased Property and the related Construction; and

(vi) such Leased Property is in compliance in all Material respects with all applicable zoning laws and regulations.

SECTION 3.6 Addition of Lessees.

After the date hereof, additional Subsidiaries of Dollar may become Lessees hereunder and under the other Operative Documents upon satisfaction of the following conditions precedent:

such Subsidiary and the Guarantor shall have executed and delivered to the Agent and the Lessor a Joinder Agreement, substantially in the form of Exhibit E;

(a) such Subsidiary shall have delivered to each of the Agent and the Lessor (x) a certificate of the Secretary or an Assistant Secretary of such Subsidiary, attaching and certifying as to (i) the Board of Directors' resolution duly authorizing the execution, delivery and performance by it of each Operative Document to which it is or will be a party, (ii) the incumbency and signatures of persons authorized to execute and deliver such documents on its behalf,

(iii) its certificate of incorporation, certified as of a recent date by the Secretary of State of its incorporation and (iv) its by-laws, and (y) good standing certificates from the appropriate offices of the States of such Subsidiary's incorporation and principal place of business;

(b) such Subsidiary shall have delivered an opinion of Larry Wilcher, addressed to each of the Lessor, the Agent, the Lender, the Administrator and the Liquidity Banks, substantially in the form set forth in Exhibit G-1; and

(c) the Agent, the Lessor, the Administrator and the Lender shall have received such other documents, certificates and information as any of them shall have reasonably requested.

SECTION 4 REPRESENTATIONS

SECTION 4.1 Representations of Lessees.

Effective as of the date of execution hereof (or as of the related Joinder Agreement, as applicable), as of each Closing Date and as of each Funding Date, each Lessee (which term, for purposes of this Section 4.1, includes Dollar in its capacity as Guarantor) represents and warrants to each of the other parties hereto as follows:

(a) Organization; Corporate Powers. Each of such Lessee and each of its Subsidiaries (i) is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (ii) is duly qualified as a foreign corporation and in good standing (A) in each jurisdiction where a Leased Property is located, in the case of such Lessee, and (B) under the laws of each other jurisdiction where such qualification is required and where the failure to be duly qualified and in good standing would have a Materially Adverse Effect, in the case of such Lessee and each of its Subsidiaries, and (iii) has all requisite corporate power and authority to own, operate and encumber its property and assets and to conduct its business as presently conducted and as proposed to be conducted in connection with and following the consummation of the transactions contemplated by the Operative Documents.

(b) Authority. Such Lessee has the requisite corporate power and authority to execute, deliver and perform the Operative Documents executed by it, or to be executed by it. The execution, delivery and performance (or recording or filing, as the case may be) of the Operative Documents, and the consummation of the transactions contemplated thereby, have been duly approved by the Board of Directors of such Lessee, or an appropriate committee thereof, and no other corporate proceedings on the part of such Lessee are necessary to consummate the transactions so

contemplated.

(c) Binding Obligations. The Operative Documents to which such Lessee is a party, have been duly executed and delivered (or recorded or filed, as the case may be) by such Lessee, and constitute its legal, valid and binding obligation, enforceable against it in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or limiting creditors' rights generally or by equitable principles generally.

(d) No Conflict. The execution, delivery and performance by such Lessee of each Operative Document to which it is a party and each of the transactions contemplated thereby do not and will not (i) violate the certificate of incorporation, by-laws or other organizational documents of such Lessee, (ii) violate any Applicable Law or Contractual Obligation of any Person, the consequences of which violation, singly or in the aggregate, would have a Materially Adverse Effect, (iii) result in or require the creation or imposition of any Lien whatsoever on any Leased Property or upon any of the properties or assets of such Lessee or any of its Subsidiaries (other than Permitted Liens), or (iv) require any approval of the stockholders of such Lessee which has not been obtained and is in full force and effect.

(e) Governmental Consents. Except as have been made, obtained or given, and are in full force and effect, and except for routine filings with the SEC to be made in a timely fashion, no filing or registration with, consent or approval of, notice to, with or by any Governmental Authority, is required to authorize, or is required in connection with, the execution, delivery and performance by such Lessee of the Operative Documents, the use of the proceeds of the Fundings made to effect the purchase of the Land and the Construction, or the legality, validity, binding effect or enforceability of any Operative Document.

(f) Governmental Regulation. Neither such Lessee nor any Subsidiary of such Lessee is an "investment company" or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended. Such Lessee is not a "holding company" or a "subsidiary company," or an "affiliate" of a "holding company" or of a "subsidiary company" of a "holding company", within the meaning of the Public Utility Company Act of 1935, as amended, nor subject to regulation under the Federal Power Act, or any foreign, federal or local statute or regulation limiting its ability to incur Indebtedness for Money Borrowed, Guaranty such indebtedness, pledge its assets to secure such indebtedness or enter into lease arrangements.

(g) Requirements of Law. Such Lessee and each Subsidiary of such Lessee and each Person acting on behalf of any of them is in compliance with all Requirements of Law applicable to them and their respective businesses, in each case where the failure to so comply would have a Materially Adverse Effect, either individually or together with other such cases.

(h) Rights in Respect of the Leased Property. Such Lessee is not a party to any contract or agreement to sell any interest in any Leased Property or any part thereof, other than pursuant to the Operative Documents.

(i) Hazardous Materials - Leased Properties. To the best knowledge of such Lessee, except as described in the related Environmental Audit, on the Closing Date for each Leased Property, there are no Hazardous Materials present at, upon, under or within such Leased Property or released or transported to or from such Leased Property (except in compliance in all Material respects with all Applicable Law).

o On the related Closing Date, no Governmental Actions have been taken or, to the best knowledge of such Lessee, are in process or have been threatened, which could reasonably be expected to subject such Leased Property, the Lender or the Lessor to any Claims or Liens under any Environmental Law which would have a Materially Adverse Effect, or would have a Materially adverse effect on the Lessor or the Lender.

o Such Lessee has, or will obtain on or before the date required by Applicable Law, all Environmental Permits necessary to operate such Leased Property in accordance with Environmental Laws and is complying with and has at all times complied with all such Environmental Permits, except to the extent the failure to obtain such Environmental Permits or to so comply has not had, and would not have, a Materially Adverse Effect.

o Except as set forth in the related Environmental Audit or in any notice subsequently furnished by such Lessee to the Agent and approved by the Agent in writing prior to the respective times that the representations and warranties contained herein are made or deemed made hereunder, no notice, notification, demand, request for information, citations, summons, complaint or order has been issued or filed to or with respect to such Lessee, no penalty has been assessed on such Lessee and no investigation or review is pending or, to its best knowledge, threatened by any Governmental Authority or other Person in each case relating to the Leased Property with respect to any alleged Material violation or liability of such Lessee under any Environmental Law. To the best knowledge of such Lessee, no Material notice, notification, demand, request for information, citations, summons, complaint or order has been issued or filed to or with respect to any other Person, no Material penalty has been assessed on any other Person and no investigation or review is pending or threatened by any Governmental Authority or other Person relating to such Leased Property with respect to any alleged Material violation or liability under any Environmental Law by any other Person.

o Such Leased Property and each portion thereof are presently in compliance in all Material respects with all Environmental Laws, and, to the best knowledge of such Lessee, there are no present or past facts, circumstances, activities, events, conditions or occurrences regarding such Leased Property (including without limitation the release or presence of Hazardous Materials) that could reasonably be anticipated to (A) form the basis of a Material Claim against such Leased Property, any Funding Party or such Lessee, (B) cause such Leased Property to be subject to any Material restrictions on ownership, occupancy, use or transferability under any Environmental Law, (C) require the filing or recording of any notice or restriction relating to the presence of Hazardous Materials in the real estate records in the county or other appropriate municipality in which such Leased Property is located, or (D) prevent or Materially interfere with the continued operation and maintenance of such Leased Property as contemplated by the Operative Documents.

(j) Leased Property. The present condition and use of such Leased Property conforms in all Material respects with all conditions or requirements of all existing Material permits and approvals issued with respect to such Leased Property, and the present use of such Leased Property and such Lessee's future intended use of such Leased Property under the Lease does not, in any Material respect, violate any Applicable Law. To the best knowledge of such Lessee, no Material notices, complaints or orders of violation or non-compliance have been issued or threatened or contemplated by any Governmental Authority with respect to such Leased Property or any present or intended future use thereof. All Material agreements, easements and other rights, public or private, which are necessary to permit the lawful use and operation of such Leased Property as such Lessee intends to use such Leased Property under the Lease and which are necessary to permit the lawful intended use and operation of all presently intended utilities, driveways, roads and other means of egress and ingress to and from the same have been, or to such Lessee's best knowledge will be, obtained and are or will be in full force and effect, and such Lessee has no knowledge of any pending Material modification or cancellation of any of the same.

(k) True and Complete Disclosure. All factual information relating to such Lessee, or any of its assets or its financial condition, or any of the Leased Properties heretofore or contemporaneously furnished by such Lessee or on its behalf in writing to the Agent, the Administrator or any Funding Party (including without limitation all information contained in the Operative Documents) for purposes of or in connection with any transaction contemplated by this Master Agreement is, and all other such factual information hereafter furnished by such Lessee or on its behalf in writing to the Agent, the Administrator or any Funding Party will be, true and accurate in all Material respects on the date as of which such information is dated or certified and not incomplete by omitting to state any Material fact necessary to make such information, together with past written information supplied hereunder (taken as a whole) not misleading at such time in light of the circumstances under which such information was provided.

(l) Financial Statements. The consolidated statement of financial position of Dollar as of January 29, 1999 and the related statements of income, shareholders' equity and cash flows for the fiscal year then ended, reported on by Deloitte & Touche LLP, a copy of which has been delivered to each of the Agent, the Administrator, the Liquidity Banks and the Funding Parties, present fairly in all Material respects, in conformity with GAAP, the consolidated financial position of Dollar and its Subsidiaries as of such dates and the results of operations and cash flows of Dollar and its Subsidiaries for such fiscal year. The Consolidated Companies taken as a whole did not have any Material contingent obligations, contingent liabilities or Material liabilities for known taxes, long-term leases or unusual forward or long-term commitments required to be reflected in the foregoing financial statements or the notes thereto that are not so reflected.

(m) No Material Litigation. Except as set forth in Schedule 4.1(m), no litigation, investigations or proceedings of or before any court, tribunal, arbitrator or governmental authority is pending or, to the knowledge of any Executive Officer of such Lessee, threatened by or against any of the Consolidated Companies, or against any of their respective Properties or revenues, existing or future (a) with respect to any Operative Document, or any of the transactions contemplated hereby or thereby, or (b) which, if adversely determined, is reasonably likely to have a Materially Adverse Effect.

(n) Margin Regulations. No part of the proceeds of any of the Fundings will be used for any purpose which violates, or which would be inconsistent or not in compliance with, the provisions of the applicable Margin Regulations.

(o) Subsidiaries. The jurisdiction of incorporation or organization, and the ownership of all issued and outstanding capital stock, for each Subsidiary of Dollar, and the identity of each joint venture or partnership in which Dollar or any Subsidiary of Dollar is a partner is accurately described on Schedule 4.1(o). The foregoing representation is made as of the date of this Master Agreement.

(p) Compliance With Environmental Laws.

o The Consolidated Companies have received no notices of claims or potential liability under, and are in compliance with, all applicable Environmental Laws, where such claims and liabilities under, and failures to comply with, such statutes, regulations, rules, ordinances, laws or licenses, is reasonably likely to result in penalties, fines, claims or other liabilities to the Consolidated Companies in amounts that would have a Materially Adverse Effect, either individually or in the aggregate (including any such penalties, fines, claims, or liabilities relating to the matters set forth on Schedule 4.1(p)), except as set forth on Schedule 4.1(p)).

o Except as set forth on Schedule 4.1(p), none of the Consolidated Companies has received any notice of violation, or notice of any action, either judicial or administrative, from any governmental authority (whether United States or foreign) relating to the actual or alleged violation of any Environmental Law, including, without limitation any notice of any actual or alleged spill, leak, or other release of any Hazardous Substance, waste or hazardous waste by any Consolidated Company or its employees or agents, or as to the existence of any continuation on any Properties owned by any Consolidated Company, where any such violation, spill, leak, release or contamination is reasonably likely to result in penalties, fines, claims or other liabilities to the Consolidated Companies in amounts that would have a Materially Adverse Effect, either individually or in the aggregate.

o Except as set forth on Schedule 4.1(p), the Consolidated Companies have obtained all necessary governmental permits, licenses and approvals for the operations conducted on their respective Properties, including without limitation, all required Material permits, licenses and approvals for (i) the emission of air pollutants or contaminants, (ii) the treatment or pretreatment and discharge of waste water or storm water, (iii) the treatment, storage, disposal or generation of hazardous wastes, (iv) the withdrawal and usage of ground water or surface water, and (v) the disposal of solid wastes, in any such case where the failure to have such license, permit or approval is reasonably likely to have a Materially Adverse Effect.

(q) Insurance. The Consolidated Companies currently maintain such insurance with respect to their Properties and business with financially

sound and reputable insurers, and in such amounts and having such coverages against losses and damages which such Lessee in the exercise of its reasonable prudent business judgment has determined to be necessary to prevent the Consolidated Companies from experiencing a loss which would cause a Materially Adverse Effect. The Consolidated Companies have paid all Material amounts of insurance premiums now due and owing with respect to such insurance policies and coverages, and such policies and coverages are in full force and effect.

(r) No Default. None of the Consolidated Companies is in default under or with respect to any Contractual Obligation in any respect which has had or is reasonably likely to have a Materially Adverse Effect.

(s) No Burdensome Restrictions. Except as set forth on Schedule 4.1(s), none of the Consolidated Companies is a party to or bound by any Contractual Obligation or Requirement of Law or any provision of its respective articles or certificate of incorporation, bylaws, or other organizational or governing documents which has had or is reasonably likely to have a Materially Adverse Effect.

(t) Taxes. The Consolidated Companies have filed all Federal tax returns and, to the knowledge of any Executive Officer of such Lessee, the Consolidated Companies have filed all other tax returns which are required to have been filed in any jurisdiction; the Consolidated Companies have paid all taxes shown to be due and payable on such Federal returns and other returns and all other taxes, assessments, fees and other charges payable by them, in each case, to the extent the same have become due and payable and before they have become delinquent, except for the filing of any such returns or the payment of any taxes, assessments, fees and other charges the amount, applicability or validity of which is currently being contested in good faith by appropriate proceedings and with respect to which any Consolidated Company has set aside on its books reserves (segregated to the extent required by GAAP) deemed by it in good faith to be adequate. Such Lessee has not received written notice of any proposed Material tax assessment with respect to Federal income taxes against any of the Consolidated Companies nor does any Executive Officer of such Lessee know of any Material Federal income tax liability on the part of the Consolidated Companies other than any such assessment or liability which is adequately reserved for on the books of the Consolidated Companies in accordance with GAAP. 2.

(u) Year 2000 Issues. Dollar and the other Consolidated Companies (i) have done a comprehensive review of their computer programs to identify the systems that would be affected by Year 2000 Issues and as such issues pertain to the computer programs and systems of the Consolidated Companies (but not those of their third party customers, suppliers or vendors), and are in the process of reviewing their Year 2000 exposure to third party consumers, suppliers and vendors, and evaluating the costs of modifications to program logic control systems, (ii) have developed or are in the process of developing a realistic and achievable program for remediating in all material respects all currently known Year 2000 Issues on a timely basis as such issues pertain to the computer programs and systems of the Consolidated Companies (but not those of their third party customers, suppliers, or vendors), and (iii) based on their review, consultants' reports, and all other information currently available to them, do not reasonably anticipate that Year 2000 Issues will have a Materially Adverse Effect.

(v) ERISA. Except as disclosed on Schedule 4.1(v):

o Identification of Plans. None of the Consolidated Companies nor any of their respective ERISA Affiliates maintains or contributes to, or has during the past seven years maintained or contributed to, any Plan that is subject to Title IV of ERISA;

o Compliance. Each Plan maintained by the Consolidated Companies has at all times been maintained, by their terms and in operation, in compliance with all applicable laws, and the Consolidated Companies are subject to no tax or penalty with respect to any Plan of such Consolidated Company or any ERISA Affiliate thereof, including without limitation, any tax or penalty under Title I or Title IV of ERISA or under Chapter 43 of the Tax Code, or any tax or penalty resulting from a loss of deduction under Section 162, 404 or 419 of the Tax Code, where the failure to comply with such laws, and such taxes and penalties, together with all other liabilities referred to in this Section 4.1(v) (taken as a whole), would in the aggregate have a Materially Adverse Effect;

o Liabilities. The Consolidated Companies are subject to no liabilities (including withdrawal liabilities) with respect to any Plans of such Consolidated Companies or any of their ERISA Affiliates, including without limitation, any liabilities arising from Title I or IV of ERISA, other than obligations to fund benefits under an ongoing Plan and to pay current contributions, expenses and premiums with respect to such Plans, where such liabilities, together with all other liabilities referred to in this Section 4.1(v) (taken as a whole), would in the aggregate have a Materially Adverse Effect;

o Funding. The Consolidated Companies and, with respect to any Plan which is subject to Title IV of ERISA, each of their respective ERISA Affiliates, have made full and timely payment of all amounts (A) required to be contributed under the terms of each Plan and applicable law, and (B) required to be paid as expenses (including PBGC or other premiums) of each Plan, where the failure to pay such amounts (when taken as a whole, including any penalties attributable to such amounts) would have a Materially Adverse Effect. No Plan subject to Title IV of ERISA has an "amount of unfunded benefit liabilities" (as defined in Section 4001(a)(18) of ERISA), determined as if such Plan terminated on any date on which this representation and warranty is deemed made, in any amount which, together with all other liabilities referred to in this Section 4.1(v) (taken as a whole) would have a Materially Adverse Effect if such amount were then due and payable. The Consolidated Companies are subject to no liabilities with respect to post-retirement medical benefits in any amounts which, together with all other liabilities referred to in this Section 4.1(v)(taken as a whole), would have a Materially Adverse Effect if such amounts were then due and payable.

(w) Patents, Trademarks, Licenses, Etc. Except as set forth on Schedule 4.1(w), (i) the Consolidated Companies have obtained and hold in full force and effect all Material governmental authorizations, consents, approvals, patents, trademarks, service marks, franchises, trade names, copyrights, licenses and other such rights, free from burdensome restrictions, which are necessary for the operation of their respective businesses as presently conducted, and (ii) to the best of such Lessee's knowledge, no product, process, method, service or other item presently

sold by or employed by any Consolidated Company in connection with such business infringes any patents, trademark, service mark, franchise, trade name, copyright, license or other right owned by any other Person and there is not presently pending, or to the knowledge of such Lessee, threatened, any claim or litigation against or affecting any Consolidated Company contesting such Person's right to sell or use any such product, process, method, substance or other item where the result of such failure to obtain and hold such benefits or such infringement would have a Materially Adverse Effect.

(x) Ownership of Property; Liens.

o Except as set forth on Schedule 4.1(x), (i) each Consolidated Company has good and marketable fee simple title to or a valid leasehold interest in all of its real property and good title to all of its other Property, as such Properties are reflected in the consolidated balance sheet of the Consolidated Companies as of January 29, 1999, except where the failure to hold such title, leasehold interest, or possession would not have a Materially Adverse Effect, other than Properties disposed of in the ordinary course of business since such date or as otherwise permitted by the terms of this Master Agreement, subject to no known Lien or title defect of any kind, except Liens permitted hereunder and (ii) the Consolidated Companies enjoy peaceful and undisturbed possession under all of their respective leases except where the failure to enjoy peaceful and undisturbed possession would not have a Materially Adverse Effect.

o As of the date of this Master Agreement, the Property owned by each Consolidated Company is not subject to any Lien securing any Indebtedness or other obligation of such Consolidated Company in excess of \$2,500,000, individually or in the aggregate, other than as described on Schedule 4.1(x) hereof.

(y) Indebtedness. As of the date of this Master Agreement, other than as described on Schedule 4.1(y), the Consolidated Companies, on a consolidated basis, are not obligors (singularly or in the aggregate) in respect of any Indebtedness for Borrowed Money in excess of \$2,500,000 or any commitment to create or incur any Indebtedness for Borrowed Money in excess of \$2,500,000.

(z) Financial Condition. On the Initial Closing Date and after giving effect to the transactions contemplated by this Master Agreement and the other Operative Documents, the Property of each of Dollar, on a stand alone basis, and of Dollar and the Consolidated Companies, taken as a whole, at fair valuation and based on their present fair saleable value will exceed Dollar's or such consolidated group's, as applicable, debts, including contingent liabilities, (ii) the remaining capital of Dollar or such consolidated group, as applicable, will not be unreasonably small to conduct Dollar's or such consolidated group's, as applicable, business, and (iii) Dollar or such consolidated group, as applicable, will not have incurred debts, or have intended to incur debts, beyond Dollar's or such consolidated group's, as applicable, ability to pay such debts as they mature. For purposes of this

Section 4.1(z), "debt" means any liability on an obligation, and "obligation" means (a) the right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured, or (b) the right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

(aa) Labor Matters. Except as set forth in Schedule 4.1(aa), the Consolidated Companies have experienced no strikes, labor disputes, slow downs or work stoppages due to labor disagreements which is reasonably likely to have, a Materially Adverse Effect, and, to the best knowledge of the Executive Officers of such Lessee, there are no such strikes, disputes, slow downs or work stoppages threatened against any Consolidated Company except as disclosed in writing to the Agent. The hours worked and payment made to employees of the Consolidated Companies have not been in violation in any Material respect of the Fair Labor Standards Act or any other applicable law dealing with such matters, and all payments due from the Consolidated Companies, or for which any claim may be made against the Consolidated Companies, on account of wages and employee health and welfare insurance and other benefits have been paid or accrued as liabilities on the books of the Consolidated Companies, in each case where the failure to comply with such laws or to pay or accrue such liabilities is reasonably likely to have a Materially Adverse Effect.

(bb) Payment or Dividend Restrictions. Except as described on Schedule 4.1(bb), none of the Consolidated Companies is party to or subject to any agreement or understanding restricting or limiting the payment of any dividends or other distributions by any such Consolidated Company.

(cc) Financial Projections. The financial projections and other pro forma financial information delivered to the Agent, any Liquidity Bank or the Administrator on or prior to the date of this Master Agreement were based on good faith estimates and assumptions believed by the applicable Consolidated Companies to be reasonable at the time made and at the time furnished to the Agent and/or the Administrator, it being recognized by the Funding Parties and the Liquidity Banks that such projections and other pro forma financial information as to future events such projections and other pro forma financial information may differ from the projected results for such period or periods.

(dd) Notice of Violations. Such Lessee has not received notice, and no Consolidated Company has received notice, that it is in violation of any Requirement of Law, judgment, court order, rule, or regulation that would be expected to have a Materially Adverse Effect.

(ee) Filings. Such Lessee has filed all reports and statements required to be filed with the Securities and Exchange Commission. As of their respective dates, the reports and statements referred to above complied in all Material respects with all rules and regulations promulgated by the Securities and Exchange Commission and did not contain any untrue statement of a Material fact or omit to state a Material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

SECTION 4.2 Representations of the Lessor.

Effective as of the date of execution hereof, as of each Closing Date and as of each Funding Date, in each case, with respect to each of the Leased Properties, the Lessor represents and warrants to the other parties hereto as follows:

(a) Securities Act. The interest being acquired or to be acquired by the Lessor in such Leased Property is being acquired for its own account, without any view to the distribution thereof or any interest therein, provided that the Lessor shall be entitled to assign, convey or transfer its interest in accordance with Section 6.1.

(b) Due Organization, etc. The Lessor is a limited partnership duly organized and validly existing in good standing under the laws of Texas and each state in which a Leased Property is located and has full power, authority and legal right to execute, deliver and perform its obligations under the Lease, this Master Agreement and each other Operative Document to which it is or will be a party.

(c) Due Authorization; Enforceability, etc. This Master Agreement and each other Operative Document to which the Lessor is or will be a party have been or will be duly authorized, executed and delivered by or on behalf of the Lessor and are, or upon execution and delivery will be, legal, valid and binding obligations of the Lessor enforceable against it in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by general equitable principles.

(d) No Conflict. The execution and delivery by the Lessor of the Lease, this Master Agreement and each other Operative Document to which the Lessor is or will be a party, are not or will not be, and the performance by the Lessor of its obligations under each thereof will not be, inconsistent with its Partnership Agreement, do not and will not contravene any Applicable Law and do not and will not contravene any provision of, or constitute a default under, any Contractual Obligation of Lessor, do not and will not require the consent or approval of, the giving of notice to, the registration with or taking of any action in respect of or by, any Governmental Authority, except such as have been obtained, given or accomplished, and the Lessor possesses all requisite regulatory authority to undertake and perform its obligations under the Operative Documents to which it is a party.

(e) Litigation. There are no pending or, to the knowledge of the Lessor, threatened actions or proceedings against the Lessor before any court, arbitrator or administrative agency with respect to any Operative Document or that would have a material adverse effect upon the ability of the Lessor to perform its obligations under this Master Agreement or any other Operative Documents to which it is or will be a party.

(f) Lessor Liens. No Lessor Liens (other than those created by the Operative Documents) exist on any Closing Date on the Leased Property, or any portion thereof, and the execution, delivery and performance by the Lessor of this Master Agreement or any other Operative Document to which it is or will be a party will not subject the Leased Property, or any portion thereof, to any Lessor Liens (other than those created by the Operative Documents).

(g) Employee Benefit Plans. The Lessor is not and will not be making its investment hereunder, and is not performing its obligations under the Operative Documents, with the assets of an "employee benefit plan" (as defined in Section 3(3) of ERISA) which is subject to Title I of ERISA, or "plan" (as defined in Section 4975(e)(1) of the Code).

(h) General Partner. The sole general partner of the Lessor is Atlantic Financial Managers, Inc.

(i) Financial Information. (A) The unaudited balance sheet of the Lessor as of December 31, 1998 and the related statements of income, partners' capital and cash flows for the year then ended, copies of which have been delivered to the Agent, fairly present, in conformity with sound accounting principles, the financial condition of the Lessor as of such dates and the results of operations and cash flows for such periods. (B) Since December 31, 1998, there has been no event, act, condition or occurrence having a material adverse effect upon the financial condition, operations, performance or properties of the Lessor, or the ability of the Lessor to perform in any material respect under the Operative Documents.

(j) No Offering. The Lessor has not offered the Notes to any Person in any manner that would subject the issuance thereof to registration under the Securities Act.

SECTION 4.3 Representations of the Lender.

Effective as of the date of execution hereof, as of each Closing Date and as of each Funding Date, the Lender represents and warrants to the Lessor and to the Lessees as follows:

(a) Securities Act. The interest being acquired or to be acquired by the Lender in the Funded Amounts is being acquired for its own account, without any view to the distribution thereof or any interest therein, provided that the Lender shall be entitled to assign, convey or transfer its interest in accordance with Section 6.2.

(b) Employee Benefit Plans. The Lender is not and will not be making its investment hereunder, and is not performing its obligations under the Operative Documents, with the assets of an "employee benefit plan" (as defined in Section 3(3) of ERISA) which is subject to Title I of ERISA, or "plan" (as defined in Section 4975(e)(1) of the Code).

SECTION 5 COVENANTS OF THE LESSEES AND THE LESSOR

SECTION 5.1 Affirmative Covenants.

