

ECONOMIC DEVELOPMENT FOR A GROWING ECONOMY (EDGE)

TAX CREDIT AGREEMENT

This Agreement ("Agreement") is between the **INDIANA ECONOMIC DEVELOPMENT CORPORATION** ("IEDC") and **DOLGENCORP, LLC** (f/k/a **DOLGENCORP, INC.**) (the "Company"). The parties to this Agreement, in consideration of the mutual covenants, obligations, and stipulations set forth herein, witness and agree as follows:

1. PURPOSE OF AGREEMENT:

Pursuant to Indiana Code § 6-3.1-13 *et seq.*, and in accordance with the terms and conditions contained herein, the purpose of this Agreement is to foster job creation in Indiana. To fulfill this purpose, the IEDC has awarded and this Agreement specifies the terms of a credit for the Company against its Indiana state tax liability, as defined by Indiana Code § 6-3.1-13-9, that may be imposed on the Company for each tax year of the Company (each a "Taxable Year") as set forth in Paragraphs 4, 5 and 6 below.

2. TERM OF AGREEMENT:

This Agreement will be effective as of the Commencement Date (as defined at Exhibit A), and shall remain in effect for two (2) years following the last Taxable Year in which the Company claims the tax credit or carries over an unused part of the tax credit. The Company shall maintain operations at the Project Location (as defined in Paragraph 3 below) for two (2) years following the last Taxable Year in which the Company claims the tax credit or carries over an unused part of the tax credit.

3. DESCRIPTION OF PROJECT:

The Company will complete the project as described at Exhibit A (the "Project"), which exhibit is attached hereto and incorporated herein by reference. The Project will be located at the location listed at Exhibit A (the "Project Location"). The Project is anticipated to involve a capital investment of at least the Capital Investment Commitment (as defined at Exhibit A), and result in the creation of new full-time jobs totaling at least the Additional Jobs Commitment (as defined at Exhibit A), which pay an average hourly wage for all employees, before benefits, of at least the Average Wage Commitment (as defined at Exhibit A). The minimum full-time hourly wage will equal the Minimum Wage Commitment (as defined at Exhibit A) for purposes of calculating the credit. The IEDC's obligations and commitments are made in reliance of and are conditioned upon those representations.

4. DEFINITION OF TAXABLE YEAR:

For purposes of this Agreement, the term "Taxable Year" and "Taxable Years" shall mean the Company's fiscal year for state income tax reporting purposes.

5. DURATION OF TAX CREDIT:

The Company may claim a tax credit under this Agreement for any one or more Taxable Years, but the number of years in which the Company claims a tax credit

under this Agreement may not exceed a cumulative total of the Successive Taxable Years Maximum (as defined at Exhibit A).

6. FIRST TAXABLE YEAR FOR WHICH CREDIT MAY BE CLAIMED:

The first Taxable Year for which a tax credit may be claimed under this Agreement is the taxpayer's Taxable Year that includes December 31 of the First Eligible Tax Year (as defined at Exhibit A).

7. CREDIT AMOUNT ALLOWED FOR EACH TAXABLE YEAR:

The Maximum Credit Amount that will be allowed for each Taxable Year is attached to this Agreement as Exhibit A, and is incorporated herein by reference; provided, however, the credit amount shall not exceed the incremental state income tax withholdings attributable to the Project as defined by Indiana Code § 6-3.1-13-5. Furthermore, no credit shall be allowed in any year in which the Company's net full-time employment at the Project Location fails to exceed the Base-Year Employment Number (as defined at Exhibit A) base employment figure established at Paragraph 8B, below. Incremental income tax withholding shall be calculated according to the Indiana Department of Revenue ("IDOR") Departmental Notice #1 (formerly Indiana Income Tax Information Bulletin #32A); provided, however, that in no event will "incremental income tax withholding" be deemed to include any withholding other than state income tax. The actual amount of the credit allowable to the taxpayer is subject to IDOR's final determination under Indiana Code § 6-8.1-3-12 and Indiana Code 6-8.1-5. Pursuant to Indiana Code § 6-3.1-13-18, in the event the credit amount claimed by the Company for a Taxable Year exceeds the Company's Indiana state tax liability for that Taxable Year, the excess shall be refunded to the Company.