Each Lessee will:

- (a) Corporate Existence, Etc. Preserve and maintain, and cause each of the Consolidated Companies to preserve and maintain, its corporate existence, its Material rights, franchises, and licenses, and its Material patents and copyrights (for the scheduled duration thereof), trademarks, trade names, and service marks, necessary or desirable in the normal conduct of its business, and its qualification to do business as a foreign corporation in all jurisdictions where it conducts business or other activities making such qualification necessary, where the failure to be so qualified would reasonably be expected to have a Materially Adverse Effect.
- (b) Compliance with Laws, Etc. Comply, and cause each Consolidated Company to comply, with all Requirements of Law and Contractual Obligations applicable to or binding on any of them where the failure to comply with such Requirements of Law and Contractual Obligations would reasonably be expected to have a Materially Adverse Effect.
- (c) Payment of Taxes and Claims, Etc. File, and cause each Consolidated Company to file, all Federal, state, local and foreign tax returns that are required to be filed by each of them and pay all taxes that have become due pursuant to such returns or pursuant to any assessment in respect thereof received by any Consolidated Company; and each Consolidated Company will pay or cause to be paid all other taxes, assessments, fees and other governmental charges and levies which, to the knowledge of any of the Executive Officers of any Consolidated Company, are due and payable before the same become delinquent, except any such taxes and assessments as are being contested in good faith by appropriate and timely proceedings and as to which adequate reserves have been established in accordance with GAAP.
- (d) Keeping of Books. Keep, and cause each Consolidated Company to keep, proper books of record and account, containing complete and accurate entries of all their respective financial and business transactions.
- (e) Visitation, Inspection, Etc. Permit, and cause each Consolidated Company to permit, any representative of the Lessor, the Agent, the Administrator or any Liquidity Bank, at the Lessor's, the Agent's, the Administrator's or such Liquidity Bank's expense, to visit and inspect any of its Property and to discuss its affairs, finances and accounts with its officers, all at such reasonable times and as often as the Lessor, the Agent, the Administrator or such Liquidity Bank may reasonably request after reasonable prior notice to Dollar; provided, however, that at any time following the occurrence and during the continuance of a Potential Event of Default or an Event of Default, no prior notice to Dollar shall be required.
- (f) Insurance; Maintenance of Properties.
- o Maintain or cause to be maintained with financially sound and reputable insurers, such insurance with respect to its Properties and business in such amounts as Dollar has determined in the exercise of its reasonable prudent business judgment is necessary to prevent the Consolidated Companies, singularly or in the aggregate from experiencing a loss which would cause a Materially Adverse Effect.
 - o Cause, and cause each of the Consolidated Companies to cause, all Properties used or useful in the conduct of its business to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment and cause to be made all necessary repairs, renewals, replacements, settlements and improvements thereof, all as in the reasonable judgment of Dollar may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times; provided, however, that nothing in this Section shall prevent Dollar from discontinuing the operation or maintenance of any such Properties if such discontinuance is, in the reasonable judgment of Dollar, desirable in the conduct of its business or the business of any Consolidated Company.
 - o Cause a summary, set forth in format and detail reasonably acceptable to the Agent, of the types and amounts of insurance (property and liability) maintained by the Consolidated Companies to be delivered to the Agent on or before thirty (30) days after the Initial Closing Date.
- (g) Financial Reports. Furnish to the Lessor, the Agent, the Administrator and each Liquidity Bank:
- o Within fifty (50) days after the end of each of the first three quarter-annual periods of each Fiscal Year (and, in any event, in each case as soon as prepared), the quarterly Financial Report of Dollar as of the end of that period, prepared on a consolidated basis and accompanied by a certificate, dated the date of furnishing, signed by a Financial Officer of Dollar to the effect that such Financial Report accurately presents in all Material respects the consolidated financial condition of the Consolidated Companies and that such Financial Report has been prepared in accordance with GAAP consistently applied (subject to year end adjustments), except that such Financial Report need not be accompanied by notes.
 - o Within one hundred (100) days after the end of each Fiscal Year (and, in any event, as soon as available), the annual Financial Report of Dollar (with accompanying notes) for that Fiscal Year prepared on a consolidated basis (which Financial Report shall be reported on by Dollar's independent certified public accountants, such report to state that such Financial Report fairly presents in all Material respects the consolidated financial condition and results of operation of the Consolidated Companies in accordance with GAAP and to be without any Material qualifications or exceptions). The audit opinion in respect of the consolidated Financial Report shall be the unqualified opinion of one of the nationally recognized "Big Five" firms of independent certified public accountants acceptable to Agent.

- o Within fifty (50) days after the end of each of its first three quarterly accounting periods and within one hundred (100) days after the end of each Fiscal Year, a statement certified as true and correct by a Financial Officer of Dollar, substantially in the form of Exhibit H hereto, with back-up material setting forth in reasonable detail such calculations attached thereto and stating whether any Potential Event of Default or Event of Default has occurred and is continuing, and if a Potential Event of Default or Event of Default has occurred and is continuing, stating Dollar's intentions with respect thereto;
- o Within fifty (50) days after the end of each of its quarterly accounting periods (including the year end quarterly period), a statement certified as true and correct by a Financial Officer of Dollar setting forth the Consolidated Funded Debt to Total Capitalization Ratio and the Fixed Charge Coverage Ratio as of the last day of such quarterly accounting period.
- o Promptly upon the filing thereof or otherwise becoming available, copies of all financial statements, annual, quarterly and special reports (including, without limitation, Dollar's 8-K, 10-K, and 10-Q reports), proxy statements and notices sent or made available generally by Dollar to its public security holders, of all regular and periodic reports and all registration statements and prospectuses, if any, filed by any of them with any securities exchange or with the Securities and Exchange Commission, and of all press releases and other statements made available generally to the public containing Material developments in the business or financial condition of Dollar and the other Consolidated Companies.
- o Promptly upon receipt thereof, copies of all financial statements of, and all reports submitted by, independent public accountants to Dollar in connection with each annual and interim financial statement, including without limitation, restatement of its financial statements or other special audit of Dollar's financial statements that would be required to be disclosed pursuant to Applicable Law.
- o As soon possible and in any event within thirty (30) days after Dollar or any Consolidated Company knows or has reason to know that any "Reportable Event" (as defined in Section 4043(b) of ERISA) with respect to any Plan has occurred (other than such a Reportable Event for which the PBGC has waived the 30-day notice requirement under Section 4043(a) of ERISA) and such Reportable Event involves a matter that has had, or is reasonably likely to have, a Materially Adverse Effect, a statement of a Financial Officer of the applicable Consolidated Company setting forth details as to such Reportable Event and the action which the applicable Consolidated Company proposes to take with respect thereto, together with a copy of the notice of such Reportable Event given to the PBGC if a copy of such notice is available to the applicable Consolidated Company.
- o With reasonable promptness, such other information relating to Dollar's performance of this Master Agreement or its financial condition as may reasonably be requested from time to time by the Agent.
- o Concurrently with the furnishing of the annual consolidated Financial Report required pursuant to Section 5.1(g)(ii) hereof, furnish or cause to be furnished to the Lessor, the Agent, the Administrator and each Liquidity Bank a certificate of compliance in a form reasonably satisfactory to the Agent prepared by one of the nationally recognized "Big Five" accounting firms stating that in making the examination necessary for their audit, they have obtained no knowledge of any Potential Event of Default or Event of Default, or if they have obtained such knowledge, disclosing the nature, details and period of existence of such event.
- o Promptly after the formation or acquisition of any new Subsidiary, notice thereof, together with the name and jurisdiction of incorporation of such Subsidiary.
- (h) Notices Under Certain Other Indebtedness. Immediately upon its receipt thereof, furnish the Agent a copy of any notice received by it or any other Consolidated Company from the holder(s) of Indebtedness (or from any trustee, agent, attorney, or other party acting on behalf of such holder(s)) in an amount which, in the aggregate, exceeds \$10,000,000.00 where such notice states or claims (i) the existence or occurrence of any default or event of default with respect to such Indebtedness under the terms of any indenture, loan or credit agreement, debenture, note, or other document evidencing or governing such Indebtedness, or (ii) the existence or occurrence of any event or condition which requires or permits holder(s) of any Indebtedness of the Consolidated Companies to exercise rights under any Change in Control Provision.
- (i) Notice of Litigation. Notify the Agent of any actions, suits or proceedings instituted by any Person against the Consolidated Companies where the uninsured portion of the money damages sought (which shall include any deductible amount to be paid by Dollar or any Consolidated Company) is singularly in an amount in excess of \$25,000,000.00 or where unreserved amounts in the aggregate are in excess of \$25,000,000.00 or which is reasonably likely to have a Materially Adverse Effect. Said notice is to be given along with the quarterly and annual reports required by Section 5.1(g) hereof, and is to specify the amount of damages being claimed or other relief being sought, the nature of the claim, the Person instituting the action, suit or proceeding, and any other significant features of the claim.
- (j) Subsidiary Guaranties.
- o Subject to subsection (iii) below, Dollar shall cause all of the Consolidated Companies existing as of the Initial Closing Date to execute and deliver on or before the Initial Closing Date a Subsidiary Guaranty in substantially the same form as set forth in Exhibit I. The delivery of such documents shall be accompanied by such other documents as the Agent may reasonably request (e.g., certificates of incorporation, articles of incorporation and bylaws, membership operating agreements, opinion letters and appropriate resolutions of the Board of Directors of any such Subsidiary Guarantor).
- o Subject to subsection (iii) below, Dollar shall cause each Consolidated Company not existing as of the Initial Closing Date to execute and deliver Subsidiary Guaranties in substantially the same form as set forth in Exhibit I simultaneously with the creation or acquisition of any such Consolidated Company by Dollar or any other such Consolidated Company. The delivery of such documents shall be accompanied by such

other documents as the Agent may reasonably request (e.g., certificates of incorporation, articles of incorporation and bylaws, membership operating agreements, opinion letters and appropriate resolutions of the Board of Directors of any such Subsidiary Guarantor).

o Notwithstanding the foregoing subsections (i) and (ii), Dollar shall not be required to cause any Consolidated Company to deliver a Subsidiary Guaranty if the delivery of such documents would cause such Consolidated Company to violate any Requirement of Law.

(k) Existing Business. Remain and cause each Consolidated Company to remain engaged in business of the same general nature and type as conducted by the Consolidated Companies, taken as a whole, on the Initial Closing Date.

(l) ERISA information and Compliance. Comply and cause each Consolidated Company to comply with ERISA and all other applicable laws governing any pension or profit sharing plan or arrangement to which any Consolidated Company is a party. Dollar shall provide and shall cause each Consolidated Company to provide the Agent with notice of any "reportable event" or "prohibited transaction" or the imposition of a "withdrawal liability" within the meaning of ERISA.

(m) Financial Requirements. Not:

o Fixed Charge Coverage Ratio. Suffer or permit, as of the last day of any fiscal quarter, the ratio of (A) Consolidated EBITR to (B) the sum of (i) Consolidated Interest Expense, plus (ii) Consolidated Rental Expense to be less than 2.0 to 1.0, as calculated for the most recently concluded quarter and the immediately three (3) preceding fiscal quarters.

o Consolidated Funded Debt to Total Capitalization Ratio. Permit, as of the last day of any fiscal quarter, the ratio of Consolidated Funded Debt to Total Capitalization to be greater than .50 to 1.0.

(n) Liens. Not, and will not permit any Consolidated Company to, create, assume or suffer to exist any Lien upon any of their respective Properties whether now owned or hereafter acquired; provided, however, that this Section 5.1(n) shall not apply to the following:

o any Lien for taxes not yet due or taxes or assessments or other governmental charges which are being actively contested in good faith by appropriate proceedings and as to which adequate reserves have been established in accordance with GAAP;

o any customary Liens, pledges or deposits in connection with worker's compensation, unemployment insurance, or social security, or deposits incidental to the conduct of the business of any Consolidated Company or the ownership of any of their Properties which were not incurred in connection with the borrowing of money or the obtaining of advances or credit and which do not in the aggregate Materially detract from the value of their Properties or Materially impair the use thereof in the operation of their businesses;

o any customary Liens to secure the performance of tenders, statutory obligations, surety and appeal bonds, and similar obligations and as to which adequate reserves have been established in accordance with GAAP;

o any Lien incurred in connection with Purchase Money Indebtedness and placed upon any Property (other than inventory) at the time of its acquisition (or within 60 days thereafter) by any Consolidated Company to secure all or a portion of the purchase price therefor; provided, that any such Lien shall not encumber any other Properties of any Consolidated Company;

o statutory Liens of carriers, warehousemen, mechanics, materialmen and other Liens imposed by law created in the ordinary course of business for amounts not yet due or which are being contested in good faith by appropriate proceedings and as to which adequate reserves have been established in accordance with GAAP or bonded off;

o Liens consisting of encumbrances in the nature of zoning restrictions, easements, rights and restrictions of record on the use of real property on the date of the acquisition thereof and statutory Liens of landlords and lessors which in any case do not Materially detract from the value of such real property or impair the use thereof;

o any Lien in favor of the United States of America or any department or agency thereof, or in favor of any state government or political subdivision thereof, or in favor of a prime contractor under a government contract of the United States, or of any state government or any political subdivision thereof, and, in each case, resulting from acceptance of partial, progress, advance or other payments in the ordinary course of business under government contracts of the United States, or of any state government or any political subdivision thereof, or subcontracts thereunder;

o any Lien existing on the date hereof and disclosed on the consolidated Financial Reports of Dollar, and Liens incurred in connection with the refinancing of the Indebtedness related thereto, provided that the principal amount of such Indebtedness is not increased in connection with such refinancing;

o statutory Liens arising under ERISA created in the ordinary course of business for amounts not yet due and as to which adequate reserves have been established in accordance with GAAP; and

o Liens not otherwise permitted above securing Indebtedness in an aggregate cumulative amount of \$5,000,000 or less.

(o) Merger and Sale of Assets. Not, without the prior written consent of the Required Liquidity Banks, merge or consolidate with any other corporation or sell, lease or transfer or otherwise dispose of all or, during any twelve-month period, a Material part of its Property to any Person, nor permit any Consolidated Company to take any of the above actions; provided that notwithstanding any of the foregoing limitations, if no Potential Event of Default or Event of Default shall then exist or immediately thereafter will exist, Consolidated Companies may take the following actions:

o Any Consolidated Company may merge with (i) Dollar (provided that Dollar shall be the continuing or surviving corporation) or (ii) any one or more other Subsidiaries provided that either the continuing or surviving corporation shall remain a Consolidated Company;

o Any Consolidated Company may sell, lease, transfer or otherwise dispose of any of its assets to (i) Dollar or (ii) any other Consolidated Company;

o Dollar may sell for fair value Scottsville, Kentucky office buildings (exclusive of its Scottsville, Kentucky distribution center); (iv) Dollar may enter into any sale and leaseback transaction that does not violate the provisions of Section 5.1(u); and (v) Any Consolidated Company may sell inventory in the ordinary course of its business.

(p) Transactions with Affiliates. Not, and will not permit any Consolidated Company to, enter into or be a party to any transaction or arrangement with any Affiliate (including, without limitation, the purchase from, sale to or exchange of property with, or the rendering of any service by or for, any Affiliates), except in the ordinary course of and pursuant to the reasonable requirements of such Consolidated Company's business and upon fair and reasonable terms no less favorable to such Consolidated Company than such party would obtain in a comparable arm's-length transaction with a Person other than an Affiliate.

(q) Nature of Business. Not, and will not permit any Consolidated Company to, engage in any business if, as a result, the general nature of the business, taken on a consolidated basis, which would then be engaged in by any Consolidated Company would be fundamentally changed from the general nature of the business engaged in by the Consolidated Companies on the date of this Master Agreement.

(r) Regulations T, U and X. Not, nor permit any Consolidated Company to take any action that would result in any non-compliance of the Fundings made hereunder with Regulations T, U and X of the Board of Governors of the Federal Reserve System.

(s) ERISA Compliance. Not, and will not permit any Consolidated Company to, incur any Material "accumulated funding deficiency" within the meaning of Section 302(a)(2) of ERISA, or any Material liability under Section 4062 of ERISA to the PBGC established thereunder in connection with any Plan.

(t) Investments, Loans, and Advances. Not, and will not permit any Consolidated Company to, make or permit to remain outstanding any loans or advances to or investments in any Person, except that, subject to all other provisions of this Section 5.1(t), the foregoing restriction shall not apply to:

o investments in direct obligations of the United States of America or any agency thereof having maturities of less than one year;

o investments in commercial paper maturing within one year from the date of creation thereof of the highest credit rating of a Rating Agency (or, in the case of Standard & Poor's, one of the two highest credit ratings);

o investments in bankers' acceptances and certificates of deposit having maturities of less than one year issued by commercial banks in the United States of America having capital and surplus in excess of \$50,000,000;

o the endorsement of negotiable or similar instruments in the ordinary course of business;

o investments in stock of any of the Consolidated Companies;

o investments in stock or assets, or any combination thereof, of any Subsidiary created or acquired after the Initial Closing Date;

o investments received in settlement of debt created in the ordinary course of business;

o advances to officers and employees of Dollar made in the ordinary course of business and not in excess of amounts customarily and historically loaned to such officers and employees not to exceed \$5,000,000 in the aggregate;

o repurchase obligations with a term of not more than one year for underlying securities of the types described in clauses (i) and (iii) above entered into with a counterparty whose short-term securities are of the highest credit rating of a Rating Agency (or, in the case of Standard & Poor's, one of the two highest credit ratings); and

o freely redeemable shares in money market funds which invest solely in securities of the types described in clauses (i), (ii), (iii) and (ix) and rated in the highest rating category by a Rating Agency (or, in the case of Standard & Poor's, one of the two highest rating categories).

(u) Sales and Leasebacks. Not, and will not permit any Consolidated Company to, enter into one or more arrangements or transactions, directly or indirectly, in any Fiscal Year, with any Person by which any Consolidated Company shall sell or transfer any Property and by which any Consolidated Company shall then or thereafter rent or lease as lessee such Property or any part thereof or other Property that such Consolidated Company intends to use for substantially the same purpose or purposes as the Property sold or transferred if the aggregate fair market value of all Property sold or transferred in sale and leaseback transactions in any Fiscal Year exceeds an amount equal to ten percent (10%) of Dollar's consolidated total assets calculated in accordance with GAAP as measured at Dollar's most recently concluded Fiscal Year and as reported on its most recent Form 10-K (filed with the Securities and Exchange Commission pursuant to ss. 13 of the Exchange Act) for each Fiscal Year. The calculation of Dollar's consolidated assets shall be recalculated on each occasion that Dollar delivers to the Agent its most recently filed Form 10-K.

(v) Guaranties. Not, and will not permit any Consolidated Company to, enter into any Guaranty, except that, subject to all other provisions of this Section 5, the foregoing restriction shall not apply to:

o Subsidiary Guaranties;

o the execution by Dollar of a Guaranty for the Synthetic Lease;

o Guaranties executed by one Consolidated Company in favor of or to another Consolidated Company for the obligations of another Consolidated Company;

o endorsements of instruments for deposit or collection in the ordinary course of business; and

o such other Guaranties that do not cause a breach or violation of the Consolidated Funded Debt to Total Capitalization Ratio.

(w) Acquisitions. Not permit any Consolidated Company to make Acquisitions for a purchase price in excess of \$50,000,000 in the aggregate in any twelve (12) month period. For the purpose hereof, the purchase price shall be determined by the sum of: (A) all cash paid, plus (B) the principal amount of any promissory notes given, plus (C) the value of any stock given, and (D) the value of any other Property given or transferred in respect of such Acquisition.

(x) Year 2000 Issues. Take, and cause its Subsidiaries to take, all actions reasonably necessary to assure that the Year 2000 Issues, as such Year 2000 Issues pertain to the computer programs and systems of the Consolidated Companies, will not have a Materially Adverse Effect. Dollar and the other Consolidated Companies will use their reasonable efforts to assure that its third-party customers, suppliers and vendors develop and implement programs to remediate in all material respects all Year 2000 Issues reasonably anticipated by Dollar or the other Consolidated Companies to have a Materially Adverse Effect. Upon request by the Agent or any Liquidity Bank, Dollar will provide the Agent and the Liquidity Banks a written description of its Year 2000 program, including updates and progress reports. Dollar will advise Agent and the Liquidity Banks promptly of any reasonably anticipated Materially Adverse Effect as a result of Year 2000 Issues.

SECTION 5.2 Further Assurances.

Upon the written request of the Lessor or the Agent, each Lessee, at its own cost and expense, will cause all financing statements (including precautionary financing statements), fixture filings and other similar documents, to be recorded or filed at such places and times in such manner, as may be necessary to preserve, protect and perfect the interest of the Lessor, the Agent, the Liquidity Banks and the Lender in the related Leased Property as contemplated by the Operative Documents.

SECTION 5.3 Additional Required Appraisals.

If, as a result of any change in Applicable Law after the date hereof, an appraisal of all or any of the Leased Property is required during the Lease Term under Applicable Law with respect to any Funding Party's interest therein, such Funding Party's Funded Amount with respect thereto or the Operative Documents, then the related Lessee or Lessees shall pay the reasonable cost of such appraisal.

SECTION 5.4 Lessor's Covenants.

The Lessor covenants and agrees that, unless the Agent, the Lender and the Required Liquidity Banks shall have otherwise consented in writing:

(a) it shall not amend its Partnership Agreement, except to admit limited partners in connection with lease transactions similar to the Transaction;

(b) it shall not incur any indebtedness or other monetary obligation or liability, other than (i) non-recourse indebtedness incurred in connection with the Transaction or similar transactions and (ii) operating expenses incurred in the ordinary course of business that are not delinquent;

(c) the proceeds of the Loans received from the Lender will be used by the Lessor solely to acquire the Leased Property and to pay the Construction Agent for certain closing and transaction costs associated therewith and for the costs of Construction. No portion of the proceeds

of the Loans will be used by the Lessor (i) in connection with, whether directly or indirectly, any tender offer for, or other acquisition of, stock of any corporation with a view towards obtaining control of such other corporation, (ii) directly or indirectly, for the purpose, whether immediate, incidental or ultimate, of purchasing or carrying any Margin Stock, or (iii) for any purpose in violation of any Applicable Law;

(d) it shall not engage in any business or activity, or invest in any Person, except for activities similar to its activities conducted on the date hereof, the Transactions and lease transactions similar to the Transactions;

(e) it will maintain tangible net worth in an amount no less than the sum of (i) \$100,000 plus (ii) 3% of its total assets (calculated assuming no reduction in the value of any leased property from its original cost to the Lessor);

(f) it will deliver to the Agent, as soon as available and in any event within 90 days after the end of each fiscal year, a balance sheet of the Lessor as of the end of such fiscal year and the related statements of income, partners' capital and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, together with copies of its tax returns, all certified by an officer of the General Partner (and if the Lessor ever prepares audited financial statements, it shall deliver copies thereto the Agent);

(g) it will permit the Agent and its representatives to examine, and make copies from, the Lessor's books and records, and to visit the offices and properties of the Lessor for the purpose of examining such materials, and to discuss the Lessor's performance hereunder with any of its, or its General Partner's, officers and employees;

(h) it shall not consent to or suffer or permit any Lien against the Leased Property, other than as expressly contemplated pursuant to the Operative Documents;

(i) it shall not consent to or suffer or permit the creation of any easement or other restriction against the Leased Property other than as permitted pursuant to Article VI of the Lease; and

(j) it shall promptly discharge each Lessor Lien and shall indemnify the Lender and the related Lessee for any diminution in value of any Leased Property resulting from such Lessor Liens.

SECTION 6 TRANSFERS BY LESSOR AND LENDER

SECTION 6.1 Lessor Transfers.

The Lessor shall not assign, convey or otherwise transfer all or any portion of its right, title or interest in, to or under any Leased Property or any of the Operative Documents without the prior written consent of the Liquidity Banks, the Administrator and Dollar. Any proposed transferee of the Lessor shall make the representation set forth in Section 4.2(b) to the other parties hereto.

SECTION 6.2 Lender Transfers.

The Lender shall not assign, convey or otherwise transfer all or any portion of its Loans, the Notes or its interests, rights and obligations under this Master Agreement and the Loan Agreement without the prior written consent of the Administrator and Dollar, except to (i) the Liquidity Banks, or the Liquidity Agent on behalf of the Liquidity Banks, (ii) any other Program Support Provider or (iii) any other commercial paper conduit administered by the Administrator or an Affiliate thereof. If all of the Loans have been funded pursuant to the Liquidity Agreement, at the request of the Administrator, Dollar, the other Lessees, the Lessor and the Liquidity Banks hereby agree to enter into such amendments to this Master Agreement and the other Operative Documents as shall be necessary, in the reasonable judgment of the Administrator, to evidence an assignment by the Lender, and the assumption by the Liquidity Banks, of all rights and obligations (including the Loans and the Lender's Commitment) of the Lender under the Operative Documents to the Liquidity Banks (in which case, the Lender shall be released from all such obligations).

SECTION 7 INDEMNIFICATION

SECTION 7.1 General Indemnification.

Each Lessee, jointly and severally, agrees, whether or not any of the transactions contemplated hereby shall be consummated, to assume liability for, and to indemnify, protect, defend, save and hold harmless each Indemnitee, on an After-Tax Basis, from and against, any and all Claims that may be imposed on, incurred by or asserted, or threatened to be asserted, against such Indemnitee, whether or not such Indemnitee shall also be indemnified as to any such Claim by any other Person and whether or not such Claim arises or accrues prior to any Closing Date or after the Lease Termination Date, in any way relating to or arising out of:

(a) any of the Operative Documents or any of the transactions contemplated thereby, and any amendment, modification or waiver in respect thereof; or

(b) any Land, any Building or any part thereof or interest therein, including any Ground Lease and any IDB Documentation;

(c) the purchase, design, construction, preparation, installation, inspection, delivery, non-delivery, acceptance, rejection, ownership,

management, possession, operation, rental, lease, sublease, repossession, maintenance, repair, alteration, modification, addition, substitution, storage, transfer of title, redelivery, use, financing, refinancing, disposition, operation, condition, sale (including, without limitation, any sale pursuant to the Lease), return or other disposition of all or any part of any interest in any Leased Property or the imposition of any Lien, other than a Lessor Lien (or incurring of any liability to refund or pay over any amount as a result of any Lien, other than a Lessor Lien) thereon, including, without limitation: (1) Claims or penalties arising from any violation or alleged violation of law or in tort (strict liability or otherwise), (2) latent or other defects, whether or not discoverable, (3) any Claim based upon a violation or alleged violation of the terms of any restriction, easement, condition or covenant or other matter affecting title to any Leased Property or any part thereof, (4) the making of any Alterations in violation of any standards imposed by any insurance policies required to be maintained by any Lessee pursuant to the Lease which are in effect at any time with respect to any Leased Property or any part thereof, (5) any Claim for patent, trademark or copyright infringement, (6) Claims arising from any public improvements with respect to any Leased Property resulting in any charge or special assessments being levied against any Leased Property or any Claim for utility "tap-in" fees, and (7) Claims for personal injury or real or personal property damage occurring, or allegedly occurring, on any Land, Building or Leased Property;

(d) the offer, issuance, sale or delivery of the Notes;

(e) the breach or alleged breach by any Lessee of any representation, warranty or covenant made by it or deemed made by it in any Operative Document or any certificate required to be delivered by any Operative Document;

(f) the retaining or employment of any broker, finder or financial advisor by any Lessee to act on its behalf in connection with this Master Agreement, or the incurring of any fees or commissions to which the Lessor, the Agent, the Lender, the Administrator or any Liquidity Bank might be subjected by virtue of their entering into the transactions contemplated by this Master Agreement (other than fees or commissions due to any broker, finder or financial advisor retained by the Lessor, the Agent, the Lender, the Administrator or any Liquidity Bank);

(g) the existence of any Lien on or with respect to any Leased Property, the Construction, any Basic Rent or Supplemental Rent, title thereto, or any interest therein, including any Liens which arise out of the possession, use, occupancy, construction, repair or rebuilding of any Leased Property or by reason of labor or materials furnished or claimed to have been furnished to the Construction Agent, any Lessee, or any of its contractors or agents or by reason of the financing of any personalty or equipment purchased or leased by any Lessee or Alterations constructed by any Lessee, except in all cases the Liens listed as items (a) and (b) in the definition of Permitted Liens;

(h) the transactions contemplated hereby or by any other Operative Document, in respect of the application of Parts 4 and 5 of Subtitle B of Title I of ERISA and any prohibited transaction described in Section 4975(c) of the Code; or

(i) any act or omission by any Lessee under any Purchase Agreement or any other Operative Document, and any breach of any requirement, condition, restriction or limitation in any Deed, Purchase Agreement, IDB Documentation or Ground Lease; provided, however, the Lessees shall not be required to indemnify any Indemnitee under this Section 7.1 for any of the following: (1) any Claim to the extent that such Claim results from the willful misconduct, gross negligence or misrepresentation of such Indemnitee, (2) any Claim resulting from Lessor Liens which the Lessor Indemnitee Group is responsible for discharging under the Operative Documents, or (3) any Claim to the extent attributable to events occurring after the return of all of the Leased Properties to the Lessor in accordance with the Leases; and, provided, further, that with respect to each Construction Land Interest, each Lessee's indemnity obligations with respect to such Leased Property shall be governed by Section 3.3 of the Construction Agency Agreement during the Construction Term therefor. It is expressly understood and agreed that the indemnity provided for herein shall survive the expiration or termination of, and shall be separate and independent from any other remedy under this Master Agreement, the Lease or any other Operative Document.

SECTION 7.2 Environmental Indemnity.

In addition to and without limitation of Section 7.1 or Section 3.3 of the Construction Agency Agreement, each Lessee, jointly and severally, agrees to indemnify, hold harmless and defend each Indemnitee, on an After-Tax Basis, from and against any and all claims (including without limitation third party claims for personal injury or real or personal property damage), losses (including but not limited to any loss of value of any Leased Property), damages, liabilities, fines, penalties, charges, suits, settlements, demands, administrative and judicial proceedings (including informal proceedings) and orders, judgments, remedial action, requirements, enforcement actions of any kind, and all reasonable costs and expenses actually incurred in connection therewith (including, but not limited to, reasonable attorneys' and/or paralegals' fees and expenses), including, but not limited to, all costs incurred in connection with any investigation or monitoring of site conditions or any clean-up, remedial, removal or restoration work by any federal, state or local government agency, arising directly or indirectly, in whole or in part, out of

(a) the presence on or under any Land of any Hazardous Materials, or any releases or discharges of any Hazardous Materials on, under, from or onto any Land,

(b) any activity, including, without limitation, construction, carried on or undertaken on or off any Land, and whether by a Lessee or any predecessor in title or any employees, agents, contractors or subcontractors of any Lessee or any predecessor in title, or any other Person, in connection with the handling, treatment, removal, storage, decontamination, clean-up, transport or disposal of any Hazardous Materials that at any time are located or present on or under or that at any time migrate, flow, percolate, diffuse or in any way move onto or under any Land,

(c) loss of or damage to any property or the environment (including, without limitation, clean-up costs, response costs, remediation and removal costs, cost of corrective action, costs of financial assurance, fines and penalties and natural resource damages), or death or injury to any Person, and all expenses associated with the protection of wildlife, aquatic species, vegetation, flora and fauna, and any mitigative action

required by or under Environmental Laws, in each case to the extent related to any Leased Property,

(d) any claim concerning any Leased Property's lack of compliance with Environmental Laws, or any act or omission causing an environmental condition on or with respect to any Leased Property that requires remediation or would allow any governmental agency to record a Lien or encumbrance on the land records, or

(e) any residual contamination on or under any Land, or affecting any natural resources on any Land, and to any contamination of any property or natural resources arising in connection with the generation, use, handling, storage, transport or disposal of any such Hazardous Materials on or from any Leased Property; in each case irrespective of whether any of such activities were or will be undertaken in accordance with applicable laws, regulations, codes and ordinances; in any case with respect to the matters described in the foregoing clauses (i) through (v) that arise or occur (w) prior to or during the Lease Term, (x) at any time during which any Lessee or any Affiliate thereof owns any interest in or otherwise occupies or possesses any Leased Property or any portion thereof, or (y) during any period after and during the continuance of any Event of Default; provided, however, the Lessees shall not be required to indemnify any Indemnitee under this Section 7.2 for any Claim to the extent that such Claim results from the willful misconduct or gross negligence of such Indemnitee. It is expressly understood and agreed that the indemnity provided for herein shall survive the expiration or termination of and shall be separate and independent from any other remedy under this Master Agreement, the Lease or any other Operative Document.

SECTION 7.3 Proceedings in Respect of Claims.

With respect to any amount that a Lessee is requested by an Indemnitee to pay by reason of Section 7.1 or 7.2, such Indemnitee shall, if so requested by a Lessee and prior to any payment, submit such additional information to such Lessee as such Lessee may reasonably request and which is in the possession of, or under the control of, such Indemnitee to substantiate properly the requested payment. In case any action, suit or proceeding shall be brought against any Indemnitee, such Indemnitee promptly shall notify Dollar of the commencement thereof (provided that the failure of such Indemnitee to promptly notify Dollar shall not affect any Lessee's obligation to indemnify hereunder except to the extent that such Lessee's ability to contest is Materially prejudiced by such failure), and any Lessee shall be entitled, at its expense, to participate in, and, to the extent that such Lessee desires to, assume and control the defense thereof with counsel reasonably satisfactory to such Indemnitee; provided, however, that such Indemnitee may pursue a motion to dismiss such Indemnitee from such action, suit or proceeding with counsel of such Indemnitee's choice at the Lessees' expense; and provided further that a Lessee may assume and control the defense of such proceeding only if such Lessee shall have acknowledged in writing its obligations to fully indemnify such Indemnitee in respect of such action, suit or proceeding, such Lessee shall pay all reasonable costs and expenses related to such action, suit or proceeding as and when incurred and such Lessee shall keep such Indemnitee fully apprised of the status of such action suit or proceeding and shall provide such Indemnitee with all information with respect to such action suit or proceeding as such Indemnitee shall reasonably request; and, provided further, that no Lessee shall be entitled to assume and control the defense of any such action, suit or proceeding if and to the extent that, (A) in the reasonable opinion of such Indemnitee, (x) such action, suit or proceeding involves any possibility of imposition of criminal liability or any Material risk of Material civil liability on such Indemnitee or (y) such action, suit or proceeding will involve a Material risk of the sale, forfeiture or loss of, or the creation of any Lien (other than a Permitted Lien) on any Leased Property or any part thereof unless a Lessee shall have posted a bond or other security satisfactory to the relevant Indemnitees in respect to such risk or (z) the control of such action, suit or proceeding would involve an actual or potential conflict of interest, (B) such proceeding involves Claims not fully indemnified by the Lessees which the Lessees and the Indemnitee have been unable to sever from the indemnified claim(s), or (C) an Event of Default has occurred and is continuing. The Indemnitee may participate in a reasonable manner at its own expense and with its own counsel in any proceeding conducted by a Lessee in accordance with the foregoing.

If a Lessee fails to fulfill the conditions to such Lessee's assuming the defense of any claim after receiving notice thereof on or prior to the date that is 15 days prior to the date that an answer or response is required, the Indemnitee may undertake such defense, at the Lessees' expense. No Lessee shall enter into any settlement or other compromise with respect to any Claim in excess of \$1,000,000 which is entitled to be indemnified under Section 7.1 or 7.2 without the prior written consent of the related Indemnitee, which consent shall not be unreasonably withheld. Unless an Event of Default shall have occurred and be continuing, no Indemnitee shall enter into any settlement or other compromise with respect to any claim which is entitled to be indemnified under Section 7.1 or 7.2 without the prior written consent of Dollar, which consent shall not be unreasonably withheld, unless such Indemnitee waives its right to be indemnified under Section 7.1 or 7.2 with respect to such Claim.

Upon payment in full of any Claim by a Lessee pursuant to Section 7.1 or 7.2 to or on behalf of an Indemnitee, such Lessee, without any further action, shall be subrogated to any and all claims that such Indemnitee may have relating thereto (other than claims in respect of insurance policies maintained by such Indemnitee at its own expense), and such Indemnitee shall execute such instruments of assignment and conveyance, evidence of claims and payment and such other documents, instruments and agreements as may be reasonably necessary to preserve any such claims and otherwise cooperate with such Lessee and give such further assurances as are reasonably necessary or advisable to enable such Lessee vigorously to pursue such claims.

Any amount payable to an Indemnitee pursuant to Section 7.1 or 7.2 shall be paid to such Indemnitee promptly upon, but in no event later than 30 days after, receipt of a written demand therefor from such Indemnitee, accompanied by a written statement describing in reasonable detail the basis for such indemnity and the computation of the amount so payable.

If for any reason the indemnification provided for in Section 7.1 or 7.2 is unavailable to an Indemnitee or is insufficient to hold an Indemnitee harmless, then each Lessee, jointly and severally, agrees to contribute to the amount paid or payable by such Indemnitee as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect not only the relative benefits received by such Indemnitee on the one

hand and by the Lessees on the other hand but also the relative fault of such Indemnitee as well as any other relevant equitable considerations. It is expressly understood and agreed that the right to contribution provided for herein shall survive the expiration or termination of and shall be separate and independent from any other remedy under this Master Agreement, the Lease or any other Operative Document.

SECTION 7.4 General Tax Indemnity.

(a) Tax Indemnity. Except as otherwise provided in this Section 7.4, each Lessee, jointly and severally, shall pay on an After-Tax Basis, and on written demand shall indemnify and hold each Tax Indemnitee harmless from and against, any and all fees (including, without limitation, documentation, recording, license and registration fees), taxes (including, without limitation, income, gross receipts, sales, rental, use, turnover, value-added, property, excise and stamp taxes), levies, imposts, duties, charges, assessments or withholdings of any nature whatsoever, together with any penalties, fines or interest thereon or additions thereto (any of the foregoing being referred to herein as "Taxes" and individually as a "Tax" (for the purposes of this Section 7.4, the definition of "Taxes" includes amounts imposed on, incurred by, or asserted against each Tax Indemnitee as the result of any prohibited transaction, within the meaning of Section 406 or 407 of ERISA or Section 4975(c) of the Code, arising out of the transactions contemplated hereby or by any other Operative Document)) imposed on or with respect to any Tax Indemnitee, any Lessee, any Leased Property or any portion thereof or any Land, or any sublessee or user thereof, by the United States or by any state or local government or other taxing authority in the United States in connection with or in any way relating to (i) the acquisition, financing, mortgaging, construction, preparation, installation, inspection, delivery, non-delivery, acceptance, rejection, purchase, ownership, possession, rental, lease, sublease, maintenance, repair, storage, transfer of title, redelivery, use, operation, condition, sale, return or other application or disposition of all or any part of any Leased Property or the imposition of any Lien (or incurrence of any liability to refund or pay over any amount as a result of any Lien) thereon, (ii) Basic Rent or Supplemental Rent or the receipts or earnings arising from or received with respect to any Leased Property or any part thereof, or any interest therein or any applications or dispositions thereof, (iii) any other amount paid or payable pursuant to the Notes or any other Operative Documents, (iv) any Leased Property, any Land or any part thereof or any interest therein (including, without limitation, all assessments payable in respect thereof, including, without limitation, all assessments noted on the related Title Policy), (v) all or any of the Operative Documents, any other documents contemplated thereby, any amendments and supplements thereto, and (vi) otherwise with respect to or in connection with the transactions contemplated by the Operative Documents.

(b) Exclusions from General Tax Indemnity. Section 7.4(a) shall not apply to:

- o Taxes on, based on, or measured by or with respect to net income of the Lessor, the Agent, the Liquidity Banks and the Lender (including, without limitation, minimum Taxes, capital gains Taxes, Taxes on or measured by items of tax preference or alternative minimum Taxes) other than (A) any such Taxes that are, or are in the nature of, sales, use, license, rental or property Taxes, and (B) withholding Taxes imposed by the United States or any state in which Leased Property is located

- (i) on payments with respect to the Notes, to the extent imposed by reason of a change in Applicable Law occurring after the date on which the holder of such Note became the holder of such Note or
 - (ii) on Rent, to the extent the net payment of Rent after deduction of such withholding Taxes would be less than amounts currently payable with respect to the Funded Amounts;

- o Taxes on, based on, or in the nature of or measured by Taxes on doing business, business privilege, franchise, capital, capital stock, net worth, or mercantile license or similar taxes other than (A) any increase in such Taxes imposed on such Tax Indemnitee by any state in which Leased Property is located, net of any decrease in such taxes realized by such Tax Indemnitee, to the extent that such tax increase would not have occurred if on each Funding Date the Lessor and the Lender had advanced funds to the related Lessee or the Construction Agent in the form of loans secured by the Leased Property in an amount equal to the Funded Amounts funded on such Funding Date, with debt service for such loans equal to the Basic Rent payable on each Payment Date and a principal balance at the maturity of such loans in a total amount equal to the Funded Amounts at the end of the Lease Term, or (B) any Taxes that are or are in the nature of sales, use, rental, license or property Taxes relating to any Leased Property;

- o Taxes that are based on, or measured by, the fees or other compensation received by a Person acting as Agent (in its individual capacities) or any Affiliate of any thereof for acting as trustee under the Loan Agreement;

- o Taxes that result from any act, event or omission, or are attributable to any period of time, that occurs after the earliest of (A) the expiration of the Lease Term with respect to any Leased Property and, if such Leased Property is required to be returned to the Lessor in accordance with the Lease, such return and (B) the discharge in full of the related Lessee's obligations to pay the Lease Balance, or any amount determined by reference thereto, with respect to any Leased Property and all other amounts due under the Lease, unless such Taxes relate to acts, events or matters occurring prior to the earliest of such times or are imposed on or with respect to any payments due under the Operative Documents after such expiration or discharge;

- o Taxes imposed on a Tax Indemnitee that result from any voluntary sale, assignment, transfer or other disposition or bankruptcy by such Tax Indemnitee or any related Tax Indemnitee of any interest in any Leased Property or any part thereof, or any interest therein or any interest or obligation arising under the Operative Documents, or from any sale, assignment, transfer or other disposition of any interest in such Tax Indemnitee or any related Tax Indemnitee, it being understood that each of the following shall not be considered a voluntary sale: (A) any substitution, replacement or removal of any of the Leased Property by a Lessee, (B) any sale or transfer resulting from the exercise by a Lessee of any termination option, any purchase option or sale option, (C) any sale or transfer while an Event of Default shall have occurred and be continuing under the Lease, and (D) any sale or transfer resulting from the Lessor's exercise of remedies under the Lease;

- o any Tax which is being contested in accordance with the provisions of Section 7.4(c), during the pendency of such contest;

o any Tax that is imposed on a Tax Indemnitee as a result of such Tax Indemnitee's gross negligence or willful misconduct (other than gross negligence or willful misconduct imputed to such Tax Indemnitee solely by reason of its interest in any Leased Property);

o any Tax that results from a Tax Indemnitee engaging, with respect to any Leased Property, in transactions other than those permitted by the Operative Documents;

o to the extent any interest, penalties or additions to tax result in whole or in part from the failure of a Tax Indemnitee to file a return or pay a Tax that it is required to file or pay in a proper and timely manner, unless such failure (A) results from the transactions contemplated by the Operative Documents in circumstances where a Lessee did not give timely notice to such Tax Indemnitee (and such Tax Indemnitee otherwise had no actual knowledge) of such filing or payment requirement that would have permitted a proper and timely filing of such return or payment of such Tax, as the case may be, or (B) results from the failure of a Lessee to supply information necessary for the proper and timely filing of such return or payment of such Tax, as the case may be, that was not in the possession of such Tax Indemnitee; and

o any Tax that results from the breach by the Lessor of its representation and warranty made in Section 4.2(b) or the breach of the Lender of its representation and warranty made in Section 4.3(b).

(c) Contests. If any claim shall be made against any Tax Indemnitee or if any proceeding shall be commenced against any Tax Indemnitee (including a written notice of such proceeding) for any Taxes as to which the Lessee may have an indemnity obligation pursuant to Section 7.4, or if any Tax Indemnitee shall determine that any Taxes as to which the Lessees may have an indemnity obligation pursuant to Section 7.4 may be payable, such Tax Indemnitee shall promptly notify Dollar. A Lessee shall be entitled, at its expense, to participate in, and, to the extent that such Lessee desires to, assume and control the defense thereof; provided, however, that such Lessee shall have acknowledged in writing its obligation to fully indemnify such Tax Indemnitee in respect of such action if requested to do so by such Lessee, suit or proceeding if the contest is unsuccessful; and, provided further, that no Lessee shall be entitled to assume and control the defense of any such action, suit or proceeding (but the Tax Indemnitee shall then contest, at the sole cost and expense of the Lessee, on behalf of the related Lessee with representatives reasonably satisfactory to such Lessee) if and to the extent that, (A) in the reasonable opinion of such Tax Indemnitee, such action, suit or proceeding (x) involves any meaningful risk of imposition of criminal liability or any Material risk of Material civil liability on such Tax Indemnitee or (y) will involve a Material risk of the sale, forfeiture or loss of, or the creation of any Lien (other than a Permitted Lien) on any Leased Property or any part thereof unless the Lessees shall have posted a bond or other security satisfactory to the relevant Tax Indemnitees in respect to such risk, (B) such proceeding involves Claims not fully indemnified by the Lessees which the Lessees and the Tax Indemnitee have been unable to sever from the indemnified claim(s), (C) an Event of Default has occurred and is continuing, (D) such action, suit or proceeding involves matters which extend beyond or are unrelated to the Transaction and if determined adversely could be Materially detrimental to the interests of such Tax Indemnitee notwithstanding indemnification by the Lessees or (E) such action, suit or proceeding involves the federal or any state income tax liability of the Tax Indemnitee. With respect to any contests controlled by a Tax Indemnitee, (i) if such contest relates to the federal or any state income tax liability of such Tax Indemnitee, such Tax Indemnitee shall be required to conduct such contest only if the Lessees shall have provided to such Tax Indemnitee an opinion of independent tax counsel selected by the Tax Indemnitee and reasonably satisfactory to the Lessees stating that a reasonable basis exists to contest such claim or (ii) in the case of an appeal of an adverse determination of any contest relating to any Taxes, an opinion of such counsel to the effect that such appeal is more likely than not to be successful, provided, however, such Tax Indemnitee shall in no event be required to appeal an adverse determination to the United States Supreme Court. The Tax Indemnitee may participate in a reasonable manner at its own expense and with its own counsel in any proceeding conducted by a Lessee in accordance with the foregoing.

Each Tax Indemnitee shall at the Lessees' expense supply the related Lessee with such information and documents in such Tax Indemnitee's possession reasonably requested by such Lessee as are necessary or advisable for such Lessee to participate in any action, suit or proceeding to the extent permitted by this Section

7.4. Unless an Event of Default shall have occurred and be continuing, no Tax Indemnitee shall enter into any settlement or other compromise with respect to any Claim which is entitled to be indemnified under this Section 7.4 without the prior written consent of Dollar, which consent shall not be unreasonably withheld, unless such Tax Indemnitee waives its right to be indemnified under this Section 7.4 with respect to such Claim.

Notwithstanding anything contained herein to the contrary, (a) a Tax Indemnitee will not be required to contest (and no Lessee shall be permitted to contest) a claim with respect to the imposition of any Tax if such Tax Indemnitee shall waive its right to indemnification under this Section 7.4 with respect to such claim (and any related claim with respect to other taxable years the contest of which is precluded as a result of such waiver) and (b) no Tax Indemnitee shall be required to contest any claim if the subject matter thereof shall be of a continuing nature and shall have previously been decided adversely, unless there has been a change in law which in the opinion of Tax Indemnitee's counsel creates substantial authority for the success of such contest. Each Tax Indemnitee and each Lessee shall consult in good faith with each other regarding the conduct of such contest controlled by either.

(d) Reimbursement for Tax Savings. If (x) a Tax Indemnitee shall obtain a credit or refund of any Taxes paid by a Lessee pursuant to this Section 7.4 or (y) by reason of the incurrence or imposition of any Tax for which a Tax Indemnitee is indemnified hereunder or any payment made to or for the account of such Tax Indemnitee by a Lessee pursuant to this Section 7.4, such Tax Indemnitee at any time realizes a reduction in any Taxes for which the Lessees are not required to indemnify such Tax Indemnitee pursuant to this Section 7.4, which reduction in Taxes was not taken into account in computing such payment by a Lessee to or for the account of such Tax Indemnitee, then such Tax Indemnitee shall promptly pay to such Lessee (xx) the amount of such credit or refund, together with the amount of any interest received by such Tax Indemnitee on account of such credit or refund or (yy) an amount equal to such reduction in Taxes, as the case may be; provided that no such payment shall be made so long as an Event of Default shall have occurred and be continuing and, provided, further, that the amount payable to a Lessee by any Tax Indemnitee pursuant to this Section 7.4(d) shall not at any time exceed the aggregate

amount of all indemnity payments made by such Lessee under this Section 7.4 to such Tax Indemnitee with respect to the Taxes which gave rise to the credit or refund or with respect to the Tax which gave rise to the reduction in Taxes less the amount of all prior payments made to such Lessee by such Tax Indemnitee under this Section 7.4(d). Each Tax Indemnitee agrees to act in good faith to claim such refunds and other available Tax benefits, and take such other actions as may be reasonable to minimize any payment due from the Lessees pursuant to this Section 7.4. The disallowance or reduction of any credit, refund or other tax savings with respect to which a Tax Indemnitee has made a payment to a Lessee under this Section 7.4(d) shall be treated as a Tax for which the Lessees are obligated to indemnify such Tax Indemnitee hereunder without regard to Section 7.4(b) hereof.

(e) Payments. Any Tax indemnifiable under this Section 7.4 shall be paid by the Lessees directly when due to the applicable taxing authority if direct payment is practicable and permitted. If direct payment to the applicable taxing authority is not permitted or is otherwise not made, any amount payable to a Tax Indemnitee pursuant to Section 7.4 shall be paid within thirty (30) days after receipt of a written demand therefor from such Tax Indemnitee accompanied by a written statement describing in reasonable detail the amount so payable, but not before the date that the relevant Taxes are due. Any payments made pursuant to Section 7.4 shall be made to the Tax Indemnitee entitled thereto or a Lessee, as the case may be, in immediately available funds at such bank or to such account as specified by the payee in written directions to the payor, or, if no such direction shall have been given, by check of the payor payable to the order of the payee by certified mail, postage prepaid at its address as set forth in this Master Agreement. Upon the request of any Tax Indemnitee with respect to a Tax that a Lessee is required to pay, such Lessee shall furnish to such Tax Indemnitee the original or a certified copy of a receipt for the Lessee's payment of such Tax or such other evidence of payment as is reasonably acceptable to such Tax Indemnitee.

(f) Reports. If any Lessee knows of any report, return or statement required to be filed with respect to any Taxes that are subject to indemnification under this Section 7.4, such Lessee shall, if such Lessee is permitted by Applicable Law, timely file such report, return or statement (and, to the extent permitted by law, show ownership of the applicable Leased Property in such Lessee); provided, however, that if such Lessee is not permitted by Applicable Law or does not have access to the information required to file any such report, return or statement, such Lessee will promptly so notify the appropriate Tax Indemnitee, in which case Tax Indemnitee will file such report. In any case in which the Tax Indemnitee will file any such report, return or statement, a Lessee shall, upon written request of such Tax Indemnitee, prepare such report, return or statement for filing by such Tax Indemnitee or, if such Tax Indemnitee so requests, provide such Tax Indemnitee with such information as is reasonably available to such Lessee.

(g) Verification. At a Lessee's request, the amount of any indemnity payment by the Lessees or any payment by a Tax Indemnitee to a Lessee pursuant to this Section 7.4 shall be verified and certified by an independent public accounting firm selected by Dollar and reasonably acceptable to the Tax Indemnitee. Unless such verification shall disclose an error in the Lessees' favor of 5% or more of the related indemnity payment, the costs of such verification shall be borne by the Lessees. In no event shall any Lessee have the right to review the Tax Indemnitee's tax returns or receive any other confidential information from the Tax Indemnitee in connection with such verification. The Tax Indemnitee agrees to cooperate with the independent public accounting firm performing the verification and to supply such firm with all information reasonably necessary to permit it to accomplish such verification, provided that the information provided to such firm by such Tax Indemnitee shall be for its confidential use. The parties agree that the sole responsibility of the independent public accounting firm shall be to verify the amount of a payment pursuant to this Master Agreement and that matters of interpretation of this Master Agreement are not within the scope of the independent accounting firm's responsibilities.

SECTION 7.5 Increased Costs, etc.

(a) Taxes.

Except as otherwise specifically provided herein, all payments under this Master Agreement and the other Operative Documents, other than the payments specified in clause (ii)(c) below, shall be made without defense, set-off, or counterclaim.

(a) All such payments shall be made free and clear of and without deduction or withholding for any Taxes in respect of this Master Agreement, the Notes or other Operative Documents, or any payments of principal, interest, fees or other amounts payable hereunder or thereunder (but excluding, except as provided in paragraph (iii) hereof, in the case of each Affected Party, taxes imposed on or measured by its net income, and franchise taxes and branch profit taxes imposed on it (A) by the jurisdiction under the laws of which such Affected Party is organized or any political subdivision thereof, and in the case of each Affected Party, taxes imposed on or measured by its net income, and franchise taxes and branch profit taxes imposed on it, by the jurisdiction of such Affected Party's appropriate Lending Office or any political subdivision thereof, and (B) by a jurisdiction in which any payments are to be made by any Lessee under the Operative Documents, other than the United States of America, or any political subdivision thereof, and that would not have been imposed but for the existence of a connection between such Affected Party and the jurisdiction imposing such taxes (other than a connection arising as a result of this Master Agreement or the transactions contemplated by this Master Agreement), except in the case of taxes described in this clause (B), to the extent such taxes are imposed as a result of a change in the law or regulations of any jurisdiction or any applicable treaty or regulations or in the official interpretation of any such law, treaty or regulations by any government authority charged with the interpretation or administration thereof after the date of this Master Agreement). If any such Taxes are so levied or imposed, the Lessees, jointly and severally agree (A) to pay the full amount of such Taxes, and such additional amounts as may be necessary so that every net payment of all amounts due hereunder and under the Notes, the Lease and other Operative Documents, after withholding or deduction for or on account of any such Taxes (including additional sums payable under this Section 7.5(a)), will not be less than the full amount provided for herein or therein had no such deduction or withholding been required, (B) to make such withholding or deduction and (C) to pay the full amount deducted to the relevant authority in accordance with applicable law. Dollar will furnish to the Agent, within 30 days after the date the payment of any Taxes is due pursuant to applicable law, certified copies of tax receipts evidencing such payment by a Lessee. The Lessees, jointly and severally, will indemnify and hold harmless each Affected Party and reimburse each Affected Party upon written request for the amount of any such Taxes so levied or imposed and paid by such Affected Party

and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes were correctly or illegally asserted. A certificate as to the amount of such payment by such Affected Party, absent manifest error, shall be final, conclusive and binding for all purposes.

(b) Each Liquidity Bank that is organized under the laws of any jurisdiction other than the United States of America or any State thereof (including the District of Columbia) agrees to furnish to Dollar and the Agent, prior to the time it becomes a Liquidity Bank under the Liquidity Agreement, two copies of either U.S. Internal Revenue Service Form 4224 or U.S. Internal Revenue Service Form 1001 or any successor forms thereto (wherein such Liquidity Bank claims entitlement to complete exemption from U.S. Federal withholding tax on Rent paid by the Lessees) and to provide to Dollar and the Agent a new Form 4224 or Form 1001 or any successor forms thereto if any previously delivered form is found to be incomplete or incorrect in any Material respect or upon the obsolescence of any previously delivered form; provided, however, that no Liquidity Bank shall be required to furnish a form under this paragraph (b) after the date that it becomes a Liquidity Bank under the Liquidity Agreement if it is not entitled to claim an exemption from withholding under applicable law.

(c) The Lessees, jointly and severally, shall also reimburse each Affected Party, upon written request, for any Taxes imposed (including, without limitation, Taxes imposed on the overall net income of such Affected Party or its applicable Lending Office pursuant to the laws of the jurisdiction in which the principal executive office or the applicable Lending Office of the Affected Party is located) as such Affected Party shall determine are payable by Affected Party in respect of amounts paid by or on behalf of a Lessee to or on behalf of such Affected Party pursuant to this Section 7.5.

(d) In addition to the documents to be furnished pursuant to Section 7.5(b), each Affected Party shall, promptly upon the reasonable written request of Dollar to that effect, deliver to Dollar such other accurate and complete forms or similar documentation as such Affected Party is legally able to provide and as may be required from time to time by any applicable law, treaty, rule or regulation or any jurisdiction in order to establish such Affected Party's tax status for withholding purposes or as may otherwise be appropriate to eliminate or minimize any Taxes on payments under this Master Agreement or the Notes.

(e) No Lessee shall be required to pay any amounts pursuant to Section 7.5(a) to any Liquidity Bank for the account of any Lending Office of such Liquidity Bank in respect of any United States withholding taxes payable hereunder (and the Lessees, if required by law to do so, shall be entitled to withhold such amounts and pays such amounts to the United States Government) if the obligation to pay such additional amounts would not have arisen but for a failure by such Liquidity Bank to comply with its obligations under Section 7.5(b), and such Liquidity Bank shall not be entitled to an exemption from deduction or withholding of United States Federal income tax in respect of the payment of such sum by the Lessees hereunder for the account of such Lending Office for, in each case, any reason other than a change in United States law or regulations by any governmental authority charged with the interpretation or administration thereof (whether or not having the force of law) after the date such Liquidity Bank became a Liquidity Bank under the Liquidity Agreement.

(f) Within sixty (60) days of the written request of Dollar, each Affected Party shall execute and deliver such certificates, forms or other documents, which can be reasonably furnished consistent with the facts and which are reasonably necessary to assist in applying for refunds of Taxes remitted hereunder.