8. DUTIES AND RESPONSIBILITIES OF COMPANY:

A. In entering into this Agreement, the Company has made certain representations to the IEDC regarding the Project. These representations include but are not limited to the amount of the capital investment, the Additional Jobs Commitment, certain tax information, the annual payroll, as detailed in Paragraph 3 above, and that it will maintain operations at the Project Location for at least two (2) years following the last Taxable Year in which the Company claims the tax credit or carries over an unused part of the tax credit. The Company verifies that these representations are true and accurate. In the event the Company fails to fulfill its representations to the IEDC, an assessment shall be made, pursuant to Indiana Code § 6-3.1-13-22.

B. The Company shall use the following specific method for determining the number of new employees (as defined by Indiana Code § 6-3.1-13-6) employed during a Taxable Year. The Company shall subtract the number of full-time employees employed by the Company at the Project Location in the Base Year (as defined at Exhibit A) from the number of full-time employees employed by the Company at the Project Location in the current Taxable Year. Base year employment shall be defined as those persons meeting the requirements of Indiana Code § 6-3.1-13-4 as of the Commencement Date. The Company represents that the number of full-time employees employed in the Base Year at the Project Location is the Base-Year Employment Number. The Indiana income tax withholding for the Base Year, for purposes of calculating the incremental tax withholding, is established at the Base Year

Tax Withholding Amount (as defined at Exhibit A). The Base Year Tax Withholding Amount will be adjusted each Taxable Year for inflation, using the Bureau of Labor Statistics Employment Cost Index, not seasonally adjusted, private industry. The number of employees employed in the current Taxable Year at the Project Location shall be calculated as the sum of all full-time employees that are employed during such Taxable Year at the Project Location, determined as of December 31st of the applicable Taxable Year.

- C. Pursuant to the grant of a tax credit under Indiana Code § 6-3.1-13 *et seq.*, this Agreement and the authority of Indiana Code § 6-8.1-7-1, the Company shall submit to IDOR and to the IEDC, not later than the 45th day following the close of each Taxable Year for which this Agreement is in force, an annual report that contains the information listed below:
1. The number of full-time employees (as defined by Indiana Code § 6-3.1-13-4) employed at the Project Location;
 2. The Company's federal identification number and taxpayer account number, as assigned by the Indiana Department of Workforce Development for the purpose of unemployment insurance, to assist in the verification of the information provided by the Company;
 3. The total amount of the tax credits claimed by the taxpayer for the Taxable Year under this Agreement;
 4. The number of new employees, as defined by Indiana Code § 6-3.1-13-6, who are performing jobs not previously performed by an employee and the number of employees who performed a job that was previously performed by another employee;
 5. In the aggregate and for each employee, the following information shall be included:
 - a. The total payroll amount and each annual salary (not to include non-taxable fringe benefits) paid to employees located at the Project during the Taxable Year, listed by employee name, last four digits of Social Security number, mailing address, hire date, termination date (if applicable), together with designation of whether termination was voluntary or involuntary (if readily available);
 - b. The incremental income tax withholding (as described in Paragraph 8B above) paid to IDOR on each employee during the Taxable Year, and the total payroll withholding paid to IDOR during the Taxable Year.
 6. Any other information required by the IEDC to perform its duties under Indiana Code § 6-3.1-13 *et seq.*, so long as the Company is given notice of such requirements sufficient to allow the Company reasonable time to prepare such information.

The above information submitted to the IEDC or the IDOR as required by Indiana Code § 6-3.1-13 *et seq.*, and under Indiana Code § 6-8.1-6-4, must be certified as true by an officer of the Company. The IEDC shall treat the above information as confidential, financial information pursuant to Indiana Code § 5-14-3-4(a)(5), unless the IEDC determines that it is prohibited from doing so by law or judicial order.