(b) Interest Rate Not Ascertainable, etc. In the event that the Agent shall have determined (which determination shall be made in good faith and, absent manifest error, shall be final, conclusive and binding upon all parties) that on any date for determining the Adjusted LIBO Rate for any Rent Period, by reason of any changes arising after the date of this Master Agreement affecting the London interbank market, or the Agent's position in such market, adequate and fair means do not exist for ascertaining the applicable interest rate on the basis provided for in the definition of Adjusted LIBO Rate, then, and in any such event, the Agent shall forthwith give notice (by telephone confirmed in writing) to Dollar and to the Liquidity Banks, of such determination and a summary of the basis for such determination. Until the Agent notifies Dollar that the circumstances giving rise to the suspension described herein no longer exist, the portions of the Fundings funded under the Liquidity Agreement, if any, shall bear interest at the Base Rate.

(c) Illegality.

o In the event that any Liquidity Bank shall have determined (which determination shall be made in good faith and, absent manifest error, shall be final, conclusive and binding upon all parties) at any time that the making or continuance of any LIBOR Advance has become unlawful by compliance by such Liquidity Bank in good faith with any applicable law, governmental rule, regulation, guideline or order (whether or not having the force of law and whether or not failure to comply therewith would be unlawful), then, in any such event, such Liquidity Bank shall give prompt notice (by telephone confirmed in writing) to Dollar and to the Agent of such determination and a summary of the basis for such determination (which notice the Agent shall promptly transmit to the other Liquidity Banks).

o Upon the giving of the notice to Dollar referred to in subsection (i) above, (x) that portion of the Funded Amounts funded under the Liquidity Agreement, if any, shall bear interest at the Base Rate, and (y) if the affected LIBOR Advance or Advances are then outstanding, such LIBOR Advances shall immediately, or if subject to applicable law, no later than the date permitted by applicable law, upon at least one Business Day's written notice to the Agent and the affected Liquidity Bank, be converted into a Base Rate Advance or Advances, provided that if more than one Liquidity Bank is affected at any time, then all affected Liquidity Banks must be treated the same pursuant to this Section 7.5(c)(ii).

(d) Increased Costs.

If, by reason of (x) after the date hereof, the introduction of or any change (including, without limitation, any change by way of imposition or increase of reserve requirements) in or in the interpretation of any law or regulation, or (y) the compliance with any guideline or request from any central bank or other governmental authority or quasi-governmental authority exercising control over banks or financial institutions generally (whether or not having the force of law):

(a) any Affected Party (or its applicable Lending Office) shall be subject to any tax, duty or other charge with respect to its Advances, or its obligation to make such Advances, or its obligations under any Program Support Agreement, or the basis of taxation of payments to any Affected Party of the principal of or interest on its Advances or its obligation to make Advances or its obligations under any Program Support Agreement, shall have changed (except for changes in the tax on the overall net income of such Affected Party or its applicable Lending Office imposed by the jurisdiction in which such Affected Party's principal executive office or applicable Lending Office is located); or

(b) any reserve (including, without limitation, any imposed by the Board of Governors of the Federal Reserve System), special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Affected Party's applicable Lending Office shall be imposed or deemed applicable or any other condition affecting its Advances or its obligation to make Advances or its obligations under any Program Support Agreement, shall be imposed on any Affected Party or its applicable Lending Office or the London interbank market; and as a result thereof there shall be any increase in the cost to such Affected Party of agreeing to make or making, funding or maintaining Advances (except to the extent already included in the determination of the applicable Adjusted LIBO Rate for LIBOR Advances) or its obligation to make Advances, or its obligations under any Program Support Agreement, or there shall be a reduction in the amount received or receivable by such Affected Party or its applicable Lending Office, then the Lessees, jointly and severally, shall from time to time, upon written notice from and demand by such Affected Party to Dollar (with a copy of such notice and demand to the Agent), pay to the Agent for the account of such Affected Party within ten (10) Business Days after the date of such notice and demand, additional amounts sufficient to indemnify such Affected Party against such increased cost or reduction. A certificate as to the amount of such increased cost or reduction, submitted to Dollar and the Agent by such Affected Party in good faith and accompanied by a statement prepared by such Affected Party describing in reasonable detail the basis for and calculation of such increased cost, shall, except for manifest error, be final conclusive and binding for all purposes.

If any Affected Party shall advise the Agent that at any time, because of the circumstances described in Section 7.5(c)(i) or any other circumstances beyond such Affected Party's reasonable control arising after the date of this Master Agreement affecting such Affected Party or the London interbank market or such Affected Party's position in such market, the Adjusted LIBO Rate as determined by the Agent will not adequately and fairly reflect the cost to such Affected Party of funding its LIBOR Advances then, and in any such event:

(a) the Agent shall forthwith give notice (by telephone confirmed in writing) to Dollar and to the other Liquidity Banks of such advice; and

(b) that portion of the Funded Amounts funded pursuant to the Liquidity Agreement, if any, shall be converted, continued and/or made as Base Rate Advances.

(e) Lending Offices.

o Each Affected Party agrees that, if requested by Dollar, it will use reasonable efforts (subject to overall policy considerations of such Affected Party) to designate an alternate Lending Office with respect to any of its LIBOR Advances affected by the matters or circumstances described in

Section 7.5(a), (b), (c) or (d) to reduce the liability of the Lessees or avoid the results provided thereunder, so long as such designation is not disadvantageous to such Affected Party as reasonably determined by such Affected Party, which determination shall be conclusive and binding on all parties hereto. Nothing in this Section 7.5(e) shall affect or postpone any of the obligations of any Lessee or any right of any Lessee provided hereunder or under the other Operative Documents.

o If any Affected Party that is organized under the laws of any jurisdiction other than the United States of America or any State thereof (including the District of Columbia) issues a public announcement with respect to the closing of its Lending Offices in the United States such that any withholdings or deductions and additional payments with respect to Taxes may be required to be made by a Lessee thereafter pursuant to

Section 7.5(a)(ii), such Affected Party shall use reasonable efforts to furnish Dollar notice thereof as soon as practicable thereafter; provided, however, that no delay or failure to furnish such notice shall in any event release or discharge any Lessee from its obligations to such Affected Party pursuant to Section 7.5(a) or otherwise result in any liability of such Affected Party.

(f) Funding Losses. The Lessees, jointly and severally, shall compensate each Affected Party, upon its written request to Dollar (which request shall set forth the basis for requesting such amounts in reasonable detail and which request shall be made in good faith and, absent manifest error, shall be final, conclusive and binding upon all of the parties hereto), for all actual losses, expenses and liabilities (including, without limitation, any interest paid by such Affected Party to lenders of funds borrowed by it to make or carry its Advances to the extent not recovered by such Affected Party in connection with the re-employment of such funds but excluding loss of anticipated profits), which such Affected Party may sustain: (i) if for any reason (other than a default by such Affected Party) a funding of any Advances does not occur on the date specified therefor in a Funding Request (whether or not withdrawn), (ii) if any repayment (including mandatory prepayments and any conversions) of any Advance occurs on a date which is not the last day of a Rent Period applicable thereto, or (iii), if, for any reason, any Lessee defaults in its obligation to pay Basic Rent when required by the terms of the Lease.

(g) Assumptions Concerning Funding of LIBOR Advances. Calculation of all amounts payable to an Affected Party under this Section 7.5 shall

be made as though that Affected Party had actually funded its relevant LIBOR Advances through the purchase of deposits in the relevant market bearing interest at the rate applicable to such LIBOR Advances in an amount equal to the amount of the LIBOR Advances and having a maturity comparable to the relevant Rent Period and through the transfer of such LIBOR Advances from an offshore office of that Affected Party to a domestic office of that Affected Party in the United States of America; provided, however that each Affected Party may fund each of its LIBOR Advances in any manner it sees fit and the foregoing assumption shall be used only for calculation of amounts payable under this Section 7.5.

(h) Capital Adequacy. Without limiting any other provision of this Master Agreement, in the event that any Affected Party shall have determined that any law, treaty, governmental (or quasi-governmental) rule, regulation, guideline or order regarding capital adequacy not currently in effect or fully applicable as of the Initial Closing Date, or any change therein or in the interpretation or application thereof after the Initial Closing Date, or compliance by such Affected Party with any request or directive regarding capital adequacy not currently in effect or fully applicable as of the Initial Closing Date (whether or not having the force of law and whether or not failure to comply therewith would be unlawful) from a central bank or governmental authority or body having jurisdiction, does or shall have the effect of reducing the rate of return on such Affected Party's capital as a consequence of its obligations hereunder, under any other Operative Document or under any Program Support Agreement to a level below that which such Affected Party could have achieved but for such law, treaty, rule, regulation, guideline or order, or such change or compliance (taking into consideration such Affected Party's policies with respect to capital adequacy) by an amount deemed by such Affected Party to be Material, then within ten (10) Business Days after written notice and demand by such Affected Party (with copies thereof to the Agent), the Lessees, jointly and severally, shall from time to time pay to such Affected Party additional amounts sufficient to compensate such Affected Party for such reduction (but, in the case of outstanding Base Rate Advances, without duplication of any amounts already recovered by such Affected Party by reason of an adjustment in the applicable Base Rate). Each certificate as to the amount payable under this Section

7.5(h) (which certificate shall set forth the basis for requesting such amounts in reasonable detail), submitted to Dollar by any Affected Party in good faith, shall, absent manifest error, be final, conclusive and binding for all purposes.

(i) Limitation on Certain Payment Obligations.

(a) Each Affected Party or the Agent shall make written demand on Dollar for indemnification or compensation pursuant to Section 7.5(a)(ii) no later than six months after the earlier of (i) on the date on which such Affected Party or the Agent makes payment of any such Taxes and (ii) the date on which the relevant taxing authority or other governmental authority makes written demand upon such Affected Party or the Agent for the payment of such Taxes.

(b) Each Affected Party or the Agent shall make written demand on Dollar for indemnification or compensation pursuant to Section 7.5(f) no later than six months after the event giving rise to the claim for indemnification or compensation occurs.

(c) Each Affected Party or the Agent shall make written demand on Dollar for identification or compensation pursuant to Section 7.5(d) or Section 7.5(h) no later than six months after such Affected Party or the Agent receives actual notice or obtains actual knowledge of the promulgation of a law, rule, order, interpretation or occurrence of another event giving rise to a claim pursuant to such provisions.

(d) In the event that an Affected Party or the Agent fail to give Dollar notice within the time limitations set forth above, no Lessee shall have any obligation to pay amounts with respect to such claims accrued prior to six months preceding any written demand therefor.

SECTION 7.6 End of Term Indemnity.

In the event that at the end of the Lease Term: (i) the Lessees elect the option set forth in Section 14.6 of the Lease, and (ii) after the Lessor receives the sales proceeds from the Leased Properties under Section 14.6 or 14.7 of the Lease, together with such Lessees' payment of the Recourse Deficiency Amount, the Lessor shall not have received the entire Lease Balance, then, within 90 days after the end of the Lease Term, the Lessor or the Agent may obtain, at the Lessees' sole cost and expense, a report from the Appraiser (or, if the Appraiser is not available, another appraiser reasonably satisfactory to the Lessor or the Agent, as the case may be, and approved by Dollar, such approval not to be unreasonably withheld) in form and substance satisfactory to the Lessor and the Agent (the "Report") to establish the reason for any decline in value of one or more Leased Properties from the Leased Property Balances therefor. The related Lessee or Lessees shall promptly reimburse the Lessor for the amount equal to such decline in value to the extent that the Report indicates that such decline was due to

(w) extraordinary use, failure to maintain, to repair, to restore, to rebuild or to replace, failure to comply with all Applicable Laws, failure to use good workmanship, method of installation or removal or maintenance, repair, rebuilding or replacement, or any other cause or condition within the power of the related Lessee to control or effect resulting in the Building failing to be a store, office building or warehouse, as the case may be, of the type and quality contemplated by the Appraisal (excepting in each case ordinary wear and tear), or

(x) any Alteration made to, or any rebuilding of, the Leased Property or any part thereof by the related Lessee, or

(y) any restoration or rebuilding carried out by the related Lessee or any condemnation of any portion of the Leased Property pursuant to Article X of the Lease, or

(z) any use of such Leased Property or any part thereof by the related Lessee other than as permitted by the Lease, or any act or omission constituting a breach of any requirement, condition, restriction or limitation set forth in the related Deed or the related Purchase Agreement.

SECTION 8 MISCELLANEOUS

SECTION 8.1 Survival of Agreements.

The representations, warranties, covenants, indemnities and agreements of the parties provided for in the Operative Documents, and the parties' obligations under any and all thereof, shall survive the execution and delivery and the termination or expiration of this Master Agreement and any of the Operative Documents, the transfer of any Land to the Lessor as provided herein (and shall not be merged into any Deed), any disposition of any interest of the Lessor in any Leased Property, the purchase and sale of the Notes, payment therefor and any disposition thereof and shall be and continue in effect notwithstanding any investigation made by any party hereto or to any of the other Operative Documents and the fact that any such party may waive compliance with any of the other terms, provisions or conditions of any of the Operative Documents.

SECTION 8.2 Notices.

Unless otherwise specified herein, all notices, requests, demands or other communications to or upon the respective parties hereto shall be addressed to such parties at the addresses therefor as set forth in Schedule 8.2, or such other address as any such party shall specify to the other parties hereto, and shall be deemed to have been given (i) the Business Day after being sent, if sent by overnight courier service; (ii) the Business Day received, if sent by messenger; (iii) the day sent, if sent by facsimile and confirmed electronically or otherwise during business hours of a Business Day (or on the next Business Day if otherwise sent by facsimile and confirmed electronically or otherwise); or (iv) three Business Days after being sent, if sent by registered or certified mail, postage prepaid.

SECTION 8.3 Counterparts.

This Master Agreement may be executed by the parties hereto in separate counterparts (including by facsimile), each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 8.4 Amendments.

No Operative Document nor any of the terms thereof may be terminated, amended, supplemented, waived or modified with respect to the Lessees or any Funding Party, except (a) in the case of a termination, amendment, supplement, waiver or modification to be binding on the Lessees, with the written agreement or consent of Dollar, and (b) in the case of a termination, amendment, supplement, waiver or modification to be binding on the Funding Parties, with the written agreement or consent of the Administrator and the Required Liquidity Banks; provided, however, that (w) notwithstanding the foregoing provisions of this Section 8.4, the consent of the Administrator and each Liquidity Bank affected thereby shall be required for any amendment, modification or waiver:

- o modifying any of the provisions of this Section 8.4, or changing the definition of "Required Liquidity Bank";

- o reducing any amount payable to, or for the benefit of, Lender or such Liquidity Banks under the Operative Documents or extending the time for payment of any such amount; or

- o consenting to any assignment of the Lease or the extension of the Lease Term, releasing any of the collateral assigned to the Agent pursuant to any Mortgage and any Assignment of Lease and Rents (but excluding a release of any rights that the Agent may have in any Leased Property, or the proceeds thereof as contemplated in the definition of "Release Date"), releasing any Lessee from its obligations in respect of the payments of Rent and the Lease Balance, releasing Dollar from its obligations under the Guaranty Agreement or the other Operative Documents or changing the absolute and unconditional character of any such obligation;

- (x) notwithstanding the foregoing provisions of this Section 8.4, the consent of each Funding Party affected thereby shall be required for any amendment, modification or waiver:

- (i) amending, modifying, waiving or supplementing any of the provisions of Section 3 of the Loan Agreement or the representations of such Funding Party in Section 4.2 or 4.3 or the covenants of such Funding Party in Section 6 of this Master Agreement;

- (ii) reducing any amount payable to such Funding Party under the Operative Documents or extending the time for payment of any such amount, including, without limitation, any Rent, any Funded Amount, any fees, any indemnity, the Leased Property Balance, the Lease Balance, any Funding Party Balance, Recourse Deficiency Amount, interest or Yield; and

- (y) no such termination, amendment, supplement, waiver or modification shall, without the written agreement or consent of the Lessor, the Agent and the Required Liquidity Banks, be made to the Lease or the Construction Agency Agreement; and

- (z) subject to the foregoing clauses (w), (x) and (y), so long as no Event of Default has occurred and is continuing, the Lessor, the Agent and the Lender may not amend, supplement, waive or modify any terms of the Loan Agreement, the Notes, the Mortgages and the Assignments of Lease and Rents without the consent of Dollar (such consent not to be unreasonably withheld or delayed); provided that in no event may the Loan Agreement or the Notes be amended so as to increase the amount of Basic Rent payable by any Lessee without the consent of Dollar.

The Administrator shall promptly provide copies of each such amendment, supplement, waiver and modification to the Rating Agencies.

SECTION 8.5 Headings, etc.

The Table of Contents and headings of the various Articles and Sections of this Master Agreement are for convenience of reference only and shall not modify, define, expand or limit any of the terms or provisions hereof.

SECTION 8.6 Parties in Interest.

Except as expressly provided herein, none of the provisions of this Master Agreement is intended for the benefit of any Person except the parties hereto and their respective successors and permitted assigns.

SECTION 8.7 GOVERNING LAW.

THIS MASTER AGREEMENT HAS BEEN DELIVERED IN, AND SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TENNESSEE APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE.

SECTION 8.8 Expenses.

Whether or not the transactions herein contemplated are consummated, each Lessee, jointly and severally, agrees to pay, as Supplemental Rent, all actual, reasonable and documented out-of-pocket costs and expenses of the Lessor, the Agent, the Administrator and the Lender in connection with the preparation, execution and delivery of the Operative Documents and the documents and instruments referred to therein and any amendment, waiver or consent relating thereto (including, without limitation, the reasonable fees and disbursements of Mayer, Brown & Platt, but not including any fees and disbursements for any other outside counsel representing any Liquidity Bank) and of the Lessor, the Agent, the Lender, the Administrator and the Liquidity Banks in connection with the enforcement of the Operative Documents and the documents and instruments referred to therein (including, without limitation, the reasonable fees actually incurred and disbursements of counsel for the Lessor, the Agent, the Lender, the Administrator and the Liquidity Banks). All references in the Operative Documents to "attorneys' fees" or "reasonable attorneys fees" shall mean reasonable attorneys' fees actually incurred, without regard to any statutory definition thereof.

SECTION 8.9 Severability.

Any provision of this Master Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 8.10 Liabilities of the Funding Parties.

No Funding Party shall have any obligation to any other Funding Party or to any Lessee with respect to the transactions contemplated by the Operative Documents except those obligations of such Funding Party expressly set forth in the Operative Documents or except as set forth in the instruments delivered in connection therewith, and no Funding Party shall be liable for performance by any other party hereto of such other party's obligations under the Operative Documents except as otherwise so set forth. Each of the parties hereto hereby agrees that it will not institute against Lender, or join any other Person in instituting against Lender, any insolvency, bankruptcy, reorganization or similar proceeding so long as there shall not have elapsed one year and one day since the last day on which any Commercial Paper shall be outstanding. Notwithstanding any other provision of this Master Agreement or any other Operative Document, all obligations and liabilities of the Lender hereunder and under the other Operative Documents shall be limited recourse to the Lender, such recourse being limited to funds available therefor after payment of all obligations on Commercial Paper pursuant to the Lender's Program Support Agreements. Any amount which the Lender does not pay pursuant to the operation of the preceding sentence shall not constitute a claim (as defined in ss.101 of the Bankruptcy Code) against the Lender, unless and until such payment may be made in accordance with the preceding sentence. The provisions of this Section 8.10 shall survive the termination of this Master Agreement and the Lease.

SECTION 8.11 Submission to Jurisdiction; Waivers.

Each party hereto hereby irrevocably and unconditionally:

o submits for itself and its property in any legal action or proceeding relating to this Master Agreement or any other Operative Document, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the Courts of the State of Tennessee sitting in Davidson County, the courts of the United States of America for the Middle District of Tennessee, and appellate courts from any thereof;

o consents that any such action or proceedings may be brought to such courts, and waives any objection that it may now or hereafter have to the

venue of any such action or proceeding in any court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

o agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such party at its address set forth in Schedule 8.2 or at such other address of which the other parties hereto shall have been notified pursuant to Section 8.2; and

o agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law.

SECTION 8.12 Liabilities of the Agent.

The Agent shall have no duty, liability or obligation to any party to this Master Agreement with respect to the transactions contemplated hereby except those duties, liabilities or obligations expressly set forth in this Master Agreement, the Loan Agreement or the Liquidity Agreement, and any such duty, liability or obligations of the Agent shall be as expressly limited by this Master Agreement, the Loan Agreement or the Liquidity Agreement, as the case may be. All parties to this Master Agreement acknowledge that the Agent is not, and will not be, performing any due diligence with respect to documents and information received pursuant to this Master Agreement or any other Operative Agreement including, without limitation, any Environmental Audit, Title Policy or survey. The acceptance by the Agent of any such document or information shall not constitute a waiver by any Funding Party of any representation or warranty of any Lessee or Guarantor even if such document or information indicates that any such representation or warranty is untrue. None of First Union National Bank, in its capacity as Syndication Agent, Bank of America National Trust and Savings Association, in its capacity as Documentation Agent, The First National Bank of Chicago, in its capacity as Co-Agent, or Wachovia Bank, N.A., in its capacity as Co-Agent, shall have any obligations or duties under the Operative Documents, provided that the foregoing shall not affect such institutions' obligations as Liquidity Banks.

**MASTER
AGREEMENT**

IN WITNESS WHEREOF, the parties hereto have caused this Master Agreement to be duly executed by their respective officers thereunto duly authorized as of the day and year first above written.

DOLLAR GENERAL CORPORATION, as a Lessee and as Guarantor

By:
Name Printed:
Title:

ATLANTIC FINANCIAL GROUP, LTD., as Lessor

By: Atlantic Financial Managers, Inc., its
General Partner

By:
Name Printed: Stephen Brookshire
Title: President

**SUNTRUST BANK, NASHVILLE, N.A., as Agent,
Liquidity Agent and a Liquidity Bank**

By:
Name Printed:
Title:

By:
Name Printed:
Title:

**THREE PILLARS FUNDING CORPORATION,
as Lender**

By:
Name Printed:
Title:

**FIRST UNION NATIONAL BANK, as
Syndication Agent and as a Liquidity Bank**

By:
Name Printed:
Title:

**BANK OF AMERICA NATIONAL TRUST
AND SAVINGS ASSOCIATION, as
Documentation Agent and as a Liquidity
Bank:**

By:
Name Printed:
Title:

**THE FIRST NATIONAL BANK OF CHICAGO, as a
Co-Agent and as a Liquidity Bank**

By:
Name Printed:
Title:

WACHOVIA BANK, N.A., as a Co-Agent and a Liquidity Bank

By:

Name Printed:

Title:

BARCLAYS BANK, PLC, as a Liquidity Bank

By:

Name Printed:

Title:

PNC BANK, N.A., as a Liquidity Bank

By:

Name Printed:

Title:

FIRSTAR CORPORATION, as a Liquidity Bank

By:

Name Printed:

Title:

**SUNTRUST EQUITABLE SECURITIES
CORPORATION, as Administrator**

By:
Name Printed:
Title:

SCHEDULE 2.2

AMOUNT OF EACH FUNDING PARTY'S COMMITMENT

Lessor Commitment Percentage: 3.5%

Lessor Commitment: \$7,000,000

Lender Commitment Percentage: 96.5%

Lender Commitment: \$193,000,000

SCHEDULE 8.2

ADDRESSES FOR NOTICES

Lessee: Dollar General Corporation
427 Beech Street
Scottsville, Kentucky 42164
Attn: Larry Wilcher
Fax No.: 502/237-3909

Dollar General Corporation
104 Woodmont Boulevard
Suite 500
Nashville, Tennessee 37205
Attn: Chief Financial Officer
Fax No.: 615/386-9936

Administrator: SunTrust Equitable Securities Corporation
303 Peachtree Street
Suite 2400
MC 3943
Atlanta, Georgia 30308
Attn: Robert Kennedy
Fax No.: 404/827-6514

Lessor: Atlantic Financial Group, Ltd.
c/o Grogan & Brawner
2311 Cedar Springs, Suite 150
Dallas, Texas 75201
Attn: Stephen Brookshire
Fax No.: 214/871-9237

Lender and Agent: SunTrust Bank, Nashville, N.A.
201 4th Avenue North
Third Floor
Nashville, Tennessee 37219
Attn: Scott Corley
Fax No.: 615/748-5269

Liquidity Banks: First Union National Bank
c/o First Union Capital Markets Corporation
301 South College Street
10th Floor
Charlotte, North Carolina 28288-0745
Attn: Michael T. Grady
Fax No.: 704/383-7236

Bank of America Bank of America Corporate Center NC1007-16-11 100 North Tryon Street Charlotte, North Carolina 28255 Attn: Brad Jones
Fax No.: 704/388-8268

Wachovia Bank 191 Peachtree Street 29th Floor Atlanta, Georgia 30303 Attn: Ken Washington Fax No.: 404/332-5016

The First National Bank of Chicago Mail Suite 0086 One First National Plaza Chicago, Illinois 60670 Attn: John Runger Fax No.: 312/732-1117

PNC Bank 500 West Jefferson Street Louisville, Kentucky 40202 Attn: Paula Fryland Fax No.: 502/581-2780

Barclays Bank Miami Agency Domestic Banking Group 801 Brickell Avenue 10th Floor Miami, Florida 33131 Attn: Carlos Mier Fax No.:
305/371-8028 Firststar Bank 425 Walnut Street
ML 8160

Cincinnati, Ohio 45201
Attn: Richard W. Meltner
Fax No.: 513/632-2068

MASTER LEASE AGREEMENT

Dated as of June 11, 1999

between

ATLANTIC FINANCIAL GROUP, LTD., as Lessor,

and

**DOLLAR GENERAL CORPORATION AND CERTAIN SUBSIDIARIES
OF DOLLAR GENERAL CORPORATION, as Lessees**

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APPENDICES AND EXHIBITS

APPENDIX A Defined Terms

EXHIBIT A Lease Supplement

THIS MASTER LEASE AGREEMENT (as from time to time amended or supplemented, this "Lease"), dated as of June 11, 1999, is among ATLANTIC FINANCIAL GROUP, LTD., a Texas limited partnership (together with its successors and assigns hereunder, the "Lessor"), as Lessor, and DOLLAR GENERAL CORPORATION, a Tennessee corporation ("Dollar"), and certain Subsidiaries of Dollar hereafter parties hereto (individually, with its successors and permitted assigns hereunder, each a "Lessee" and collectively, the "Lessees"), as Lessees.

PRELIMINARY STATEMENT

A. Lessor will accept title to, or acquire a leasehold interest in, from one or more third parties designated by the Construction Agent, on each Closing Date, certain parcels of real property to be specified by the Construction Agent, together with any improvements thereon.

B. Lessor desires to lease to each Lessee, and each Lessee desires to lease from Lessor, certain of such properties as described on the Lease Supplement(s) to which such Lessee is a party.

C. If applicable, the Construction Agent will construct, or cause to be constructed, certain improvements on such parcels of real property which as constructed will be the property of Lessor and will become part of such property subject to the terms of this Lease.

In consideration of the mutual agreements herein contained and other good and valuable consideration, receipt of which is hereby acknowledged, Lessor and Lessees hereby agree as follows:

ARTICLE I

DEFINITIONS

Terms used herein and not otherwise defined shall have the meanings assigned thereto in Appendix A hereto for all purposes hereof.

ARTICLE II

LEASE OF LEASED PROPERTY

Section 2.1 Acceptance and Lease of Property.

On each Closing Date for Land to be leased hereunder, Lessor, subject to the satisfaction or waiver of the conditions set forth in Section 3 of the Master Agreement, hereby agrees to accept delivery on such Closing Date of such Land pursuant to the terms of the Master Agreement, together with any Building or other improvements thereon, and simultaneously to lease to the related Lessee hereunder for the Lease Term, Lessor's interest in such Land and in such Building or other improvements, together with any Building which thereafter may be constructed thereon pursuant to the Construction Agency Agreement, and such related Lessee hereby agrees, expressly for the direct benefit of Lessor, commencing on such Closing Date for the Lease Term, to lease from Lessor Lessor's interest in such Land to be delivered on such Closing Date together with Lessor's interest in any Building and other improvements thereon or which thereafter may be constructed thereon pursuant to the Construction Agency Agreement.

Section 2.2 Acceptance Procedure.

Lessor hereby authorizes one or more employees of the related Lessee, to be designated by such Lessee, as the authorized representative or representatives of Lessor to accept delivery on behalf of Lessor of that Leased Property identified on the applicable Funding Request. Each Lessee hereby agrees that such acceptance of delivery by such authorized representative or representatives and the execution and delivery by such Lessee on each Closing Date for property to be leased hereunder of a Lease Supplement in substantially the form of Exhibit A hereto (appropriately completed) shall, without further act, constitute the irrevocable acceptance by such Lessee of that Leased Property which is the subject thereof for all purposes of this Lease and the other Operative Documents on the terms set forth therein and herein, and that such Leased Property, together with any Building or other improvements thereon or to be constructed thereon pursuant to the Construction Agency Agreement, shall be deemed to be included in the leasehold estate of this Lease and shall be subject to the terms and conditions of this Lease as of such Closing Date. The demise and lease of each Building pursuant to this Section 2.2 shall include any additional right, title or interest in such Building which may at any time be acquired by Lessor, the intent being that all right, title and interest of Lessor in and to such Building shall at all times be demised and leased to the related Lessee hereunder.

ARTICLE III RENT

Section 3.1 Basic Rent.

Beginning with and including the first Payment Date occurring after the Initial Closing Date, each Lessee shall pay to the Agent the Basic Rent for the Leased Properties subject to a Lease Supplement to which such Lessee is a party, in installments, payable in arrears on each Payment Date during the Lease Term, subject to Section 2.3(c) of the Master Agreement.

Section 3.2 Supplemental Rent.

Each Lessee shall pay to the Agent, or to whomever shall be entitled thereto as expressly provided herein or in any other Operative Document, any and all Supplemental Rent within three (3) Business Days after the date the same shall become due and payable (or, if no due date is specified, after demand) and in the event of any failure on the part of such Lessee to pay any Supplemental Rent, the Agent shall have all rights, powers and remedies provided for herein or by law or in equity or otherwise in the case of nonpayment of Basic Rent. All Supplemental Rent to be paid pursuant to this Section 3.2 shall be payable in the type of funds and in the manner set forth in Section 3.3.

Section 3.3 Method of Payment.

Basic Rent shall be paid to the Agent, and Supplemental Rent (including amounts due under Article XIV hereof) shall be paid to the Agent (or to such Person as may be entitled thereto) or, in each case, to such Person as the Agent (or such other Person) shall specify in writing to Dollar, and at such place as the Agent (or such other Person) shall specify in writing to Dollar, which specifications by the Agent shall be received by Dollar at least five (5) Business Days prior to the due date therefor. Each payment of Rent (including payments under Article XIV hereof) shall be made by the Lessees prior to 12:00 p.m. (noon) Nashville, Tennessee time at the place of payment in funds consisting of lawful currency of the United States of America which shall be immediately available on the scheduled date when such payment shall be due, unless such scheduled date shall not be a Business Day, in which case such payment shall be made on the next succeeding Business Day.

Section 3.4 Late Payment.

If any Basic Rent shall not be paid on the date when due, the related Lessee shall pay to the Agent, as Supplemental Rent, interest (to the maximum extent permitted by law) on such overdue amount from and including the due date thereof to but excluding the Business Day of payment thereof at the Overdue Rate.

Section 3.5 Net Lease; No Setoff, Etc.

This Lease is a net lease and notwithstanding any other provision of this Lease, each Lessee shall pay all Basic Rent and Supplemental Rent, and all costs, charges, taxes (other than taxes covered by the exclusion described in Section 7.4(b) of the Master Agreement), assessments and other expenses foreseen or unforeseen, for which such Lessee or any Indemnitee is or shall become liable by reason of such Lessee's or such Indemnitee's estate, right, title or interest in the Leased Properties, or that are connected with or arise out of the acquisition (except the initial costs of purchase by Lessor of its interest in any Leased Property, which costs, subject to the terms of the Master Agreement, shall be funded by the Funding Parties pursuant to the Master Agreement), construction (except costs to be funded under the Construction Agency Agreement), installation, possession, use, occupancy, maintenance, ownership, leasing, repairs and rebuilding of, or addition to, the Leased Properties or any portion thereof, and any other amounts payable hereunder and under the other Operative Documents without counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction, and each Lessee's obligation to pay all such amounts throughout the Lease Term, including the Construction Term, is absolute and unconditional. The obligations and liabilities of each Lessee hereunder shall in no way be released, discharged or otherwise affected for any reason, including without limitation: (a) any defect in the condition, merchantability, design, quality or fitness for use of any Leased Property or any part thereof, or the failure of any Leased Property to comply with all Applicable Law, including any inability to occupy or use any Leased Property by reason of such non-compliance; (b) any damage to, removal, abandonment, salvage, loss, contamination of or Release from, scrapping or destruction of or any requisition or taking of any Leased Property or any part thereof; (c) any restriction, prevention or curtailment of or interference with any use of any Leased Property or any part thereof including eviction; (d) any defect in title to or rights to any Leased Property or any Lien on such title or rights or on any Leased Property; (e) any change, waiver, extension, indulgence or other action or omission or breach in respect of any obligation or liability of or by Lessor, the Agent or the Lender; (f) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceedings relating to any Lessee, Lessor, the Lender, the Agent or any other Person, or any action taken with respect to this Lease by any trustee or receiver of any Lessee, Lessor, the Lender, the Agent, any Ground Lessor or any other Person, or by any court, in any such proceeding; (g) any claim that any Lessee has or might have against any Person, including without limitation, Lessor, any vendor, manufacturer, contractor of or for any Leased Property or any part thereof, the Agent, any Ground Lessor, any Governmental Authority, or the Lender; (h) any failure on the part of Lessor to perform or comply with any of the terms of this Lease, any other Operative Document or of any other agreement; (i) any invalidity or unenforceability or illegality or disaffirmance of this Lease against or by any Lessee or any provision hereof or any of the other Operative Documents or any provision of any thereof whether or not related to the Transaction; (j) the impossibility or illegality of performance by any Lessee, Lessor or both; (k) any action by any court, administrative agency or other Governmental Authority; (l) any restriction, prevention or curtailment of or interference with the Construction or any use of any Leased Property or any part thereof; or (m) any other occurrence whatsoever, whether similar or dissimilar to the foregoing, whether or not any Lessee shall have notice or knowledge of any of the foregoing. Except as specifically set forth in Articles XIV or X of this Lease, this Lease shall be noncancellable by each Lessee in any circumstance whatsoever and each Lessee, to the extent permitted by Applicable Law, waives all rights now or hereafter conferred by statute or otherwise to quit, terminate or surrender this Lease, or to any diminution, abatement or reduction of Rent payable by such Lessee hereunder. Each payment of Rent made by a Lessee hereunder shall be final and such Lessee shall not seek or have any right to recover all or any part of such payment from Lessor, the Agent, any Lender or any party to any agreements related thereto for any reason whatsoever. Each Lessee assumes the sole responsibility for the condition, use, operation, maintenance, and management of the Leased Properties leased by it and Lessor shall have no responsibility in respect thereof and shall have no liability for damage to the property of either any Lessee or any subtenant of any Lessee on any account or for any reason whatsoever, other than solely by reason of Lessor's willful misconduct or gross negligence.

Section 3.6 Certain Taxes.

Without limiting the generality of Section 3.5, each Lessee agrees to pay when due all real estate taxes, personal property taxes, gross sales taxes, including any sales or lease tax imposed upon the rental payments hereunder or under a sublease, occupational license taxes, water charges, sewer charges, assessments of any nature and all other governmental impositions and charges of every kind and nature whatsoever (the "tax(es)"), when the same shall be due and payable without penalty or interest; provided, however, that this Section shall not apply to any of the taxes covered by the exclusion described in Section 7.4(b) of the Master Agreement. It is the intention of the parties hereto that, insofar as the same may lawfully be done, Lessor shall be, except as specifically provided for herein, free from all expenses in any way related to the Leased Properties and the use and occupancy thereof. Any tax relating to a fiscal period of any taxing authority falling partially within and partially outside the Lease Term, shall be apportioned and adjusted between Lessor and the related Lessee. Each Lessee covenants to furnish Lessor and

the Agent, upon the Agent's written request, within forty-five (45) days after the last date when any tax must be paid by such Lessee as provided in this Section 3.6, official receipts of the appropriate taxing authority or other proof satisfactory to Lessor, evidencing the payment thereof.

So long as no Event of Default has occurred and is continuing, the related Lessee may defer payment of a tax so long as the validity or the amount thereof is contested by such Lessee with diligence and in good faith; provided, however, that such Lessee shall furnish to Lessor and the Agent a bond or other adequate security in an amount and on terms reasonably satisfactory to Lessor and the Agent and shall pay the tax in sufficient time to prevent delivery of a tax deed. Such contest shall be at the related Lessee's sole cost and expense. Each Lessee covenants to indemnify and save harmless Lessor, which indemnification shall survive the termination of this Lease, the Agent and the Lender from any actual and reasonable costs or expenses incurred by Lessor, the Agent or the Lender as a result of such contest.

Section 3.7 Utility Charges.

Each Lessee agrees to pay or cause to be paid as and when the same are due and payable all charges for gas, water, sewer, electricity, lights, heat, power, telephone or other communication service and all other utility services used, rendered or supplied to, upon or in connection with the Leased Properties leased by it.

ARTICLE IV. WAIVERS

During the Lease Term, Lessor's interest in the Leased Properties, including the Building(s) (whether or not completed) and the Land, is demised and let by Lessor "AS IS" subject to (a) the rights of any parties in possession thereof, (b) the state of the title thereto existing at the time Lessor acquired its interest in the Leased Properties, (c) any state of facts which an accurate survey or physical inspection might show (including the survey delivered on the related Closing Date), (d) all Applicable Law, and (e) any violations of Applicable Law which may exist upon or subsequent to the commencement of the Lease Term. EACH LESSEE ACKNOWLEDGES THAT, ALTHOUGH LESSOR WILL OWN AND HOLD TITLE TO THE LEASED PROPERTIES, LESSOR IS NOT RESPONSIBLE FOR THE DESIGN, DEVELOPMENT, BUDGETING AND CONSTRUCTION OF THE BUILDING(S) OR ANY ALTERATIONS. NEITHER LESSOR, THE AGENT NOR THE LENDER HAS MADE OR SHALL BE DEEMED TO HAVE MADE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OR SHALL BE DEEMED TO HAVE ANY LIABILITY WHATSOEVER AS TO THE VALUE, MERCHANTABILITY, TITLE, HABITABILITY, CONDITION, DESIGN, OPERATION, OR FITNESS FOR USE OF THE LEASED PROPERTIES (OR ANY PART THEREOF), OR ANY OTHER REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE LEASED PROPERTIES (OR ANY PART THEREOF), ALL SUCH WARRANTIES BEING HEREBY DISCLAIMED, AND NEITHER LESSOR, THE AGENT NOR THE LENDER SHALL BE LIABLE FOR ANY LATENT, HIDDEN, OR PATENT DEFECT THEREIN OR THE FAILURE OF ANY LEASED PROPERTY, OR ANY PART THEREOF, TO COMPLY WITH ANY APPLICABLE LAW, except that Lessor hereby represents and warrants that each Leased Property is and shall be free of Lessor Liens. As between Lessor and the Lessees, each related Lessee has been afforded full opportunity to inspect each Leased Property, is satisfied with the results of its inspections of such Leased Property and is entering into this Lease solely on the basis of the results of its own inspections and all risks incident to the matters discussed in the two preceding sentences, as between Lessor, the Agent or the Lender on the one hand, and the Lessees, on the other, are to be borne by the Lessees. The provisions of this Article IV have been negotiated, and, except to the extent otherwise expressly stated, the foregoing provisions are intended to be a complete exclusion and negation of any representations or warranties by Lessor, the Agent or the Lender, express or implied, with respect to the Leased Properties, that may arise pursuant to any law now or hereafter in effect, or otherwise.

ARTICLE V. LIENS; EASEMENTS; PARTIAL CONVEYANCES

No Lessee shall directly or indirectly create, incur, permit to exist or assume, any Lien on or with respect to any Leased Property, the title thereto, or any interest therein, including any Liens which arise out of the possession, use, occupancy, construction, repair or rebuilding of any Leased Property or by reason of labor or materials furnished or claimed to have been furnished to a Lessee, or any of its contractors or agents or Alterations constructed by a Lessee, except, in all cases, Permitted Liens.

Notwithstanding the foregoing paragraph, at the request of a Lessee, Lessor shall, from time to time during the Lease Term and upon reasonable advance written notice from such Lessee, and receipt of the materials specified in the next succeeding sentence, consent to and join in any (i) grant of easements, licenses, rights of way and other rights in the nature of easements, including, without limitation, utility easements to facilitate Lessees' use, development and construction of the Leased Properties, (ii) release or termination of easements, licenses, rights of way or other rights in the nature of easements which are for the benefit of the Land or the Building(s) or any portion thereof, (iii) dedication or transfer of portions of the Land, not improved with a Building, for road, highway or other public purposes, (iv) execution of agreements for ingress and egress and amendments to any covenants and restrictions affecting the Land or the Building(s) or any portion thereof and (v) request to any Governmental Authority for platting or subdivision or replatting or resubdivision approval with respect to the Land or any portion thereof or any parcel of land of which the Land or any portion thereof forms a part or a request for rezoning or any variance from zoning or other governmental requirements. Lessor's obligations pursuant to the preceding sentence shall be subject to the requirements that:

(a) any such action shall be at the sole cost and expense of the requesting Lessee and such Lessee shall pay all actual and reasonable out-of-pocket costs of Lessor, the Agent and the Lender in connection therewith (including, without limitation, the reasonable fees of attorneys, architects, engineers, planners, appraisers and other professionals reasonably retained by Lessor, the Agent or the Lender in connection with any such action),

(b) the requesting Lessee shall have delivered to Lessor and Agent a certificate of a Responsible Officer of such Lessee stating that

o such action will not cause any Leased Property, the Land or any Building or any portion thereof to fail to comply in any material respect with the provisions of this Lease or any other Operative Documents, or in any material respect with Applicable Law; and

o such action will not materially reduce the Fair Market Sales Value, utility or useful life of any Leased Property, the Land or any Building nor Lessor's interest therein; and

(c) in the case of any release or conveyance, if Lessor, the Agent or the Lender so reasonably requests, the requesting Lessee will cause to be issued and delivered to Lessor and the Agent by the Title Insurance Company an endorsement to the Title Policy pursuant to which the Title Insurance Company agrees that its liability for the payment of any loss or damage under the terms and provisions of the Title Policy will not be affected by reason of the fact that a portion of the real property referred to in Schedule A of the Title Policy has been released or conveyed by Lessor.

ARTICLE VI. MAINTENANCE AND REPAIR; ALTERATIONS, MODIFICATIONS AND ADDITIONS

Section 6.1 Maintenance and Repair;

Compliance With Law. Each Lessee, at its own expense, shall at all times (a) maintain each Leased Property leased by it in good repair and condition (subject to ordinary wear and tear), in accordance with prudent industry standards and, in any event, in no less a manner as other similar property owned or leased by such Lessee or its Affiliates, (b) make all Alterations in accordance with, and maintain (whether or not such maintenance requires structural modifications or Alterations) and operate and otherwise keep each Leased Property in compliance in all material respects with, all Applicable Laws and insurance requirements, and (c) make all Material repairs, replacements and renewals of each Leased Property or any part thereof which may be required to keep such Leased Property in the condition required by the preceding clauses (a) and (b). Each Lessee shall perform the foregoing maintenance obligations regardless of whether any Leased Property is occupied or unoccupied. Each Lessee waives any right that it may now have or hereafter acquire to (i) require Lessor, the Agent or the Lender to maintain, repair, replace, alter, remove or rebuild all or any part of any Leased Property or (ii) make repairs at the expense of Lessor, the Agent or the Lender pursuant to any Applicable Law or other agreements or otherwise. **NEITHER LESSOR, THE AGENT NOR THE LENDER SHALL BE LIABLE TO ANY LESSEE OR TO ANY CONTRACTORS, SUBCONTRACTORS, LABORERS, MATERIALMEN, SUPPLIERS OR VENDORS FOR SERVICES PERFORMED OR MATERIAL PROVIDED ON OR IN CONNECTION WITH ANY LEASED PROPERTY OR ANY PART THEREOF.** Neither Lessor, the Agent nor the Lender shall be required to maintain, alter, repair, rebuild or replace any Leased Property in any way.

Section 6.2 Alterations.

Each Lessee may, without the consent of Lessor, at such Lessee's own cost and expense, make Alterations which do not materially diminish the value, utility or useful life of any Leased Property.

Section 6.3 Title to Alterations.

Title to all Alterations shall without further act vest in Lessor (subject to each Lessee's right to remove trade fixtures, personal property and equipment which do not constitute Alterations and which were not acquired with funds advanced by Lessor or the Lender) and shall be deemed to constitute a part of the Leased Properties and be subject to this Lease.

ARTICLE VII. USE

Each Lessee may use each Leased Property leased by it or any part thereof for any lawful purpose, and in a manner consistent with the standards applicable to properties of a similar nature in the geographic area in which such Leased Property is located, provided that such use does not materially adversely affect the Fair Market Sales Value, utility, remaining useful life or residual value of such Leased Property, and does not materially violate or conflict with, or constitute or result in a material default under, any Applicable Law or any insurance policy required hereunder. In the event any Lessee's use substantially changes the character of any Building in a manner or to an extent that, in Lessor's or the Agent's reasonable opinion, adversely affects the Fair Market Sales Value and/or marketability of such Building, such Lessee shall, upon the termination or expiration of this Lease, at Lessor's request, restore such Leased Property to its general character at the Completion Date (ordinary wear and tear excepted). No Lessee shall commit or permit any waste of any Leased Property or any material part thereof.

ARTICLE VII. INSURANCE

(a) At any time during which any part of any Building or any Alteration is under construction and as to any part of any Building or any Alteration under construction (other than, with respect to each Construction Land Interest, during the Construction Term therefor), the related Lessee shall maintain, or cause to be maintained, at its sole cost and expense, as a part of its blanket policies or otherwise, "all risks" non-reporting completed value form of builder's risk insurance.

(b) During the Lease Term (other than, with respect to each Construction Land Interest, during the Construction Term therefor), each Lessee shall maintain, at its sole cost and expense, as a part of its blanket policies or otherwise, insurance against loss or damage to any Building by fire and other risks, including comprehensive boiler and machinery coverage, on terms and in amounts no less favorable than insurance covering other similar properties owned or leased by a Lessee and that are in accordance with normal industry practice, but in no event less than the replacement cost of such Building from time to time.

(c) During the Lease Term, each Lessee shall maintain, at its sole cost and expense, commercial general liability insurance with respect to the Leased Properties as is ordinarily procured by Persons who own or operate similar properties in the same geographic area. Such insurance shall be on terms and in amounts that are no less favorable than insurance maintained by a Lessee or its Affiliates with respect to similar properties that it owns or leases and that are in accordance with normal industry practice, but in no event less than \$2,000,000 per occurrence. Such insurance policies shall also provide that each Lessee's insurance shall be considered primary insurance. Nothing in this Article VIII shall prohibit Lessor, the Agent or the Lender from carrying at its own expense other insurance on or with respect to the Leased Properties, provided that any insurance carried by Lessor, the Agent or the Lender shall not prevent any Lessee from carrying the insurance required hereby.

(d) Each policy of insurance maintained by a Lessee pursuant to clauses

(a) and (b) of this Article VIII shall provide that all insurance proceeds in respect of any loss or occurrence shall be adjusted by such Lessee, except (a) that with respect to any loss, the estimated cost of restoration of which is in excess of the greater of \$5,000,000 and 50% of the Funded Amounts with respect to the related Leased Property, the adjustment thereof shall be subject to the prior written approval of the Agent (or of Lessor if the Loans have been fully paid) and the insurance proceeds therefor shall be paid to the Agent (or to Lessor if the Loans have been fully paid) for application in accordance with this Lease, and (b) if, and for so long as an Event of Default exists, all losses shall be adjusted solely by, and all insurance proceeds shall be paid solely to, the Agent (or Lessor if the Loans have been fully paid) for application pursuant to this Lease.

(e) On the Closing Date for each Leased Property that is a Major Property, on the Completion Date for a Major Property and on each anniversary of the Initial Closing Date each Lessee shall furnish Lessor with certificates showing the insurance required under this Article VIII to be in effect and naming Lessor, the Agent, the Liquidity Banks and the Lender as additional insureds. Such certificates shall include a provision for thirty (30) days' advance written notice by the insurer to Lessor and the Agent in the event of cancellation or expiration or nonpayment of premium with respect to such insurance, and shall include a customary breach of warranty clause. 2. Each policy of insurance maintained by a Lessee pursuant to this Article VIII shall (1) contain the waiver of any right of subrogation of the insurer against Lessor, the Agent and the Lender and (2) provide that in respect of the interests of Lessor, the Agent and the Lender, such policies shall not be invalidated by any fraud, action, inaction or misrepresentation of any Lessee or any other Person acting on behalf of any Lessee.

(f) All insurance policies carried in accordance with this Article VIII shall be maintained with insurers rated at least A by A.M. Best & Company, and in all cases the insurer shall be qualified to insure risks in the State where each Leased Property is located.

ARTICLE IX. ASSIGNMENT AND SUBLEASING

No Lessee may assign any of its right, title or interest in, to or under this Lease, except as set forth in the following sentence. Each Lessee may (i) assign this Lease as it relates to all or any portion of any Leased Property to any Subsidiary of Dollar so long as Dollar's guaranty pursuant to the Guaranty Agreement continues in full force and effect and (ii) sublease all or any portion of any Leased Property, provided that (a) all obligations of such Lessee shall continue in full effect as obligations of a principal and not of a guarantor or surety, as though no sublease had been made; (b) such assignment or sublease shall be expressly subject and subordinate to this Lease, the Loan Agreement and the other Operative Documents; and (c) each such sublease shall terminate on or before the Lease Termination Date. Each Lessee shall give the Agent and Lessor prompt written notice of any such assignment or sublease.

Except pursuant to an Operative Document, this Lease shall not be mortgaged or pledged by any Lessee, nor shall any Lessee mortgage or pledge any interest in any Leased Property or any portion thereof. Any such mortgage or pledge shall be void.

ARTICLE X. LOSS, DESTRUCTION, CONDEMNATION OR DAMAGE

Section 10.1 Event of Loss.

Any event (i) which would otherwise constitute a Casualty during the Base Term, and (ii) which, in the good-faith judgment of the related Lessee, renders repair and restoration of a Leased Property impossible or impractical, or requires repairs to a Leased Property that would cost in excess of 50% of the original cost of such Leased Property, and (iii) as to which such Lessee, within sixty (60) days after the occurrence of such event, delivers to Lessor an Officer's Certificate notifying Lessor of such event and of such judgment, shall constitute an "Event of Loss". In the case of any other event which constitutes a Casualty, the related Lessee shall restore such Leased Property pursuant to Section 10.3. If an Event of Loss other than an Event of Taking shall occur, the related Lessee shall pay to Lessor on the next Payment Date following delivery of the Officer's Certificate pursuant to clause (iii) above an amount equal to the related Leased Property Balance. Upon Lessor's receipt of such Leased Property Balance on such date, Lessor shall cause Lessor's interest in such Leased Property to be conveyed to the related Lessee in accordance with and subject to the provisions of Section 14.5 hereof; upon completion of such purchase, but not prior thereto, this Lease with respect to such Leased Property and all obligations hereunder with respect to such Leased Property shall terminate, except with respect to obligations and liabilities hereunder, actual or contingent, that have arisen or relate to events occurring on or prior to such date of purchase, or which are expressly stated herein to survive termination of this Lease.

Upon the consummation of the purchase of any Leased Property pursuant to this Section 10.1, any proceeds derived from insurance required to be maintained by the related Lessee pursuant to this Lease for any Leased Property remaining after payment of such purchase price shall be paid over to, or retained by, such Lessee or as it may direct, and Lessor shall assign to such Lessee, without warranty, all of Lessor's rights to and interest in such insurance required to be maintained by such Lessee pursuant to this Lease.

Section 10.2 Event of Taking.

Any event (i) which constitutes a Condemnation of all of, or substantially all of, a Leased Property, or (ii) (A) which would otherwise constitute a Condemnation, (B) which, in the good-faith judgment of the related Lessee, renders restoration and rebuilding of a Leased Property impossible or impractical, or requires repairs to a Leased Property that would cost in excess of 50% of the original cost of such Leased Property, and (C) as to which such Lessee, within sixty (60) days after the occurrence of such event, delivers to Lessor an Officer's Certificate notifying Lessor of such event and of such judgment, shall constitute an "Event of Taking". In the case of any other event which constitutes a Condemnation, the related Lessee shall restore and rebuild such Leased Property pursuant to Section 10.4. If an Event of Taking shall occur, the related Lessee shall pay to Lessor (1) on the next Payment Date following the occurrence of such Event of Taking, in the case of an Event of Taking described in clause (i) above, or (2) the next Payment Date following delivery of the Officer's Certificate pursuant to clause (ii) above, in the case of an Event of Taking described in clause (ii) above, an amount equal to the related Leased Property Balance. Upon Lessor's receipt of such Leased Property Balance on such date, Lessor shall cause Lessor's interest in such Leased Property to be conveyed to the related Lessee in accordance with and subject to the provisions of Section 14.5 hereof (provided that such conveyance shall be subject to all rights of the condemning authority); upon completion of such purchase, but not prior thereto, this Lease with respect to such Leased Property and all obligations hereunder with respect to such Leased Property shall terminate, except with respect to obligations and liabilities hereunder, actual or contingent, that have arisen or relate to events occurring on or prior to such date of purchase, or which are expressly stated herein to survive termination of this Lease.

Upon the consummation of the purchase of such Leased Property pursuant to this Section 10.2, all Awards received by Lessor, after deducting any reasonable out-of-pocket costs incurred by Lessor in collecting such Awards, received or payable on account of an Event of Taking with respect to such Leased Property during the related Lease Term shall be promptly paid to the related Lessee, and all rights of Lessor in Awards not then received shall be assigned to Lessee by Lessor.

Section 10.3 Casualty.

If a Casualty shall occur which is not an Event of Loss, the related Lessee shall rebuild and restore the affected Leased Property, will complete the same prior to the Lease Termination Date, and will cause the condition set forth in Section 3.5(c) of the Master Agreement to be fulfilled with respect to such restoration and rebuilding prior to the Lease Termination Date, regardless of whether insurance proceeds received as a result of such Casualty are sufficient for such purpose.

Section 10.4 Condemnation.

If a Condemnation shall occur which is not an Event of Taking, the related Lessee shall rebuild and restore the affected Leased Property, will complete the same prior to the Lease Termination Date, and will cause the condition set forth in Section 3.5(c) of the Master Agreement to be fulfilled with respect to such restoration and rebuilding prior to the Lease Termination Date.

Section 10.5 Verification of Restoration and Rebuilding.

In the event of Casualty or Condemnation, to verify the related Lessee's compliance with the foregoing Section 10.3 or 10.4, as appropriate, Lessor, the Agent, the Lender and their respective authorized representatives may, upon five (5) Business Days' notice to such Lessee, make inspections of the affected Leased Property with respect to (i) the extent of the Casualty or Condemnation and (ii) the restoration and rebuilding of the related Building and the Land. All actual and reasonable out-of-pocket costs of such inspections incurred by Lessor, the Agent or the Lender will be paid by the related Lessee promptly after written request. No such inspection shall unreasonably interfere with the related Lessee's operations or the operations of any other occupant of such Leased Property. None of the inspecting parties shall have any duty to make any such inspection or inquiry and none of the inspecting parties shall incur any liability or obligation by reason of making or not making any such inspection or inquiry.

Section 10.6 Application of Payments.

All proceeds (except for payments under insurance policies maintained other than pursuant to Article VIII of this Lease) received at any time by Lessor, any Lessee or the Agent from any Governmental Authority or other Person with respect to any Condemnation or Casualty to any Leased Property or any part thereof or with respect to an Event of Loss or an Event of Taking, plus the amount of any payment that would have been due from an insurer but for a Lessee's self-insurance or deductibles ("Loss Proceeds"), shall (except to the extent Section 10.9 applies) be applied as follows:

- (a) In the event the related Lessee purchases such Leased Property pursuant to Section 10.1 or Section 10.2, such Loss Proceeds shall be applied as set forth in Section 10.1 or Section 10.2, as the case may be;
- (b) In the event of a Casualty at such time when no Event of Default has occurred and is continuing and the related Lessee is obligated to repair

and rebuild such Leased Property pursuant to Section 10.3, such Lessee may, in good faith and subsequent to the date of such Casualty, certify to Lessor and to the applicable insurer that no Event of Default has occurred and is continuing, in which event the applicable insurer shall pay the Loss Proceeds to such Lessee, unless the estimated cost of restoration exceeds the greater of \$5,000,000 and 50% of the original cost of such Leased Property, in which case the Loss Proceeds shall be paid to the Agent (or Lessor if the Loans have been paid in full), and shall be promptly released to the related Lessee upon certification by such Lessee to Lessor and the Agent that such Lessee has incurred costs in the amount requested to be released for the repair and rebuilding of such Leased Property;

(c) In the event of a Condemnation at such time when no Event of Default has occurred and is continuing and the related Lessee is obligated to repair and rebuild such Leased Property pursuant to Section 10.4, Lessor shall, upon such Lessee's request, assign to such Lessee Lessor's interest in any applicable Awards; and

(d) As provided in Section 10.8, if such section is applicable.