- D. After the final successive Taxable Year in which the Company claims a tax credit under this Agreement, the Company's annual report to the IEDC and to IDOR, as set forth in Paragraph 8C, shall consist of the following information:
1. The number of full-time employees employed by the Company at the Project Location;
 2. The total payroll paid to all employees located at the Project Location during the Taxable Year;
 3. The Company's federal identification number and taxpayer account number, as assigned by the Indiana Department of Workforce Development for the purpose of unemployment insurance, to assist in the verification of the information provided by the Company;
 4. The assessed value of the real and personal property comprising the Project; and
 5. Any other information the IEDC needs to perform the IEDC's duties under Indiana Code § 6-3.1-13, so long as the Company is given notice of such requirements sufficient to allow the Company reasonable time to prepare such information.

The above information submitted to the IEDC or the IDOR as required by Indiana Code § 6-3.1-13 *et seq.*, and under Indiana Code § 6-8.1-6-4, must be certified as true by an officer of the Company. The IEDC shall treat the above information as confidential, financial information pursuant to Indiana Code § 5-14-3-4(a)(5), unless the IEDC determines that it is prohibited from doing so by law or judicial order.

- E. The Company shall provide written notice to the IEDC not more than thirty (30) days after it makes or receives a proposal that would transfer its Indiana state tax liability obligations to a successor taxpayer. The successor taxpayer may only receive the EDGE credit upon approval by the IEDC of the transfer of the credit.
- F. The Company shall submit a copy of the Certification of Verification, (as identified in Indiana Code § 6-3.1-13-19) along with its annual state tax return to IDOR at the time that the annual state tax return is filed.

9. DUTIES AND RESPONSIBILITIES OF THE IEDC:

- A. The IEDC shall review the Company's annual report to the IEDC, which shall be provided pursuant to Paragraph 8C above.

- B. The IEDC is hereby authorized to verify with the appropriate state agencies, the information reported by the Company under Paragraph 8C of this Agreement. After such verification, the IEDC shall issue a certificate to the Company stating that the amounts have been verified.
- C. Pursuant to Indiana Code § 6-3.1-13-22, if the IDOR or the IEDC determines that the Company has claimed a credit under Indiana Code § 6-3.1-13 that the Company is not entitled to because of the Company's noncompliance with the requirements of this Agreement or of the provisions of Indiana Code § 6-3.1-13, the IDOR or the IEDC shall, after giving the Company an opportunity to explain the noncompliance, impose an assessment on the Company in an amount that may not exceed the sum of any previously allowed credits, together with interest and penalties required or permitted by law.

10. NONDISCRIMINATION:

Pursuant to Indiana Code § 22-9-1-10 and the Civil Rights Act of 1964, the Age Discrimination in Employment Act and the Americans with Disabilities Act, Company shall not discriminate against any employee or applicant for employment related to this Agreement with respect to the hire, tenure, terms, conditions, or privileges of employment or any matter directly or indirectly related to employment, because of the race, color, religion, sex, age disability, national origin or ancestry or status as a veteran. Breach of this covenant may be regarded as a material breach of contract. Acceptance of this Agreement also signifies compliance with applicable federal and state laws and regulations prohibiting the aforementioned discrimination in the provision of services.

11. NOTICE TO PARTIES:

Whenever any notice, statement or other communications shall be sent to the IEDC, IDOR or the Company, it shall be sent to the following address, unless otherwise specifically advised.

- A. Notices to the IEDC shall be sent to:

Indiana Economic Development Corporation
EDGE Analyst
Office of Development Finance
One North Capitol, Suite 700
Indianapolis, IN 46204

- B. Notices to the IDOR shall be sent to:

Indiana Department of Revenue
Office of the Commissioner
IGC-North, Room N248
Indianapolis, IN 46204

- C. Notices to the Company shall be sent to the Company Contract Administrator.

12. STATUTORY AUTHORITY OF COMPANY:

The Company expressly represents and warrants to the IEDC that it is statutorily eligible to receive these monies and it expressly agrees to repay all monies or pay all

taxes previously credited under this Agreement should a legal determination of its ineligibility be made by any court of competent jurisdiction.