During any period of repair or rebuilding pursuant to this Article X, this Lease will remain in full force and effect and Basic Rent shall continue to accrue and be payable without abatement or reduction. Each Lessee shall maintain records setting forth information relating to the receipt and application of payments in accordance with this Section 10.6. Such records shall be kept on file by each Lessee at its offices and shall be made available to Lessor, the Lender and the Agent upon request.

Section 10.7 Prosecution of Awards.

If any Condemnation shall occur, the party receiving the notice of such Condemnation shall give to the other party and the Agent promptly, but in any event within thirty (30) days after the occurrence thereof, written notice of such occurrence and the date thereof, generally describing the nature and extent of such Condemnation. With respect to any Event of Taking or any Condemnation, the related Lessee shall control the negotiations with the relevant Governmental Authority as to any proceeding in respect of which Awards are required, under Section 10.6, to be assigned or released to such Lessee, unless an Event of Default shall have occurred and be continuing, in which case (i) the Agent (or Lessor if the Loans have been fully paid) shall control such negotiations; and (ii) such Lessee hereby irrevocably assigns, transfers and sets over to Lessor all rights of such Lessee to any Award on account of any Event of Taking or any Condemnation and, if there will not be separate Awards to Lessor and such Lessee on account of such Event of Taking or Condemnation, irrevocably authorizes and empowers the Agent (or Lessor if the Loans have been fully paid) during the continuance of an Event of Default, with full power of substitution, in the name of such Lessee or otherwise (but without limiting the obligations of such Lessee under this Article X), to file and prosecute what would otherwise be such Lessee's claim for any such Award and to collect, receipt for and retain the same. In any event Lessor and the Agent may participate in such negotiations, and no settlement will be made without the prior consent of the Agent (or Lessor if the Loans have been fully paid), not to be unreasonably withheld.

2. Notwithstanding the foregoing, each Lessee may prosecute, and Lessor shall have no interest in, any claim with respect to such Lessee's personal property and equipment not financed by or otherwise property of Lessor, business interruption or similar award and such Lessee's relocation expenses.

Section 10.8 Application of Certain Payments Not Relating to an Event of Taking.

In case of a requisition for temporary use of all or a portion of any Leased Property which is not an Event of Taking, this Lease shall remain in full force and effect with respect to such Leased Property, without any abatement or reduction of Basic Rent, and the Awards for such Leased Property shall, unless an Event of Default has occurred and is continuing, be paid to the related Lessee.

Section 10.9 Other Dispositions.

Notwithstanding the foregoing provisions of this Article X, so long as an Event of Default shall have occurred and be continuing, any amount that would otherwise be payable to or for the account of, or that would otherwise be retained by, Lessee pursuant to this Article X shall be paid to the Agent (or Lessor if the Loans have been fully paid) as security for the obligations of the Lessees under this Lease and, at such time thereafter as no Event of Default shall be continuing, such amount shall be paid promptly to the related Lessee to the extent not previously applied by Lessor or the Agent in accordance with the terms of this Lease or the other Operative Documents.

Section 10.10 No Rent Abatement.

Rent shall not abate hereunder by reason of any Casualty, any Event of Loss, any Event of Taking or any Condemnation of any Leased Property, and each Lessee shall continue to perform and fulfill all of such Lessee's obligations, covenants and agreements hereunder notwithstanding such Casualty, Event of Loss, Event of Taking or Condemnation until the Lease Termination Date and the full payment of all obligations owing by any Lessee under any Operative Document.

Section 10.11 Construction Land Interests.

This Article X shall not apply with respect to any Construction Land Interest during the Construction Term therefor except as set forth in the Construction Agency Agreement.

ARTICLE XI INTEREST CONVEYED TO LESSEES

Each Lessee and Lessor intend that this Lease be treated, for accounting purposes, as an operating lease. For all other purposes, each Lessee and Lessor intend that the transaction represented by this Lease be treated as a financing transaction; for such purposes, it is the intention of the parties hereto (i) that this Lease be treated as a mortgage or deed of trust (whichever is applicable in the jurisdictions in which the Leased Properties are located) and security agreement, encumbering the Leased Properties, and that each Lessee, as grantor, hereby grants to Lessor, as mortgagee or beneficiary and secured party, or any successor thereto, a first and paramount Lien on each Leased Property in which such Lessee has an interest, (ii) that Lessor shall have, as a result of such determination, all of the rights, powers and remedies of a mortgagee, deed of trust beneficiary or secured party available under Applicable Law to take possession of and sell (whether by foreclosure or otherwise) any Leased Property, (iii) that the effective date of such mortgage, security deed or deed of trust shall be the effective date of this Lease, or the related Lease Supplement, if later, (iv) that the recording of this Lease or a Lease Supplement shall be deemed to be the recording of such mortgage, security deed or deed of trust, and (v) that the obligations secured by such mortgage, security deed or deed of trust shall include the Funded Amounts and all Basic Rent and Supplemental Rent hereunder and all other obligations of and amounts due from each Lessee hereunder and under the Operative Documents.

ARTICLE XII EVENTS OF DEFAULT

The following events shall constitute Events of Default (whether any such event shall be voluntary or involuntary or come about or be effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

- (a) any Lessee shall fail to make any payment of Basic Rent when due, and such failure shall continue for five or more days;
- (b) any Lessee shall fail to make any payment of Rent (other than Basic Rent and other than as set forth in clause (c)) or any other amount payable hereunder or under any of the other Operative Documents (other than Basic Rent and other than as set forth in clause (c)), and such failure shall continue for a period of ten days;
- (c) any Lessee shall fail to pay the Funded Amount, Leased Property Balance or Lease Balance when due pursuant to Sections 10.1, 10.2, 14.1 or 14.2, or any Lessee shall fail to pay the Recourse Deficiency Amount when required pursuant to Article XIV or the Construction Agent shall fail to make any payment when due under the Construction Agency Agreement;
- (d) any Lessee shall fail to maintain insurance as required by Article VIII hereof, and such failure shall continue until the earlier of
 - (i) fifteen (15) days after written notice thereof from Lessor and
 - (ii) the day immediately preceding the date on which any applicable insurance coverage would otherwise lapse or terminate;
- (e) any Consolidated Company shall fail to make when due (whether at stated maturity, by acceleration, on demand or otherwise, and after giving effect to any applicable grace period) any payment of principal of or interest on any Indebtedness (other than the Obligations) exceeding \$20,000,000 individually or in the aggregate; or any Consolidated Company shall fail to observe or perform within any applicable grace period any covenants or agreements contained in any agreements or instruments relating to any of its Indebtedness (including the Synthetic Lease and any guaranty thereof) exceeding \$20,000,000 individually or in the aggregate, or any other event shall occur if the effect of such failure or other event is to accelerate, or to permit the holder of such Indebtedness or any other Person to accelerate, the maturity of such Indebtedness; or any such Indebtedness shall be required to be prepaid (other than by a regularly scheduled required prepayment) in whole or in part prior to its stated maturity;
- (f) any Lessee, the Guarantor or any Consolidated Company shall (i) apply for or consent to the appointment of a receiver, trustee or liquidator of itself or of its property, (ii) be unable, or admit in writing inability, to pay its debts as they mature, (iii) make a general assignment for the benefit of creditors, (iv) be adjudicated a bankrupt or insolvent, (v) file a voluntary petition in bankruptcy, or a petition or answer seeking reorganization or an arrangement with creditors to take advantage of any insolvency law or an answer admitting the material allegations of a bankruptcy, reorganization or insolvency petition filed against it, (vi) take corporate action for the purpose of effecting any of the foregoing, or (vii) have an order for relief entered against it in any proceeding under any bankruptcy law;
- (g) an order, judgment or decree shall be entered, without the application, approval or consent of any Lessee, the Guarantor or any Consolidated Company, by any court of competent jurisdiction, approving a petition seeking reorganization of such entity or appointing a receiver, trustee or liquidator of such entity or of all or a substantial part of its assets, and such order, judgment or decree shall continue unstayed and in effect for any period of 60 consecutive days;
- (h) any representation or warranty by any Lessee or the Guarantor in any Operative Document or in any certificate or document delivered to Lessor, the Agent or the Lender pursuant to any Operative Document shall have been incorrect in any material respect when made;
- (i) the Guarantor shall repudiate or terminate the Guaranty Agreement, or the Guaranty Agreement shall at any time cease to be in full force and effect or cease to be the legal, valid and binding obligation of the Guarantor, or the Guarantor shall fail in any material respect to timely perform or observe any covenant, condition or agreement to be performed or observed by it under any Operative Document to which it is a party and such failure shall continue for a period of 30 days after the Guarantor's receipt of written notice hereof from Lessor, the Agent or the Lender;

(j) any Lessee shall fail in any Material respect to timely, perform or observe any covenant, condition or agreement (not included in clause (a), (b), (c), (d), (e), (f), (g), (h) or (i) of this Article XII) to be performed or observed by it hereunder or under any other Operative Document and such failure shall continue for a period of 30 days after such Lessee's receipt of written notice thereof from Lessor, the Agent or the Lender;

(k) any Construction Agency Event of Default shall occur;

(l) a Plan of a Consolidated Company or a Plan subject to Title IV of ERISA of any of its ERISA Affiliates:

(i) shall fail to be funded in accordance with the minimum funding standard required by applicable law, the terms of such Plan, Section 412 of the Tax Code or Section 302 of ERISA for any plan year or a waiver of such standard is sought or granted with respect to such Plan under applicable law, the terms of such Plan or Section 412 of the Tax Code or Section 303 of ERISA; or

(ii) is being, or has been, terminated or the subject of termination proceedings under applicable law or the terms of such Plan; or

(iii) shall require a Consolidated Company to provide security under applicable law, the terms of such Plan, Section 401 or 412 of the Tax Code or Section 306 or 307 of ERISA; or

(iv) results in a liability to a Consolidated Company under applicable law, the terms of such Plan, or Title IV of ERISA; and there shall result from any such failure, waiver, termination or other event a liability to the PBGC or a Plan that would have a Materially Adverse Effect;

(m) a final judgment or final order for the payment of money in excess of \$2,500,000 individually or in the aggregate or otherwise having a Materially Adverse Effect shall be rendered against Dollar or any other Consolidated Company and such judgment or order shall continue unsatisfied (in the case of a money judgment) and in effect for a period of 30 days during which execution shall not be effectively stayed or deferred (whether by action of a court, by agreement or otherwise);

(n) if Dollar ceases to own all of the Voting Stock of any Subsidiary Guarantor; or

(o) any "person" or "group" (within the meaning of Section 13(d) and 14(d)(2) of the Exchange Act) other than the Turner Family shall become the "beneficial owner(s)" (as defined in Rule 13d-3) of more than thirty percent (30%) of the shares of the outstanding common stock of Dollar entitled to vote for members of Dollar's board of directors, or (b) any event or condition shall occur or exist which, pursuant to the terms of any change of control provision, requires or permits the holder(s) of Indebtedness of any Consolidated Company which individually or in the aggregate is equal to or exceeds \$20,000,000 to require that such Indebtedness be redeemed, repurchased, defeased, prepaid, or repaid, in whole or in part, or the maturity of such Indebtedness to be accelerated in any respect.

ARTICLE XIII ENFORCEMENT

Section 13.1 Remedies.

Upon the occurrence and during the continuance of any Event of Default, Lessor may do one or more of the following as Lessor in its sole discretion shall determine, without limiting any other right or remedy Lessor may have on account of such Event of Default (including, without limitation, the obligation of the Lessees to purchase the Leased Properties as set forth in Section 14.3):

(a) Lessor may, by notice to Dollar, rescind or terminate this Lease as of the date specified in such notice; however, (A) no reletting, reentry or taking of possession of any Leased Property by Lessor will be construed as an election on Lessor's part to terminate this Lease unless a written notice of such intention is given to Dollar, (B) notwithstanding any reletting, reentry or taking of possession, Lessor may at any time thereafter elect to terminate this Lease for a continuing Event of Default, and (C) no act or thing done by Lessor or any of its agents, representatives or employees and no agreement accepting a surrender of any Leased Property shall be valid unless the same be made in writing and executed by Lessor;

(b) Lessor may (i) demand that the Lessees, and the Lessees shall upon the written demand of Lessor, return the Leased Properties promptly to Lessor in the manner and condition required by, and otherwise in accordance with all of the provisions of, Articles VI and XIV hereof as if the Leased Properties were being returned at the end of the Lease Term, and Lessor shall not be liable for the reimbursement of any Lessee for any costs and expenses incurred by such Lessee in connection therewith and (ii) without prejudice to any other remedy which Lessor may have for possession of the Leased Properties, and to the extent and in the manner permitted by Applicable Law, enter upon any Leased Property and take immediate possession of (to the exclusion of the related Lessee) any Leased Property or any part thereof and expel or remove the related Lessee and any other person who may be occupying such Leased Property, by summary proceedings or otherwise, all without liability to any Lessee for or by reason of such entry or taking of possession, whether for the restoration of damage to property caused by such taking or otherwise and, in addition to Lessor's other damages, the Lessees shall be responsible for the actual and reasonable costs and expenses of reletting, including brokers' fees and the reasonable out-of-pocket costs of any alterations or repairs made by Lessor;

(c) Lessor may (i) sell all or any part of any Leased Property at public or private sale, as Lessor may determine, free and clear of any rights of any Lessee and without any duty to account to any Lessee with respect to such action or inaction or any proceeds with respect thereto (except to the extent required by Applicable Law or clause (ii) below if Lessor shall elect to exercise its rights thereunder) in which event the related

Lessee's obligation to pay Basic Rent for such Leased Property hereunder for periods commencing after the date of such sale shall be terminated or proportionately reduced, as the case may be; and (ii) if Lessor shall so elect, demand that the Lessees, jointly and severally, pay to Lessor, and the Lessees, jointly and severally, shall pay to Lessor, on the date of such sale, as liquidated damages for loss of a bargain and not as a penalty (the parties agreeing that Lessor's actual damages would be difficult to predict, but the aforementioned liquidated damages represent a reasonable approximation of such amount) (in lieu of Basic Rent due for periods commencing on or after the Payment Date coinciding with such date of sale (or, if the sale date is not a Payment Date, the Payment Date next preceding the date of such sale)), an amount equal to (a) the excess, if any, of (1) the sum of (A) all Rent due and unpaid to and including such Payment Date and (B) the Lease Balance, computed as of such date, over (2) the net proceeds of such sale (that is, after deducting all out-of-pocket costs and expenses incurred by Lessor, the Agent or any Lender incident to such conveyance (including, without limitation, all costs, expenses, fees, premiums and taxes described in Section 14.5(b))); plus (b) interest at the Overdue Rate on the foregoing amount from such Payment Date until the date of payment;

(d) Lessor may, at its option, not terminate this Lease, and continue to collect all Basic Rent, Supplemental Rent, and all other amounts (including, without limitation, the Funded Amount) due Lessor (together with all costs of collection) and enforce the Lessees' obligations under this Lease as and when the same become due, or are to be performed, and at the option of Lessor, upon any abandonment of any Leased Property by Lessee or re-entry of same by Lessor, Lessor may, in its sole and absolute discretion, elect not to terminate this Lease with respect thereto and may make such reasonable alterations and necessary repairs in order to relet such Leased Property, and relet such Leased Property or any part thereof for such term or terms (which may be for a term extending beyond the term of this Lease) and at such rental or rentals and upon such other terms and conditions as Lessor in its reasonable discretion may deem advisable; and upon each such reletting all rentals actually received by Lessor from such reletting shall be applied to the Lessees' obligations hereunder in such order, proportion and priority as Lessor may elect in Lessor's sole and absolute discretion; it being agreed that under no circumstances shall any Lessee benefit from its default from any increase in market rents. If such rentals received from such reletting during any Rent Period are less than the Rent to be paid during that Rent Period by the Lessees hereunder, the Lessees shall pay any deficiency, as calculated by Lessor, to Lessor on the Payment Date for such Rent Period;

(e) If any Leased Property has not been sold, Lessor may, whether or not Lessor shall have exercised or shall thereafter at any time exercise any of its rights under paragraph (b), (c) or (d) of this Article XIII with respect to such Leased Property, demand, by written notice to the related Lessee specifying a date (the "Final Rent Payment Date") not earlier than 30 days after the date of such notice, that such Lessee purchase, on the Final Rent Payment Date, such Leased Property in accordance with the provisions of Sections 14.2, 14.4 and 14.5; provided, however, that (1) such purchase shall occur on the date set forth in such notice, notwithstanding the provision in Section 14.2 calling for such purchase to occur on the Lease Termination Date; and (2) Lessor's obligations under Section 14.5(a) shall be limited to delivery of a special or limited warranty deed and quit claim bill of sale of such Leased Property, without recourse or warranty, but free and clear of Lessor Liens;

(f) Lessor may exercise any other right or remedy that may be available to it under Applicable Law, or proceed by appropriate court action (legal or equitable) to enforce the terms hereof or to recover damages for the breach hereof. Separate suits may be brought to collect any such damages for any Rent Period(s), and such suits shall not in any manner prejudice Lessor's right to collect any such damages for any subsequent Rent Period(s), or Lessor may defer any such suit until after the expiration of the Lease Term, in which event such suit shall be deemed not to have accrued until the expiration of the Lease Term; or

(g) Lessor may retain and apply against Lessor's damages all sums which Lessor would, absent such Event of Default, be required to pay to, or turn over to, a Lessee pursuant to the terms of this Lease.

Section 13.2 Remedies Cumulative; No Waiver; Consents.

To the extent permitted by, and subject to the mandatory requirements of, Applicable Law, each and every right, power and remedy herein specifically given to Lessor or otherwise in this Lease shall be cumulative and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy whether specifically herein given or otherwise existing may be exercised from time to time and as often and in such order as may be deemed expedient by Lessor, and the exercise or the beginning of the exercise of any power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any right, power or remedy. No delay or omission by Lessor in the exercise of any right, power or remedy or in the pursuit of any remedy shall impair any such right, power or remedy or be construed to be a waiver of any default on the part of any Lessee or to be an acquiescence therein. Lessor's consent to any request made by any Lessee shall not be deemed to constitute or preclude the necessity for obtaining Lessor's consent, in the future, to all similar requests. No express or implied waiver by Lessor of any Event of Default shall in any way be, or be construed to be, a waiver of any future or subsequent Potential Event of Default or Event of Default. To the extent permitted by Applicable Law, each Lessee hereby waives any rights now or hereafter conferred by statute or otherwise that may require Lessor to sell, lease or otherwise use any Leased Property or part thereof in mitigation of Lessor's damages upon the occurrence of an Event of Default or that may otherwise limit or modify any of Lessor's rights or remedies under this Article XIII.

ARTICLE XIV. SALE, RETURN OR PURCHASE OF LEASED PROPERTY; RENEWAL

Section 14.1 Lessee's Option to Purchase.

(a) Subject to the terms, conditions and provisions set forth in this Article XIV, the Lessees shall have the option (the "Purchase Option"), to be exercised as set forth below, to purchase from Lessor, Lessor's interest in all of the Leased Properties; provided that, except as set forth in

paragraph (b) below, such option must be exercised with respect to all, but not less than all, of the Leased Properties under all of the Lease Supplements. Such option must be exercised by written notice by Lessor to Lessor not later than twelve months prior to the Lease Termination Date which notice shall be irrevocable; such notice shall specify the date that such purchase shall take place, which date shall be a date occurring not less than thirty (30) days after such notice or the Lease Termination Date (whichever is earlier). If the Purchase Option is exercised pursuant to the foregoing, then, subject to the provisions set forth in this Article XIV, on the applicable purchase date or the Lease Termination Date, as the case may be, Lessor shall convey to each Lessee, by special warranty deed and bill of sale, without recourse or warranty (other than as to the absence of Lessor Liens) and each Lessee shall purchase from Lessor, Lessor's interest in the Leased Properties leased by such Lessee.

(b) Subject to the terms, conditions and provisions set forth in this Article XIV, each Lessee shall have the option (the "Partial Purchase Option"), to be exercised as set forth below, to purchase from Lessor Lessor's interest in any Leased Property leased by such Lessee; provided that such option may be exercised only if, after giving effect thereto, there are 50 Leased Properties subject to this Lease, unless it is exercised with respect to all Leased Properties as set forth in paragraph (a) above. Such option must be exercised by written notice to Lessor at any time during the term of the Lease, which notice shall be irrevocable; such notice shall specify the Leased Property to be purchased and the date that such purchase shall take place, which date shall be a date occurring not less than thirty (30) days after such notice, provided that no Partial Purchase Option may be exercised during the last year of the Lease Term. If a Partial Purchase Option is exercised pursuant to the foregoing, subject to the provisions set forth in this Article XIV, on the applicable purchase date or the Lease Termination Date, as the case may be, Lessor shall convey to the related Lessee, without recourse or warranty (other than as to the absence of Lessor Liens) and such Lessee shall purchase from Lessor, Lessor's interest in the Leased Property that is the subject of such Partial Purchase Option pursuant to Section 14.5.

Section 14.2 Conveyance to Lessee.

Unless (a) the Lessees shall have properly exercised the Purchase Option and purchased the Leased Properties pursuant to Section 14.1(a) or 14.1(b) hereof, or (b) the Lessees shall have properly exercised the Remarketing Option and shall have fulfilled all of the conditions of Section 14.6 hereof, then, subject to the terms, conditions and provisions set forth in this Article XIV, each Lessee shall purchase from Lessor, and Lessor shall convey to each Lessee, on the Lease Termination Date all of Lessor's interest in the Leased Properties leased to such Lessee. Any Lessee may designate, in a notice given to Lessor not less than ten (10) Business Days prior to the closing of such purchase, or any purchase pursuant to Section 14.1(a) or (b), (time being of the essence), the transferee to whom the conveyance shall be made (if other than to such Lessee), in which case such conveyance shall (subject to the terms and conditions set forth herein) be made to such designee; provided, however, that such designation of a transferee shall not cause any Lessee to be released, fully or partially, from any of its obligations under this Lease.

Section 14.3 Acceleration of Purchase Obligation.

The Lessees shall be obligated to purchase Lessor's interest in the Leased Properties immediately, automatically and without notice upon the occurrence of any Event of Default specified in clause (f) or (g) of Article XII, for the purchase price set forth in Section 14.4. Upon the occurrence and during the continuance of any other Event of Default, the Lessees shall be obligated to purchase Lessor's interest in the Leased Properties for the purchase price set forth in Section 14.4 upon notice of such obligation from Lessor.

Section 14.4 Determination of Purchase Price.

Upon the purchase by the Lessees of Lessor's interest in the Leased Properties upon the exercise of the Purchase Option or pursuant to Section 14.2 or 14.3, the aggregate purchase price for all of the Leased Properties shall be an amount equal to the Lease Balance as of the closing date for such purchase, plus any amount due pursuant to Section 7.5(f) of the Master Agreement as a result of such purchase. Upon the purchase by a Lessee of Lessor's interest in a Leased Property upon the exercise of a Partial Purchase Option, the purchase price for such Leased Property shall be an amount equal to the Leased Property Balance for such Leased Property as of the closing date for such purchase, plus any amount due pursuant to Section 7.5(f) of the Master Agreement as the result of such purchase.

Section 14.5 Purchase Procedure.

If a Lessee shall purchase Lessor's interest in a Leased Property pursuant to any provision of this Lease, (i) such Lessee shall accept from Lessor and Lessor shall convey such Leased Property by a duly executed and acknowledged special warranty deed and quit claim bill of sale of such a Leased Property in recordable form, (ii) upon the date fixed for any purchase of Lessor's interest in Leased Property hereunder, the related Lessee(s) shall pay to the order of the Agent (or Lessor if the Loans have been paid in full) the Lease Balance or Leased Property Balance, as applicable, plus any amount due pursuant to Section 7.5 of the Master Agreement as a result of such purchase by wire transfer of immediately available funds, (iii) Lessor will execute and deliver to the related Lessee such other documents, including releases, affidavits, termination agreements and termination statements, as may be legally required or as may be reasonably requested by Lessee in order to effect such conveyance, free and clear of Lessor Liens and the Liens of the Operative Documents and (iv) if such Leased Property is subject to a Ground Lease, Lessor will execute and deliver to the related Lessee an assignment or termination of such Ground Lease, as directed by such Lessee, in such form as may be reasonably requested by such Lessee, and such Lessee shall pay any amounts due with respect thereto under such Ground Lease.

(a) Each Lessee shall, at such Lessee's sole cost and expense, obtain all required governmental and regulatory approval and consents and in connection therewith shall make such filings as required by Applicable Law; in the event that Lessor is required by Applicable Law to take any action in connection with such purchase and sale, the Lessees shall pay prior to transfer all reasonable out-of-pocket costs incurred by Lessor in

connection therewith. Without limiting the foregoing, all costs incident to such conveyance, including, without limitation, each Lessee's attorneys' fees, Lessor's attorneys' fees, commissions, each Lessee's and Lessor's escrow fees, recording fees, title insurance premiums and all applicable documentary transfer or other transfer taxes and other taxes required to be paid in order to record the transfer documents that might be imposed by reason of such conveyance and the delivery of such deed shall be borne entirely by and paid by the Lessees.

(b) Upon expiration or termination of this Lease resulting in conveyance of Lessor's interest in the title to the Leased Properties to the Lessees, there shall be no apportionment of rents (including, without limitation, water rents and sewer rents), taxes, insurance, utility charges or other charges payable with respect to the Leased Properties, all of such rents, taxes, insurance, utility or other charges due and payable with respect to the Leased Properties prior to termination being payable by the Lessees hereunder and all due after such time being payable by the Lessees as the then owners of the Leased Properties.

Section 14.6 Option to Remarket.

Subject to the fulfillment of each of the conditions set forth in this Section 14.6, the Lessees shall have the option to market all of, but not less than all of, the Leased Properties for Lessor (the "Remarketing Option").

The Lessees' effective exercise and consummation of the Remarketing Option shall be subject to the due and timely fulfillment of each of the following provisions, the failure of any of which, unless waived in writing by Lessor and the Lender, shall render the Remarketing Option and the Lessees' exercise thereof null and void, in which event, each Lessee shall be obligated to perform its obligations under Section 14.2.

(a) Not later than twelve months prior to the Lease Termination Date, Dollar shall give to Lessor and the Agent written notice of the Lessees' exercise of the Remarketing Option.

(b) Not later than ten (10) Business Days prior to the Lease Termination Date, each Lessee shall deliver to Lessor and the Agent an environmental assessment of each Leased Property leased by it dated not later than forty-five (45) days prior to the Lease Termination Date. Such environmental assessment shall be prepared by an environmental consultant selected by the related Lessee and reasonably satisfactory to the Agent, shall be in form, detail and substance reasonably satisfactory to the Agent, and shall otherwise indicate the environmental condition of each Leased Property to be the same as described in the related Environmental Audit.

(c) On the date of Dollar's notice to Lessor and the Agent of the Lessees' exercise of the Remarketing Option, each of the Construction Conditions shall have been timely satisfied and no Event of Default or Potential Event of Default shall exist, and thereafter, no Event of Default or Potential Event of Default shall exist under this Lease.

(d) Each Lessee shall have completed all Alterations, restoration and rebuilding of the Leased Properties leased by it pursuant to Sections 6.1, 6.2, 10.3 and 10.4 (as the case may be) and shall have fulfilled in all material respects all of the conditions and requirements in connection therewith pursuant to said Sections, in each case by the date on which Lessor and the Agent receive Dollar's notice of the Lessees' exercise of the Remarketing Option (time being of the essence), regardless of whether the same shall be within such Lessee's control.

(e) Each Lessee shall promptly provide any maintenance records relating to each Leased Property leased by it to Lessor, the Agent and any potential purchaser, and shall otherwise do all things necessary to deliver possession of such Leased Property to the potential purchaser at the appropriate closing date. Each Lessee shall allow Lessor, the Agent and any potential purchaser reasonable access during normal business hours to any Leased Property for the purpose of inspecting the same.

(f) On the Lease Termination Date, each Lessee shall surrender the Leased Properties leased by it in accordance with Section 14.8 hereof.

(g) In connection with any such sale of the Leased Properties, each Lessee will provide to the purchaser all customary "seller's" indemnities requested by the potential purchaser (taking into account the location and nature of the Leased Properties), representations and warranties regarding title, absence of Liens (except Lessor Liens) and the condition of the Leased Properties, including, without limitation, an environmental indemnity. Each Lessee shall fulfill all of the requirements set forth in clause

(b) of Section 14.5, and such requirements are incorporated herein by reference. As to Lessor, any such sale shall be made on an "as is, with all faults" basis without representation or warranty by Lessor, other than the absence of Lessor Liens.

(h) In connection with any such sale of Leased Properties, each Lessee shall pay directly, and not from the sale proceeds, all prorations, credits, costs and expenses of the sale of the Leased Properties leased by it, whether incurred by Lessor, any Lender, the Agent or such Lessee, including without limitation, to the extent not paid by the purchaser, the cost of all title insurance, surveys, environmental reports, appraisals, transfer taxes, Lessor's and the Agent's attorneys' fees, such Lessee's attorneys' fees, commissions, escrow fees, recording fees, and all applicable documentary and other transfer taxes.

(i) The Lessees, jointly and severally, shall pay to the Agent on the Lease Termination Date (or to such other Person as Agent shall notify Lessee in writing, or in the case of Supplemental Rent, to the Person entitled thereto) an amount equal to the Recourse Deficiency Amount, plus all accrued and unpaid Basic Rent and Supplemental Rent, and all other amounts hereunder which have accrued prior to or as of such date, in the type of funds specified in Section 3.3 hereof.

If the Lessees have exercised the Remarketing Option, the following additional provisions shall apply: During the period commencing on the date twelve months prior to the scheduled expiration of the Lease Term, one or more of the Lessees shall, as nonexclusive agent for Lessor, use commercially reasonable efforts to sell Lessor's interest in the Leased Properties and will attempt to obtain the highest purchase price therefor. All such marketing of the Leased Properties shall be at the Lessees' sole expense. Lessee promptly shall submit all bids to Lessor and the Agent and Lessor and the Agent will have the right to review the same and the right to submit any one or more bids. All bids shall be on an all-cash basis. In no event shall such bidder be Lessee or any Subsidiary or Affiliate of Lessee. The written offer must specify the Lease Termination Date as the closing date. If, and only if, the aggregate selling price (net of closing costs and prorations, as reasonably estimated by the Agent) is less than the difference between the Lease Balance at such time minus the Recourse Deficiency Amount, then Lessor or the Agent may, in its sole and absolute discretion, by notice to Dollar, reject such offer to purchase, in which event the parties will proceed according to the provisions of Section 14.7 hereof. If neither Lessor nor the Agent rejects such purchase offer as provided above, the closing of such purchase of the Leased Properties by such purchaser shall occur on the Lease Termination Date, contemporaneously with the Lessees' surrender of the Leased Properties in accordance with Section 14.8 hereof, and the gross proceeds of the sale (i.e., without deduction for any marketing, closing or other costs, prorations or commissions) shall be paid directly to the Agent (or Lessor if the Funded Amounts have been fully paid); provided, however, that if the sum of the gross proceeds from such sale plus the Recourse Deficiency Amount paid by the Lessees on the Lease Termination Date pursuant to

Section 14.6(i), minus any and all reasonable costs and expenses (including broker fees, appraisal costs, reasonable legal fees and transfer taxes) incurred by the Agent or Lessor in connection with the marketing of the Leased Properties or the sale thereof exceeds the Lease Balance as of such date, then the excess shall be paid to Dollar on the Lease Termination Date. No Lessee shall have the right, power or authority to bind Lessor in connection with any proposed sale of the Leased Properties.

Section 14.7 Rejection of Sale.

Notwithstanding anything contained herein to the contrary, if Lessor or the Agent rejects the purchase offer for the Leased Properties as provided in (and subject to the conditions set forth in) Section 14.6, then (a) the Lessees, jointly and severally, shall pay to the Agent the Recourse Deficiency Amount pursuant to Section 14.6(i), (b) Lessor shall retain title to the Leased Properties, and (c) in addition to Lessees' other obligations hereunder, Lessees will reimburse Lessor and the Agent, within ten (10) Business Days after written request, for all reasonable costs and expenses incurred by Lessor or Agent during the period ending on the first anniversary of the Lease Termination Date in connection with the marketing, sale, closing or transfer of the Leased Properties, which obligation shall survive the Lease Termination Date and the termination or expiration of this Lease.

Section 14.8 Return of Leased Property.

If Lessor retains title to any Leased Property pursuant to Section 14.7 hereof, then each Lessee shall, on the Lease Termination Date, and at its own expense, return possession of the Leased Properties leased by it to Lessor for retention by Lessor or, if the Lessees properly exercise the Remarketing Option and fulfill all of the conditions of Section 14.6 hereof and neither Lessor nor the Agent rejects such purchase offer pursuant to Section 14.6, then each Lessee shall, on such Lease Termination Date, and at its own cost, transfer possession of the Leased Properties leased by it to the independent purchaser thereof, in each case by surrendering the same into the possession of Lessor or such purchaser, as the case may be, free and clear of all Liens other than Lessor Liens, in as good condition as it was on the Completion Date therefor in the case of new Construction, or the Closing Date therefor in each other case (as modified by Alterations permitted by this Lease), ordinary wear and tear excepted, and in compliance in all material respects with Applicable Law. Each Lessee shall, on and within a reasonable time before and after the Lease Termination Date, cooperate with Lessor and the independent purchaser of any Leased Property leased by such Lessee in order to facilitate the ownership and operation by such purchaser of such Leased Property after the Lease Termination Date, which cooperation shall include the following, all of which such Lessee shall do on or before the Lease Termination Date or as soon thereafter as is reasonably practicable: providing all books and records regarding the related Lessee's maintenance of such Leased Property and all know-how, data and technical information relating thereto, providing a copy of the Plans and Specifications, granting or assigning all licenses (to the extent assignable) necessary for the operation and maintenance of such Leased Property, and cooperating in seeking and obtaining all necessary Governmental Action. Each Lessee shall have also paid the cost of all Alterations commenced prior to the Lease Termination Date. The obligations of such Lessee under this Article XIV shall survive the expiration or termination of this Lease.

Section 14.9 Renewal.

Subject to the conditions set forth herein, Dollar may, by written notice to Lessor and the Agent given not later than twelve months and not earlier than sixteen months, prior to the then scheduled Lease Termination Date, request the renewal of this Lease, for five years in the case of the first renewal term and five years in the case of the second renewal term, in each case commencing on the date following such Lease Termination Date. No later than the date that is 45 days after the date the request to renew has been delivered to each of Lessor and the Agent, the Agent will notify Dollar whether or not Lessor and the Lender consent to such renewal request (which consent, in the case of Lessor and the Lender, may be granted or denied in their sole discretion, and may be conditioned on such conditions precedent as may be specified by Lessor and the Lender). If the Agent fails to respond within such time frame, such failure shall be deemed to be a rejection of such request. If the Agent notifies Dollar of Lessor's and the Lender's consent to such renewal, such renewal shall be effective.

ARTICLE XV. LESSEE'S EQUIPMENT

After any repossession of any Leased Property (whether or not this Lease has been terminated), the related Lessee, at its expense and so long as such removal of such trade fixture, personal property or equipment shall not result in a violation of Applicable Law, shall, within a reasonable time after such repossession or within sixty (60) days after such Lessee's receipt of Lessor's written request (whichever shall first occur),

remove all of such Lessee's trade fixtures, personal property and equipment from such Leased Property (to the extent that the same can be readily removed from such Leased Property without causing material damage to such Leased Property); provided, however, that such Lessee shall not remove any such trade fixtures, personal property or equipment that (i) has been financed by Lessor under the Operative Documents or otherwise constituting Leased Property (or that constitutes a replacement of such property) or (ii) with respect to which Lessor notifies such Lessee that it is exercising the purchase option with respect thereto, which purchase option each Lessee hereby grants to Lessor (in which case, Lessor shall pay to such Lessee the fair market value of such trade fixture, personal property or equipment on such date of repossession (as determined by mutual agreement of Lessor and such Lessee or, if no mutual agreement is promptly achieved, by an appraiser reasonably acceptable to Lessor and such Lessee) and such Lessee shall execute and deliver a bill of sale therefor to Lessor), provided that the purchase option set forth in this clause (ii) shall not apply to any Lessee's inventory or to any personal property of any Lessee not used or useful in connection with the Leased Property. Any of a Lessee's trade fixtures, personal property and equipment not so removed by such Lessee within such period shall be considered abandoned by such Lessee, and title thereto shall without further act vest in Lessor, and may be appropriated, sold, destroyed or otherwise disposed of by Lessor without notice to any Lessee and without obligation to account therefor and the related Lessee will pay Lessor, upon written demand, all reasonable costs and expenses incurred by Lessor in removing, storing or disposing of the same and all costs and expenses incurred by Lessor to repair any damage to such Leased Property caused by such removal. Each Lessee will immediately repair at its expense all damage to such Leased Property caused by any such removal (unless such removal is effected by Lessor, in which event such Lessee shall pay all reasonable costs and expenses incurred by Lessor for such repairs). Lessor shall have no liability in exercising Lessor's rights under this Article XV except as set forth in clause (ii) of the first sentence hereof, nor shall Lessor be responsible for any loss of or damage to any Lessee's personal property and equipment.

ARTICLE XVI RIGHT TO PERFORM FOR LESSEE

If any Lessee shall fail to perform or comply with any of its agreements contained herein, Lessor, upon notice to Lessor or such Lessee, may perform or comply with such agreement, and Lessor shall not thereby be deemed to have waived any default caused by such failure, and the amount of such payment and the amount of the expenses of Lessor (including actual and reasonable attorneys' fees and expenses) incurred in connection with such payment or the performance of or compliance with such agreement, as the case may be, shall be deemed Supplemental Rent, payable by the related Lessee to Lessor within thirty (30) days after written demand therefor.

ARTICLE XVII, MISCELLANEOUS

Section 17.1 Reports.

To the extent required under Applicable Law and to the extent it is reasonably practical for a Lessee to do so, such Lessee shall prepare and file in timely fashion, or, where such filing is required to be made by Lessor or it is otherwise not reasonably practical for a Lessee to make such filing, Lessee shall prepare and deliver to Lessor (with a copy to the Agent) within a reasonable time prior to the date for filing and Lessor shall file, any material reports with respect to the condition or operation of such Leased Property that shall be required to be filed with any Governmental Authority.

Section 17.2 Binding Effect; Successors and Assigns; Survival.

The terms and provisions of this Lease, and the respective rights and obligations hereunder of Lessor and the Lessees, shall be binding upon their respective successors, legal representatives and assigns (including, in the case of Lessor, any Person to whom Lessor may transfer any Leased Property or any interest therein in accordance with the provisions of the Operative Documents), and inure to the benefit of their respective permitted successors and assigns, and the rights granted hereunder to the Agent and the Lender shall inure (subject to such conditions as are contained herein) to the benefit of their respective permitted successors and assigns. Each Lessee hereby acknowledges that Lessor has assigned all of its right, title and interest to, in and under this Lease to the Agent and the Lender pursuant to the Loan Agreement and related Operative Documents, and that all of Lessor's rights hereunder may be exercised by the Agent.

Section 17.3 Quiet Enjoyment.

Lessor covenants that it will not interfere in the related Lessee's or any of its permitted sublessees' quiet enjoyment of the Leased Properties in accordance with this Lease during the Lease Term, so long as no Event of Default has occurred and is continuing. Such right of quiet enjoyment is independent of, and shall not affect, Lessor's rights otherwise to initiate legal action to enforce the obligations of the Lessees under this Lease.

Section 17.4 Notices.

Unless otherwise specified herein, all notices, offers, acceptances, rejections, consents, requests, demands or other communications to or upon the respective parties hereto shall be in writing and shall be deemed to have been given as set forth in Section 8.2 of the Master Agreement. All such notices, offers, acceptances, rejections, consents, requests, demands or other communications shall be addressed as follows or to such other address as any of the parties hereto may designate by written notice:

If to Lessor: Atlantic Financial Group, Ltd.
c/o Grogan & Browner

2311 Cedar Springs Road, Suite 150
Dallas, Texas 75201
Attn: Stephen Brookshire

If to Dollar
or any other Lessee: Dollar General Corporation
104 Woodmont Boulevard
Suite 500
Nashville, Tennessee 37205
Attn: Chief Financial Officer

with a copy to: General Counsel
427 Beech Street
Scottsville, Kentucky 42164
Attn: Larry Wilcher

If to Agent: SunTrust Bank, Nashville, N.A.
201 Fourth Avenue
Nashville, Tennessee 37219
Attn: Scott Corley

with a copy to: SunTrust Equitable Securities
Corporation
303 Peachtree Street, 24th Floor
MC 3951
Atlanta, Georgia 30308

Attn: Robert Kennedy

If to the Lender, to the address provided in the Master Agreement.

Section 17.5 Severability.

Any provision of this Lease that shall be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction, and Lessee shall remain liable to perform its obligations hereunder except to the extent of such unenforceability. To the extent permitted by Applicable Law, each Lessee hereby waives any provision of law that renders any provision hereof prohibited or unenforceable in any respect.

Section 17.6 Amendment; Complete Agreements.

Neither this Lease nor any of the terms hereof may be terminated, amended, supplemented, waived or modified orally, except by an instrument in writing signed by Lessor and Dollar in accordance with the provisions of Section 8.4 of the Master Agreement. This Lease, together with the applicable Lease Supplement and the other Operative Documents, is intended by the parties as a final expression of their lease agreement and as a complete and exclusive statement of the terms thereof, all negotiations, considerations and representations between the parties having been incorporated herein and therein. No course of prior dealings between the parties or their officers, employees, agents or Affiliates shall be relevant or admissible to supplement, explain, or vary any of the terms of this Lease or any other Operative Document. Acceptance of, or acquiescence in, a course of performance rendered under this or any prior agreement between the parties or their Affiliates shall not be relevant or admissible to determine the meaning of any of the terms of this Lease or any other Operative Document. No representations, undertakings, or agreements have been made or relied upon in the making of this Lease other than those specifically set forth in the Operative Documents. B.

Section 17.7 Construction.

This Lease shall not be construed more strictly against any one party, it being recognized that both of the parties hereto have contributed substantially and materially to the preparation and negotiation of this Lease.

Section 17.8 Headings.

The Table of Contents and headings of the various Articles and Sections of this Lease are for convenience of reference only and shall not modify, define or limit any of the terms or provisions hereof.

Section 17.9 Counterparts.

This Lease may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

Section 17.10 GOVERNING LAW.

THIS LEASE SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TENNESSEE APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE, EXCEPT AS TO MATTERS RELATING TO THE CREATION OF THE LEASEHOLD OR MORTGAGE ESTATES HEREUNDER, AND THE EXERCISE OF RIGHTS AND REMEDIES WITH RESPECT THERETO, WHICH SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATES IN WHICH SUCH ESTATES ARE LOCATED.

Section 17.11 Discharge of Lessee's Obligations by its Subsidiaries or Affiliates.

Lessor agrees that performance of any Lessee's obligations hereunder by one or more of such Lessee's Subsidiaries or Affiliates or one or more of Lessee's sublessees of the Leased Properties or any part thereof shall constitute performance by Lessee of such obligations to the same extent and with the same effect hereunder as if such obligations were performed by such Lessee, but no such performance shall excuse any Lessee from any obligation not performed by it or on its behalf under the Operative Documents.

Section 17.12 Liability of Lessor Limited.

Except as otherwise expressly provided below in this Section 17.12, it is expressly understood and agreed by and between each Lessee, Lessor and their respective successors and assigns that nothing herein contained shall be construed as creating any liability of Lessor or any of its Affiliates or any of their respective officers, directors, employees or agents, individually or personally, for any failure to perform any covenant, either express or implied, contained herein, all such liability (other than that resulting from Lessor's gross negligence or willful misconduct, except to the extent imputed to Lessor by virtue of any Lessee's action or failure to act), if any, being expressly waived by each Lessee and by each and every Person now or hereafter claiming by, through or under any Lessee, and that, so far as Lessor or any of its Affiliates or any of their respective officers, directors, employees or agents, individually or personally, is concerned, each Lessee and any Person claiming by, through or under any Lessee shall look solely to the right, title and interest of Lessor in and to the Leased Properties and any proceeds from Lessor's sale or encumbrance thereof (provided, however, that no Lessee shall be entitled to any double recovery) for the performance of any obligation under this Lease and under the Operative Documents and the satisfaction of any liability arising therefrom (other than that resulting from Lessor's gross negligence or willful misconduct, except to the extent imputed to Lessor by virtue of any Lessee's action or failure to act).

Section 17.13 Estoppel Certificates.

Each party hereto agrees that at any time and from time to time during the Lease Term, it will promptly, but in no event later than thirty (30) days after request by the other party hereto, execute, acknowledge and deliver to such other party or to any prospective purchaser (if such prospective purchaser has signed a commitment or letter of intent to purchase any Leased Property or any part thereof or any Note), assignee or mortgagee or third party designated by such other party, a certificate stating (a) that this Lease is unmodified and in force and effect (or if there have been modifications, that this Lease is in force and effect as modified, and identifying the modification agreements); (b) the date to which Basic Rent has been paid; (c) whether or not there is any existing default by any Lessee in the payment of Basic Rent or any other sum of money hereunder, and whether or not there is any other existing default by either party with respect to which a notice of default has been served, and, if there is any such default, specifying the nature and extent thereof; (d) whether or not, to the knowledge of the signer after due inquiry and investigation, there are any setoffs, defenses or counterclaims against enforcement of the obligations to be performed hereunder existing in favor of the party executing such certificate and (e) other items that may be reasonably requested; provided that no such certificate may be requested unless the requesting party has a good faith reason for such request.

Section 17.14 No Joint Venture.

Any intention to create a joint venture, partnership or other fiduciary relationship between Lessor and any Lessee is hereby expressly disclaimed.

Section 17.15 No Accord and Satisfaction.

The acceptance by Lessor of any sums from any Lessee (whether as Basic Rent or otherwise) in amounts which are less than the amounts due and payable by the Lessees hereunder is not intended, nor shall be construed, to constitute an accord and satisfaction of any dispute between Lessor and any Lessee regarding sums due and payable by any Lessee hereunder, unless Lessor specifically deems it as such in writing.

Section 17.16 No Merger.

In no event shall the leasehold interests, estates or rights of any Lessee hereunder, or of the holder of any Notes secured by a security interest in this Lease, merge with any interests, estates or rights of Lessor in or to the Leased Properties, it being understood that such leasehold interests, estates and rights of each Lessee hereunder, and of the holder of any Notes secured by a security interest in this Lease, shall be deemed to be separate and distinct from Lessor's interests, estates and rights in or to the Leased Properties, notwithstanding that any such interests, estates or rights shall at any time or times be held by or vested in the same person, corporation or other entity.

Section 17.17 Survival.

The obligations of each Lessee to be performed under this Lease prior to the Lease Termination Date and the obligations of Lessee pursuant to Articles III, X, XI, XIII, Sections 14.2, 14.3, 14.4, 14.5, 14.8, Articles XV, and XVI, and Sections 17.10 and 17.12 shall survive the expiration

or termination of this Lease. The extension of any applicable statute of limitations by Lessor, any Lessee, the Agent or any Indemnatee shall not affect such survival.

Section 17.18 Chattel Paper.

To the extent that this Lease constitutes chattel paper (as such term is defined in the Uniform Commercial Code in any applicable jurisdiction), no security interest in this Lease may be created through the transfer or possession of any counterpart other than the sole original counterpart, which shall be identified as the original counterpart by the receipt of the Agent.

Section 17.19 Time of Essence.

Time is of the essence of this Lease.

Section 17.20 Recordation of Lease.

Each Lessee will, at its expense, cause this Lease or a memorandum of lease in form and substance reasonably satisfactory to Lessor and such Lessee (if permitted by Applicable Law) to be recorded in the proper office or offices in the States and the municipalities in which the Land is located.

Section 17.21 Investment of Security Funds.

The parties hereto agree that any amounts not payable to a Lessee pursuant to any provision of Article VIII, X or XIV or this Section 17.21 solely because an Event of Default shall have occurred and be continuing shall be held by the Agent (or Lessor if the Loans have been fully paid) as security for the obligations of the Lessees under this Lease and the Master Agreement and of Lessor under the Loan Agreement. At such time as no Event of Default shall be continuing such amounts are payable to the Lessee, such amounts, net of any amounts previously applied to the Lessees' obligations hereunder or under the Master Agreement (which application is hereby agreed to by Lessee), shall be paid to the related Lessee. Any such amounts which are held by the Agent (or Lessor if the Loans have been fully paid) pending payment to a Lessee shall until paid to such Lessee, as provided hereunder or until applied against the Lessees' obligations herein and under the Master Agreement and distributed as provided in the Loan Agreement or herein (after the Loan Agreement is no longer in effect) in connection with any exercise of remedies hereunder, be invested by the Agent or Lessor, as the case may be, as directed from time to time in writing by Lessee (provided, however, if an Event of Default has occurred and is continuing it will be directed by the Agent or, if the Loans have been fully paid, Lessor) and at the expense and risk of the Lessees, in Permitted Investments. Any gain (including interest received) realized as the result of any such investment (net of any fees, commissions and other expenses, if any, incurred in connection with such investment) shall be applied in the same manner as the principal invested. Lessees upon demand shall pay to the Agent or Lessor, as appropriate, the amount of any loss incurred in connection with all such investments and the liquidation thereof.

Section 17.22 Ground Leases: IDB Documentation.

Each Lessee will, at its expense, timely perform all of the obligations of Lessor, in its capacity as ground lessee, under each Ground Lease and all obligations under any IDB Documentation and, if requested by Lessor shall provide satisfactory evidence to Lessor of such performance.

Section 17.23 Land and Building.

If any Building and the Land on which such Building is located are subject to separate Lease Supplements, at any time that the related Lessee exercises an option to purchase such Building or such Land, or to renew this Lease with respect to such Building or such Land, or is obligated to purchase such Building or such Land as a result of an Event of Loss, an Event of Taking or an Event of Default, such purchase or renewal shall be made simultaneously with respect to all of such Building and such Land.

Section 17.24 Joint and Several.

Each obligation of each Lessee hereunder shall be a joint and several obligation of all of the Lessees.

[Signature page follows]

**LEASE
AGREEMENT**

IN WITNESS WHEREOF, the undersigned have each caused this Lease Agreement to be duly executed and delivered and attested by their respective officers thereunto duly authorized as of the day and year first above written.

Witnessed:

DOLLAR GENERAL CORPORATION,
as a Lessee

By: _____
Name: _____

By: _____
Name: _____
By: _____
Title: _____

Name: _____

Witnessed:

ATLANTIC FINANCIAL GROUP, LTD.,
as Lessor

By: _____
Name: _____

By: Atlantic Financial Managers,
Inc., its General Partner

By: _____
Name: _____

By: _____
Name: Stephen Brookshire
Title: President

STATE OF _____)

) ss.:

COUNTY OF _____)

The foregoing Lease was acknowledged before me, the undersigned Notary Public, in the County of _____, _____, this _____ day of _____, _____, by _____, as _____ of Atlantic Financial Managers, Inc., a Texas corporation which is general partner of Atlantic Financial Group, Ltd., on behalf of such corporation as general partner of such partnership.

[Notarial Seal] _____ Notary Public

My commission expires: _____

STATE OF _____)

) ss.:

COUNTY OF _____)

The foregoing Lease was acknowledged before me, the undersigned Notary Public, in the County of _____, ____ ____, this ____ day of _____, _____, by _____, as _____, of Dollar General Corporation, a Tennessee corporation, on behalf of the corporation.

[Notarial Seal] _____ Notary Public

My commission expires: _____

Receipt of this original counterpart of the foregoing Lease is hereby acknowledged as of the date hereof.

**SUNTRUST BANK, NASHVILLE, N.A.,
as the Agent**

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Recording requested by EXHIBIT A TO
and when recorded mail to: THE LEASE

LEASE SUPPLEMENT NO. __ AND MEMORANDUM OF LEASE

THIS LEASE SUPPLEMENT NO. __ (this "Lease Supplement") dated as of [], between ATLANTIC FINANCIAL GROUP, LTD., as lessor (the "Lessor"), and [DOLLAR GENERAL CORPORATION, a Tennessee corporation,] as lessee (the "Related Lessee").

WHEREAS Lessor is the owner of the Land described on Schedule I hereto and wishes to lease the Land together with any Building and other improvements thereon or which thereafter may be constructed thereon pursuant to the Lease to Lessee;

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

SECTION 1. Definitions; Interpretation. For purposes of this Lease Supplement, capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to them in Appendix A to the Lease Agreement, dated as of June 11, 1999, among the Lessees named therein and Lessor; and the rules of interpretation set forth in Appendix A to the Lease shall apply to this Lease Supplement.

SECTION 2. The Properties. Attached hereto as Schedule I is the description of certain Land (the "Subject Property"). Effective upon the execution and delivery of this Lease Supplement by Lessor and Lessee, such Land, together with any Building and other improvements thereon or which thereafter may be constructed thereon shall be subject to the terms and provisions of the Lease and Lessor hereby grants, conveys, transfers and assigns to the Related Lessee those interests, rights, titles, estates, powers and privileges provided for in the Lease with respect to the Subject Property.

SECTION 3. Amendments to Lease with Respect to Subject Property. Effective upon the execution and delivery of this Lease Supplement by Lessor and the Related Lessee, the following terms and provisions shall apply to the Lease with respect to the Subject Property:

[Insert Applicable Sections per Local Law as contemplated by the Master Agreement]

SECTION 4. Ratification; Incorporation. Except as specifically modified hereby, the terms and provisions of the Lease are hereby ratified and confirmed and remain in full force and effect. The terms of the Lease (as amended by this Lease Supplement) are by this reference incorporated herein and made a part hereof.

SECTION 5. Original Lease Supplement. The single executed original of this Lease Supplement marked "THIS COUNTERPART IS THE ORIGINAL EXECUTED COUNTERPART" on the signature page thereof and containing the receipt of the Agent therefor on or following the signature page thereof shall be the original executed counterpart of this Lease Supplement (the "Original Executed Counterpart"). To the extent that this Lease Supplement constitutes chattel paper, as such term is defined in the Uniform Commercial Code as in effect in any applicable jurisdiction, no security interest in this Lease Supplement may be created through the transfer or possession of any counterpart other than the Original Executed Counterpart.

SECTION 6. GOVERNING LAW. THIS LEASE SUPPLEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF TENNESSEE, BUT EXCLUDING ALL OTHER CHOICE OF LAW AND CONFLICTS OF LAW RULES OF SUCH STATE, EXCEPT AS TO MATTERS RELATING TO THE CREATION OF THE LEASEHOLD AND MORTGAGE ESTATES HEREUNDER, AND THE EXERCISE OF RIGHTS AND REMEDIES WITH RESPECT THERETO, WHICH SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE IN WHICH SUCH ESTATES ARE LOCATED.

SECTION 7. Counterpart Execution. This Lease Supplement may be executed in any number of counterparts and by each of the parties hereto in separate counterparts, all such counterparts together constituting but one and the same instrument.

IN WITNESS WHEREOF, each of the parties hereto has caused this Lease Supplement to be duly executed by an officer thereunto duly authorized as of the date and year first above written.

Witnessed:

ATLANTIC FINANCIAL GROUP, LTD.,
as the Lessor

By: _____
Name: _____

By: Atlantic Financial Managers,

By: _____

Name: _____

By: _____
Name: _____
Title: _____

Witnessed:

DOLLAR GENERAL CORPORATION,
as Related Lessee

By: _____
Name: _____

By: _____
Name: _____

By: _____
Name: _____
Title: _____

STATE OF _____)

) ss.:

COUNTY OF _____)

The foregoing Lease was acknowledged before me, the undersigned Notary Public, in the County of _____, _____, this _____ day of _____, _____, by _____, as _____ of Atlantic Financial Managers, Inc., a Texas corporation which is general partner of Atlantic Financial Group, Ltd., on behalf of such corporation as general partner of such partnership.

[Notarial Seal] _____ Notary Public

My commission expires: _____

STATE OF _____)

) ss.:

COUNTY OF _____)

The foregoing Lease was acknowledged before me, the undersigned Notary Public, in the County of _____, ____ ____, this ____ day of _____, _____, by _____, as _____, of Dollar General Corporation, a Tennessee corporation, on behalf of the corporation.