13. COMPLIANCE WITH LAWS:

- (A.) The Company agrees to comply with all applicable federal, state and local laws, rules, regulations and ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. The enactment of any state or federal statute or the promulgation of regulations thereunder after execution of this Agreement shall be reviewed by the IEDC and the Company to determine whether the provisions of the Agreement require formal modification.
- (B.) The Company and its agents shall abide by all ethical requirements that apply to persons who have a business relationship with the Company and the State of Indiana, as set forth in Indiana Code § 4-2-6 *et seq.*, Indiana Code § 4-2-7 *et seq.*, the regulations promulgated thereunder, and Executive Order 04-08, dated April 27, 2004. If the Company is not familiar with these ethical requirements, the Company should refer any questions to the Indiana State Ethics Commission, or visit the Indiana State Ethics Commission website at <http://www.in.gov/ethics/>. If the Company or its agents violate any applicable ethical standards, the IEDC may, in its sole discretion, terminate this Agreement immediately upon notice to the Company. In addition, the Company may be subject to penalties under Indiana Code § 4-2-6-12.
- (C.) The Company certifies by entering into this Agreement, that neither it nor its principal(s) (as defined in Paragraph 21) is presently in arrears in payment of its taxes, permit fees or other statutory, regulatory or judicially required payments to the IEDC or the State of Indiana. Further, the Company agrees that any payments in arrears and currently due to the IEDC or the State of Indiana may be withheld from payments due to the Company. Additionally, further work or payments may be withheld, delayed, or denied and/or this Agreement suspended until the Company is current in its payments and has submitted proof of such payment to the IEDC.
- (D.) The Company warrants that it has no current or outstanding criminal, civil, or enforcement actions initiated by the State of Indiana pending; and agrees that it will immediately notify the IEDC of any such actions. During the term of such actions, Company agrees that the IEDC may delay, withhold, or deny work under any Supplement or contractual device issued pursuant to this Agreement.
- (E.) If a valid dispute exists as to the Company's liability or guilt in any action initiated by the IEDC, the State of Indiana or its agencies, and the IEDC decides to delay, withhold, or deny funding or credits to the Company, the Company may request that funding be continued. The Company must submit, in writing, a request for review to the Indiana Department of Administration (IDOA) following the procedures for disputes outlined herein. A determination by IDOA shall be binding on the parties. Any payments that the IEDC may delay, withhold, deny, or apply under this paragraph shall not be subject to penalty or interest under Indiana Code § 5-17-5.

- (F.) The Company warrants that the Company and its subcontractors, if any, shall obtain and maintain all required permits, licenses, and approvals, as well as comply with all health, safety, and environmental statutes, rules, or regulations. Failure to do so is a material breach of the Agreement and grounds for immediate termination of the Agreement.
- (G.) The Company hereby affirms that it is properly registered and owes no outstanding reports with the Indiana Secretary of State and that it is in good standing with the IDOR. Company also affirms that (1) there are not outstanding enforcement actions against it by agencies of the State of Indiana, and (2) there are no significant workforce issues pending against the Company. The below named signatory(ies) hereby warrant that they are authorized to make such affirmations to the IEDC.
- (H.) Company agrees that the IEDC may confirm, at any time, that no liabilities exist to the IEDC or the State of Indiana, and, if such liabilities are discovered, that IEDC or the State of Indiana may bar Company from contracting with the IEDC or the State of Indiana in the future, cancel existing contracts, withhold payments to setoff such obligations, and withhold further payments or purchases until the entity is current in its payments on its liability to the IEDC or the State of Indiana and has submitted proof of such payment to the IEDC or the State of Indiana.

14. COMPLIANCE WITH TELEPHONE SOLICITATIONS ACT:

As required by Indiana Code § 5-22-3-7:

- (1) the Company and any principals of the Company certify that
 - (A) the Company, except for de minimis and nonsystematic violations, has not violated the terms of
 - (i) Indiana Code § 24-4.7 [Telephone Solicitation of Consumers],
 - (ii) Indiana Code § 24-5-12 [Telephone Solicitations], or
 - (iii) Indiana Code § 24-5-14 [Regulation of Automatic Dialing Machines] in the previous three hundred sixty-five (365) days, even if Indiana Code § 24-4.7 is preempted by federal law; and
 - (B) the Company will not violate the terms of Indiana Code § 24-4.7 for the duration of the Agreement, even if Indiana Code § 24-4.7 is preempted by federal law.
- (2) The Company and any principals of the Company certify that an affiliate or principal of the Company and any agent acting on behalf of the Company or on behalf of an affiliate or principal of the Company:
 - (A) except for de minimis and nonsystematic violations, has not violated the terms of Indiana Code § 24-4.7 in the previous three hundred sixty-five (365) days, even if Indiana Code 24-4.7 is preempted by federal law; and
 - (B) will not violate the terms of Indiana Code § 24-4.7 for the duration of the Agreement, even if Indiana Code § 24-4.7 is preempted by federal law.