[Notarial Seal]

Notary Public

My commission expires: _____

Receipt of this original counterpart of the foregoing Lease Supplement is hereby acknowledged as of the date hereof.

**SUNTRUST BANK, NASHVILLE, N.A.,
as the Agent**

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

GUARANTY AGREEMENT

from

DOLLAR GENERAL CORPORATION

Dated as of June 11, 1999

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GUARANTY

THIS GUARANTY AGREEMENT, dated as of June 11, 1999 (as amended, supplemented or otherwise modified, this "Guaranty"), is made by Dollar General Corporation, a Tennessee corporation ("Dollar" or the "Guarantor").

WITNESSETH:

WHEREAS, Dollar, as a Lessee and Guarantor, Atlantic Financial Group, Ltd. as Lessor, certain Subsidiaries of Dollar, as Lessees, Three Pillars Funding Corporation, as Lender, the financial institutions parties thereto as Liquidity Banks, SunTrust Bank, Nashville, N.A., as Agent, and SunTrust Equitable Securities Corporation, as Administrator have entered into that certain Master Agreement, dated as of June 11, 1999 (as it may be modified, amended or restated from time to time as and to the extent permitted thereby, the "Master Agreement"; and, unless otherwise defined herein, terms which are defined or defined by reference in the Master Agreement (including Appendix A thereto) shall have the same meanings when used herein as such terms have therein); and

WHEREAS, it is a condition precedent to the Funding Parties consummating the transactions to be consummated on each Closing Date that the Guarantor execute and deliver this Guaranty; and

WHEREAS, it is in the best interests of the Guarantor that the transactions contemplated by the Master Agreement be consummated on each Closing Date; and

WHEREAS, this Guaranty, and the execution, delivery and performance hereof, have been duly authorized by all necessary corporate action of the Guarantor; and

WHEREAS, this Guaranty is offered by the Guarantor as an inducement to the Funding Parties to consummate the transactions contemplated in the Master Agreement, which transactions, if consummated, will be of benefit to the Guarantor;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Guarantor, the Guarantor hereby agrees as follows:

SECTION 1. Guaranty. The Guarantor hereby unconditionally guarantees the full and prompt payment when due, whether by acceleration or otherwise, and at all times thereafter, and the full and prompt performance, of all of the Liabilities (as hereinafter defined), including interest and earnings on any such Liabilities whether accruing before or after any bankruptcy or insolvency case or proceeding involving Guarantor, any Lessee or any other Person and, if interest or earnings on any portion of such obligations ceases to accrue by operation of law by reason of the commencement of such case or proceeding, including such interest and yield as would have accrued on any such portion of such obligations if such case or proceeding had not commenced, and further agrees to pay all reasonable expenses (including reasonable attorneys' fees and legal expenses) actually paid or incurred by each of the Funding Parties in endeavoring to collect the Liabilities, or any part thereof, and in enforcing

this Guaranty. The term "Liabilities", as used herein, shall mean all of the following, in each case howsoever created, arising or evidenced, whether direct or indirect, joint or several, absolute or contingent, or now or hereafter existing, or due or to become due: (i) all amounts payable by the Lessees under the Lease (including, without limitation, Basic Rent, Supplemental Rent and Recourse Deficiency Amounts), the Master Agreement (including the facility fee) or any other Operative Document, and (ii) all principal of the Notes and interest accrued thereon, accrued Yield and all additional amounts and other sums at any time due and owing, and required to be paid, to the Funding Parties under the terms of the Master Agreement, the Loan Agreement, the Assignments of Lease and Rents, the Mortgages, the Notes or any other Operative Document;

provided, however, that, notwithstanding anything to the contrary contained herein, (i) the Guarantor will not be obligated under any circumstances to pay under this Guaranty, and the term "Liabilities" shall not include, any amounts greater than the Lessees would have had to pay, under the Lease, the Master Agreement, the Construction Agency Agreement and the other Operative Documents, assuming that such documents were enforced in accordance with their terms (and without giving effect to any discharge or limitation thereon resulting or arising by reason of the bankruptcy or insolvency of any Lessee), plus all reasonable costs actually incurred in enforcing this Guaranty and (ii) during the Construction Term for a Construction Land Interest, only the Lessor shall be a beneficiary under this Guaranty with respect to such Construction Land Interest. As an illustration of the foregoing proviso, if the Lessees have properly exercised the Remarketing Option under the Lease, Guarantor will only be obligated to pay the amounts due pursuant to Section 14.6 of the Lease, plus the reasonable costs actually incurred, if any, in enforcing this Guaranty.

By way of extension and not in limitation of any of its other obligations hereunder, but subject to the immediately preceding sentence, the Guarantor stipulates and agrees that in the event any foreclosure proceedings are commenced and result in the entering of a foreclosure judgment, any such foreclosure judgment, to the extent related to the Liabilities, shall be treated as part of the Liabilities, and the Guarantor unconditionally guarantees the full and prompt payment of such judgment.

SECTION 2. Bankruptcy. The Guarantor agrees that, in the event of the dissolution, bankruptcy or insolvency of the Guarantor, or the inability or failure of the Guarantor generally to pay debts as they become due, or an assignment by the Guarantor for the benefit of creditors, or the commencement of any case or proceeding in respect of the Guarantor under any bankruptcy, insolvency or similar laws, and if such event shall occur at a time when any of the Liabilities may not then be due and payable, the Guarantor will pay to the Funding Parties forthwith the full amount which would be payable hereunder by the Guarantor if all Liabilities were then due and payable.

SECTION 3. Right of Set-Off. To secure all obligations of the Guarantor hereunder, each Funding Party, each Liquidity Bank and the Agent shall have a right to set-off, without demand or notice of any kind, at any time and from time to time when any amount shall be due and payable by the Guarantor hereunder against any and all balances, credits, deposits, accounts or moneys of or in the Guarantor's name now or hereafter, for any reason or purpose whatsoever, in the possession or control of, or in transit to, any Funding Party, the Agent, any Liquidity Bank or any agent or bailee for any Funding Party, and apply any such amounts toward the payment of the Liabilities then due in such order as in accordance with the Operative Documents.

SECTION 4. Continuing Guaranty. This Guaranty shall in all respects be a continuing, absolute and unconditional guaranty of prompt and, subject to the limitations contained herein, complete payment and performance (and not merely of collection), and shall remain in full force and effect (notwithstanding, without limitation, the dissolution of the Guarantor) until the termination of the Commitments and the full and final payment of all of the Liabilities.

SECTION 5. Reinstatement. The Guarantor further agrees that, if at any time all or any part of any payment theretofore applied to any of the Liabilities is or must be rescinded or returned for any reason whatsoever (including, without limitation, the insolvency, bankruptcy or reorganization of the Guarantor or any Lessee), such Liabilities shall, for the purposes of this

Guaranty, to the extent that such payment is or must be rescinded or returned, be deemed to have continued in existence, notwithstanding such application, and this Guaranty shall continue to be effective or be reinstated, as the case may be, as to such Liabilities, all as though such application had not been made.

SECTION 6. Certain Actions. The Funding Parties may, from time to time at their discretion and, except as expressly provided for under the Operative Documents, without notice to the Guarantor, take any or all of the following actions: (a) retain or obtain (i) a security interest in any Lessee's interests in the Lease and (ii) a lien or a security interest hereafter granted by any Person upon or in any property, in each case to secure any of the Liabilities or any obligation hereunder; (b) retain or obtain the primary or secondary obligation of any obligor or obligors, in addition to the Guarantor, with respect to any of the Liabilities; (c) extend or renew for one or more periods (regardless of whether longer than the original period), or release or compromise any obligation of the Guarantor hereunder or any obligation of any nature of any other obligor (including, without limitation, the Lessor and any Lessee) with respect to any of the Liabilities; (d) release or fail to perfect its Lien upon or security interest in, or impair, surrender, release or permit any substitution or exchange for, all or any part of any property securing any of the Liabilities or any obligation hereunder, or extend or renew for one or more periods (regardless of whether longer than the original period) or release or compromise any obligations of any nature of any obligor with respect to any such property; and (e) resort to the Guarantor for payment of any of the Liabilities, regardless of whether the Agent or any other Person shall have resorted to any property securing any of the Liabilities or any obligation hereunder or shall have proceeded against any other obligor primarily or secondarily obligated with respect to any of the Liabilities (all of the actions referred to in this clause (e) being hereby expressly waived by the Guarantor to the extent permitted by law).

SECTION 7. Application. Any amounts received by any Funding Party from whatever source on account of the Liabilities shall be applied by it toward the payment of such of the Liabilities, and in such order of application, as is set forth in the Operative Documents.

SECTION 8. Waiver. Subject in each event to the notice, if any, otherwise expressly required under the Operative Documents, the Guarantor hereby expressly waives: (a) notice of the acceptance of this Guaranty; (b) notice of the existence or creation or non-payment of all or any of the Liabilities; (c) presentment, demand, notice of dishonor, protest, and all other notices whatsoever; and (d) except as provided to the contrary in the Operative Documents, all diligence in collection or protection of or realization upon the Liabilities or any thereof, any obligation hereunder, or any security for or guaranty of any of the foregoing.

SECTION 9. Assignment. Subject to Section 6 of the Master Agreement, each Funding Party may, from time to time, whether before or after any discontinuance of this Guaranty, at its sole discretion and without notice to the Guarantor, assign or transfer any or all of its portion of the Liabilities or any interest therein; and, notwithstanding any such assignment or transfer or any subsequent assignment or transfer thereof, such Liabilities shall be and remain Liabilities for the purposes of this Guaranty, and each and every such immediate and successive assignee or transferee of any of the Liabilities or of any interest therein shall, to the extent of such assignee's or transferee's interest in the Liabilities, be entitled to the benefits of this Guaranty to the same extent as if such assignee or transferee were such Funding Party.

SECTION 10. Miscellaneous. No delay in the exercise of any right or remedy shall operate as a waiver thereof, and no single or partial exercise of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy; nor shall any modification or waiver of any of the provisions of this Guaranty be binding upon any Funding Party except as expressly set forth in a writing duly signed and delivered on its behalf. No action permitted hereunder shall in any way affect or impair any Funding Party's rights or the Guarantor's obligations under this Guaranty. For the purposes of

this Guaranty, Liabilities shall include all of the obligations described in the definition thereof, notwithstanding any right or power of any Lessee or the Lessor or anyone else to assert any claim or defense (other than final payment) as to the invalidity or unenforceability of any such obligation, and no such claim or defense shall affect or impair the obligations of the Guarantor hereunder. The Guarantor's obligations under this Guaranty shall be absolute and unconditional irrespective of any circumstance whatsoever which might constitute a legal or equitable discharge or defense of the Guarantor. The Guarantor hereby acknowledges that there are no conditions to the effectiveness of this Guaranty which have not been satisfied as of the date hereof.

This Guaranty shall be binding upon the Guarantor and upon the Guarantor's successors and permitted assigns; and all references herein to the Guarantor shall be deemed to include any successor or successors, whether immediate or remote, to such Person; provided that the Guarantor shall not assign, other than by operation of law, its obligations hereunder without the prior written consent of the Funding Parties.

Wherever possible each provision of this Guaranty shall be interpreted in such manner as to be effective and valid under Applicable Law, but if any provision of this Guaranty shall be prohibited by or invalid thereunder, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Guaranty.

The Guarantor: (a) submits for itself and its property in any legal action or proceeding relating to this Guaranty, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the Courts of the State of Tennessee sitting in Davidson County, Tennessee, the courts of the United States of America for the Middle District of Tennessee, and appellate courts from any thereof; (b) consents that any such action or proceedings may be brought to such courts, and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same; (c) agrees that service of process in any such action or proceeding may be effected by delivering a copy thereof to it at its address set forth below or at such other address of which the other parties to the Master Agreement shall have been notified pursuant to Section 8.2 of the Master Agreement; and (d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right of the Funding Parties to sue in any other jurisdiction.

All notices, demands, declarations, consents, directions, approvals, instructions, requests and other communications required or permitted by this Guaranty shall be in writing and shall be deemed to have been duly given when addressed to the appropriate Person and delivered in the manner specified in Section 8.2 of the Master Agreement.

THIS GUARANTY SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF TENNESSEE, WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES.

IN WITNESS WHEREOF, the Guarantor has caused this Guaranty to be executed and delivered as of the date first above written.

DOLLAR GENERAL CORPORATION

By: _____

Name Printed:

Title:

EXHIBIT 10.4

SUBSIDIARY GUARANTEE

THIS SUBSIDIARY GUARANTEE (as amended from time to time, this "Subsidiary Guarantee") is made as of the 11th day of June, 1999 by DOLGENCORP, INC., a Kentucky corporation ("Dolgencorp"), DOLGENCORP OF TEXAS, INC., a Kentucky corporation ("Dolgencorp of Texas"), DADE LEASE MANAGEMENT, INC., a Delaware corporation ("Dade"), DOLLAR GENERAL FINANCIAL, INC., a Tennessee corporation ("Dollar Financial"), and DOLLAR GENERAL PARTNERS, a Kentucky general partnership ("Dollar Partners"; Dolgencorp, Dolgencorp of Texas, Dade, Dollar Financial and Dollar Partners are collectively referred to as "Guarantors" and individually as a "Guarantor") in favor of the Agent, for the ratable benefit of the Funding Parties, under the Master Agreement referred to below;

WITNESSETH:

WHEREAS, Dollar General Corporation, a Kentucky corporation ("Dollar"), certain subsidiaries of Dollar, Atlantic Financial Group, Ltd. ("Lessor"), Three Pillars Funding Corporation (the "Lender"), SunTrust Bank, Nashville, N.A. as agent (the "Agent"), First Union National Bank, as Syndication Agent, Bank of America National Trust and Savings Bank, as Documentation Agent, The First National Bank of Chicago and Wachovia Bank, N.A., as Co-Agents, the various financial institutions parties thereto, as Liquidity Banks, and SunTrust Equitable Securities Corporation, as Administrator have entered into that certain Master Agreement dated as of June 11, 1999 (as the same may have been or may hereafter be amended or supplemented from time to time, the "Master Agreement"), providing, subject to the terms and conditions thereof; for extensions of credit to be made by the Funding Parties to Dollar;

WHEREAS, it is a requirement of the Master Agreement that each Guarantor shall execute and deliver this Subsidiary Guarantee whereby each Guarantor shall guarantee the payment when due of all obligations that shall be at any time payable by Dollar under the Master Agreement and the other Operative Documents; and

WHEREAS, in consideration of the financial and other support that Dollar provided, and such financial and other support as Dollar may in the future provide, to each Guarantor, each Guarantor is willing to guarantee the obligations under the Master Agreement and the other Operative Documents.

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

SECTION 1. Definitions. Terms defined in the Master Agreement and not otherwise defined herein have, as used herein the respective meanings provided for therein.

SECTION 2. Representations and Warranties. Each Guarantor represents and warrants (which representations and warranties shall be deemed to have been renewed upon each Funding under the Master Agreement) that:

(a) It (i) is a corporation or, in the case of Dallas Partners, a general partnership, duly organized or formed, validly existing and in good standing under the laws of its jurisdiction of organization or formation; (ii) has all requisite power, and has all material governmental licenses, authorizations, consents and approvals necessary to own its assets and carry on its business as now being or as proposed to be conducted, and (iii) is qualified to do business in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary and where failure so to qualify would have a Materially Adverse Effect.

(b) It has all necessary power and authority to execute, deliver and perform its obligations under this Subsidiary Guarantee; the execution, delivery and performance of this Subsidiary Guarantee have been duly authorized by all necessary organizational action; and this Subsidiary Guarantee has been duly and validly executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable in accordance with its terms.

(c) Neither the execution and delivery by it of this Subsidiary Guarantee nor compliance with the terms and provisions hereof will conflict with or result in a breach of, or require any consent under, its organizational documents or any material applicable law or regulation or any order, writ, injunction or decree of any court or governmental authority or agency, or any Material Contractual Obligation to which it is a party or by which it is bound or to which it is subject, or constitute a default under any such Material Contractual Obligation, or result in the creation or imposition of any Lien upon any of its revenues or assets pursuant to the terms of any such Material Contractual Obligation.

SECTION 2.02. Covenants. Each Guarantor covenants that so long as any Funding Party has any Commitment outstanding under the Master Agreement or any amount payable under the Operative Documents shall remain unpaid, that it will, and, if necessary, will enable Dollar to fully comply with those covenants and agreements set forth in the Master Agreement (including, without limitation, Section 5 thereof).

SECTION 3. The Subsidiary Guarantee. Each Guarantor, jointly and severally, hereby unconditionally guarantees, the full and punctual payment (whether at stated maturity, upon acceleration or otherwise) of the full and punctual payment of all amounts payable by Dollar under the Master Agreement, the Guaranty Agreement and the other Operative Documents (all of the foregoing, including without limitation, interest accruing or what would have accrued after the filing of a petition in bankruptcy or other insolvency proceeding, being referred to collectively as the "Guaranteed Obligations"). Upon failure by Dollar to pay punctually any such amount, each Guarantor agrees that it shall forthwith on demand pay the amount not so paid at the place and in the manner specified in the Master Agreement, the Guaranty Agreement or the relevant Operative Document, as the case may be. Each Guarantor acknowledges and agrees that this is a guarantee of payment when due, and not of collection, and that this Subsidiary Guarantee may be enforced up to the full amount of the Guaranteed Obligations without proceeding against Dollar, any other Guarantor, any security for the Guaranteed Obligations, or against any other Person that

may have liability on all or any portion of the Guaranteed Obligations. Each Guarantor's obligations under this Subsidiary Guarantee and the obligations of any other Subsidiary Guarantor under a Subsidiary Guarantee, are joint and several.

SECTION 4. Subsidiary Guarantee Unconditional. The obligations of each Guarantor hereunder shall be unconditional and absolute and, without limiting the generality of the foregoing, shall not be released, discharged or otherwise affected by:

- (i) any extension, renewal, settlement, compromise, waiver or release in respect of any obligation of Dollar under the Master Agreement, the Guaranty Agreement or any other Operative Document, by operation of law or otherwise or any obligation of any other guarantor of any of the Obligations;
- (ii) any modification or amendment of or supplement to the Master Agreement, the Guaranty Agreement or any other Operative Document;
- (iii) any release, nonperfection or invalidity of any direct or indirect security for any obligation of Dollar under the Master Agreement, the Guaranty Agreement or any Operative Document, or any obligations of any other guarantor of any of the Guaranteed Obligations;
- (iv) any change in the existence, structures or ownership of Dollar or any other guarantor of any of the Guaranteed Obligations, or any insolvency, bankruptcy, reorganization or other similar proceeding affecting Dollar, or any other guarantor of the Guaranteed Obligations, or its assets or any resulting release or discharge of any obligation of Dollar, or any other guarantor of any of the Guaranteed Obligations;
- (v) the existence of any claim, setoff, or other rights which any Subsidiary Guarantor may have at any time against Dollar, any other guarantor of any of the Obligations, the Agent, the Lender, the Lessor or any other Person, whether in connection herewith or any unrelated transactions, provided that nothing herein shall prevent the assertion of any such claim by separate suit or compulsory counterclaim;
- (vi) any invalidity or unenforceability relating to or against Dollar, or any other guarantor of any of the Guaranteed Obligations, for any reason related to the Master Agreement, the Guaranty Agreement, any other Operative Document, or any provision of applicable law or regulation purporting to prohibit the payment by Dollar or any other guarantor of the Guaranteed Obligations, of any amount payable by Dollar under the Master Agreement, the Guaranty Agreement or any other Operative Document; or
- (vii) any other act or omission to act or delay of any kind by Dollar, any other guarantor of the Guaranteed Obligations, the Agent, any Lender, the Lessor or any other Person or any other circumstance whatsoever which might, but for the provisions of this paragraph, constitute a legal or equitable, discharge of any Guarantor's obligations hereunder.

SECTION 5. Discharge Only Upon Payment In Full: Reinstatement In Certain Circumstances. Each Guarantor's obligations hereunder shall remain in full force and effect until all Guaranteed Obligations shall have been paid in full and the Commitments under the Master Agreement shall have terminated or expired. If at any time any payment of or any amount payable by Dollar or any other party under the Master Agreement or any other Operative Document is rescinded or must be otherwise restored or returned upon the insolvency, bankruptcy or reorganization of Dollar or otherwise, each Guarantor's obligations hereunder with respect to such payment shall be reinstated as though such payment had been due but not made at such time.

SECTION 6. Waiver of Notice. Each Guarantor irrevocably waives acceptance hereof, presentment, demand, protest and, to the fullest extent permitted by law, any notice not provided for herein as well as any requirement that at any time any action be taken by any Person against Dollar, any other guarantor of the Guaranteed Obligations, or any other Person.

SECTION 7. Judgment Currency.

(a) Each Guarantor shall pay all amounts due hereunder in U.S. Dollars, and such obligations hereunder to make payments in U.S. Dollars shall not be discharged or satisfied by any tender or recovery pursuant to any judgment expressed in or converted into any currency other than U.S. Dollars, except to the extent that such tender or recovery results in the effective receipt by the Funding Parties of the full amount of U.S. Dollars expressed to be payable under this Subsidiary Guarantee or the Operative Documents. If for the purpose of obtaining or enforcing against any Guarantor in any court or in any jurisdiction, it becomes necessary to convert into or from any currency other than U.S. Dollars (such other currency being hereinafter referred to as the "Judgment Currency") an amount due in U.S. Dollars, the conversion shall be made, and the currency equivalent determined, in each case, as on the Business Day immediately preceding the day on which the judgment is given (such Business Day being hereinafter referred to as the "Judgment Currency Conversion Date").

(b) If there is a change in the rate of exchange between the Judgment Currency Conversion Date and the date of actual payment of the amounts due, each Guarantor covenants and agrees to pay, or cause to be paid, such additional amounts, if any (but in any event not a lesser amount), as may be necessary to insure that the amount paid in the Judgment Currency, when converted at the rate of exchange prevailing on the date of payment, will produce the amount of U.S. Dollars which could have been purchased with the amount of Judgment Currency stipulated in the judgment or judicial award at the rate of exchange prevailing on the Judgment Currency Conversion Date.

(c) For purposes of determining the currency equivalent for this Section, such amounts shall include any premium and costs payable in connection with the purchase of U.S. Dollars.

(d) The currency equivalent of U.S. Dollars shall mean, with respect to any monetary amount in a currency other than U.S. Dollars, at any time for the determination thereof, the amount of U.S. Dollars obtained by converting such foreign currency involved in such computation into U.S. Dollars at the spot rate

for the purchase of U.S. Dollars with the applicable foreign currency as quoted by the Agent at approximately 11:00 a.m. (Nashville, Tennessee time) on the date of determination thereof specified herein or, if the date of determination thereof is not otherwise specified herein, on the date two (2) Business Days prior to such determination.

SECTION 8. Stay of Acceleration. If acceleration of the time for payment of any amount payable by Dollar under the Master Agreement, the Guaranty Agreement or any other Operative Document is stayed upon the insolvency, bankruptcy or reorganization of Dollar, all such amounts otherwise subject to acceleration under the terms of the Master Agreement, the Guaranty Agreement or any other Operative Document shall nonetheless be payable by each Guarantor hereunder forthwith on demand by the Agent.

SECTION 9. Notices. All notices, requests and other communication to any party hereunder shall be given or made by telecopier or other writing and telecopied, or mailed or delivered to the intended recipient at its address or telecopier set forth on the signature pages hereof or such other address or telecopy number as such party may hereafter specify for such purpose by notice to the Agent in accordance with the provisions of Section 8.2. of the Master Agreement. Except as otherwise provided in this Subsidiary Guarantee, all such communications shall be deemed to have been duly given when transmitted by telecopier, or personally delivered or, in the case of a mailed notice sent by certified mail return receipt requested, on the date set forth on the receipt (provided, that any refusal to accept such notice shall be deemed to be notice thereof as of the time of any such in each case given or addressed as aforesaid).

SECTION 10. No Waivers. No failure to delay by the Agent, the Lessor or the Lender in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies provided in this Subsidiary Guarantee, the Master Agreement, the Guaranty Agreement and the other Operative Documents shall be cumulative and not exclusive of any rights or remedies provided by law.

SECTION 11. Successors and Assigns. This Subsidiary Guarantee is for the benefit of the Funding Parties and their respective successors and permitted assigns and in the event of an assignment of any amounts payable under the Master Agreement or the other Operative Documents, the rights hereunder, to the extent applicable to the indebtedness so assigned, may be transferred with such indebtedness. This Subsidiary Guarantee shall be binding upon each Guarantor and its successors and permitted assigns.

SECTION 12. Changes in Writing. Neither this Subsidiary Guarantee nor any provision hereof may be changed, waived, discharged or terminated orally, but only in writing signed by the Guarantors and the Agent with the consent of the Required Liquidity Banks.

SECTION 13. GOVERNING LAW; SUBMISSION TO JURISDICTION WAIVER OF JURY TRIAL. THIS SUBSIDIARY GUARANTEE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TENNESSEE. EACH GUARANTOR HEREBY SUBMITS TO THE NONEXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF TENNESSEE AND OF ANY TENNESSEE STATE COURT SITTING IN

NASHVILLE, TENNESSEE AND FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS SUBSIDIARY GUARANTEE (INCLUDING, WITHOUT LIMITATION, ANY OF THE OTHER OPERATIVE DOCUMENTS) OR THE TRANSACTIONS CONTEMPLATED HEREBY, EACH GUARANTOR IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH GUARANTOR AND EACH FUNDING PARTY ACCEPTING THIS SUBSIDIARY GUARANTEE HEREBY IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS SUBSIDIARY GUARANTEE OR THE TRANSACTIONS CONTEMPLATED HEREBY.

SECTION 14. Taxes, etc. All payments required to be made by a Guarantor hereunder shall be made without setoff or counterclaim and free and clear of and without deduction or withholding for or on account of, any present or future taxes, levies, imposts, duties or other charges of whatsoever nature imposed by any government or any political or taxing authority thereof, provided, however, that if such Guarantor is required by law to make such deduction or withholding, such Guarantor shall forthwith pay to the Agent or any Funding Party, as applicable, such additional amount as results in the net amount received by the Agent or such Funding Party, as applicable, equaling the full amount which would have been received by the Agent or such Funding Party, as applicable, had no such deduction or withholding been made.

IN WITNESS WHEREOF, each Guarantor has caused this Subsidiary Guarantee to be duly executed by its authorized officers as of the day and year first above written.

DOLGENCORP, INC.

By: _____

Title: _____

DOLGENCORP OF TEXAS, INC.

By: _____

Title: _____

DADE LEASE MANAGEMENT, INC.

By: _____

Title: _____

DOLLAR GENERAL FINANCIAL, INC.

By: _____

Title: _____

DOLLAR GENERAL PARTNERS

By: _____

Title: _____

**ADDRESS FOR NOTICES FOR ALL
GUARANTORS:**

Larry Wilcher
General Counsel
Dollar General Corporation
427 Beech Street
Scottsville, Kentucky 42164
Telecopier No.: 502/237-3909

ACCEPTED BY:

**SUNTRUST BANK, NASHVILLE, N.A.,
as Agent**

By: _____

Title: _____

ARTICLE 5

MULTIPLIER: 1,000

PERIOD TYPE	6 MOS	6 MOS
FISCAL YEAR END	JAN 28 2000	JAN 2 1999
PERIOD END	JUL 30 1999	JUL 31 1998
CASH	25,303	33,158
SECURITIES	0	0
RECEIVABLES	0	0
ALLOWANCES	0	0
INVENTORY	951,109	797,277
CURRENT ASSETS	1,028,843	874,180
PP&E	523,601	445,362
DEPRECIATION	219,978	174,886
TOTAL ASSETS	1,342,083	1,151,202
CURRENT LIABILITIES	485,329	485,472
BONDS	0	0
PREFERRED MANDATORY	0	0
PREFERRED	858	858
COMMON	133,116	105,211
OTHER SE	703,184	537,773
TOTAL LIABILITY AND EQUITY	1,342,083	1,151,202
SALES	1,759,803	1,446,615
TOTAL REVENUES	1,759,803	1,446,615
CGS	1,284,274	1,050,802
TOTAL COSTS	350,458	291,340
OTHER EXPENSES	0	0
LOSS PROVISION	0	0
INTEREST EXPENSE	2,776	2,970
INCOME PRETAX	122,295	101,503
INCOME TAX	44,332	37,810
INCOME CONTINUING	77,963	63,693
DISCONTINUED	0	0
EXTRAORDINARY	0	0
CHANGES	0	0
NET INCOME	77,963	63,693
EPS BASIC	0.34	0.28
EPS DILUTED	0.29	0.24

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