15. CONFLICT OF INTEREST:

- (A.) As used in this paragraph:

- (1.) "Immediate family" means the spouse and the unemancipated children of an individual.
 - (2.) "Interested party" means:
 - (a.) The individual executing this Agreement;
 - (b.) An individual who combined with his immediate family has an equity interest of one percent (1%) or more of the Company, if the Company is not an individual; or
 - (c.) Any member of the immediate family of an individual specified under subparagraph 1 or 2.
 - (3.) "Commission" means the State Ethics Commission.
 - (4.) "Department" means Indiana Department of Administration.
- (B.) The Department may cancel this Agreement without recourse by the Company if any interested party (i) is an employee of the State of Indiana or IEDC, (ii) is a state officer or special state appointee of the IEDC under Indiana Code § 4-2-6, or (iii) a public servant of the IEDC under Indiana Code § 35-44-1.
 - (C.) The Department will not exercise its right of cancellation under subparagraph (B.) above if the Company gives the Department an opinion by the Commission indicating that the existence of this agreement and the employment, election or appointment by the State of Indiana of the interested party does not violate any statute or code relating to ethical conduct of state employees, officers and special state appointees of the IEDC. The Department may take action, including cancellation of this Agreement consistent with an opinion of the Commission obtained under this paragraph.
 - (D.) Grantee has an affirmative obligation under this Agreement to disclose to the Department when an interested party is or becomes an employee, officer or special state appointee of the State of Indiana. The obligation under this paragraph extends only to those facts that the Company knows or reasonably could know.

16. DRUG-FREE WORKPLACE CERTIFICATION:

The Company hereby covenants and agrees to make a good faith effort to provide and maintain a drug-free workplace. The Company hereby further agrees that the Company shall abide by the terms of the policy attached hereto as Exhibit B (the "Drug-Free Workforce Policy"), which the parties hereby deem to constitute compliance with the requirements set forth in Executive Order No. 90-5, April 12, 1990, issued by the Governor of Indiana. It shall not constitute a breach of this Agreement for the Company to (a) impose stricter policies than those contained in the Drug-Free Workforce Policy, or (b) make non-material changes to the Drug-Free Workforce Policy.

17. SUBSTANTIAL PERFORMANCE:

This Agreement shall be deemed to be substantially performed only when fully performed according to its terms and conditions and any modification thereof.

18. TERMS:

Terms not otherwise defined in this Agreement shall have the meanings set forth in Indiana Code § 6-3.1-13 *et seq.*

19. ASSIGNMENT:

This Agreement binds the Company's successors and assignees to all terms and conditions of this Agreement. Company shall not assign, subgrant or subcontract the whole or any part of the Project unless it has been approved in writing by the IEDC.

20. INDEMNIFICATION:

The Company agrees to indemnify, defend, and hold harmless the IEDC and the State of Indiana and their respective agents, officers and employees from all claims and suits including court costs, attorney's fees, and other expenses caused by any act or omission of the Company and/or its subcontractors, if any. The IEDC shall not provide such indemnification to the Company.

21. DEBARMENT AND SUSPENSION:

Company certifies, by entering into this Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from entering into this Agreement by any federal agency or department, the IEDC, or agency or political subdivision of the State of Indiana. The term "principal" for purposes of this agreement is defined as member, manager or a person who has a critical influence on or substantive control over the operations of the Company.

22. PENALTIES; INTEREST; ATTORNEY'S FEES:

The IEDC will in good faith perform its required obligations hereunder and does not agree to pay any penalties, liquidated damages, interest or attorney's fees, except as authorized by Indiana law, in part, if applicable, Indiana Code § 5-17-5, Indiana Code § 34-54-8, and Indiana Code § 34-13-1. Notwithstanding the provisions contained in Indiana Code § 5-17-5, the parties hereto stipulate and agree that any liability resulting from any failure of the IEDC to make payments as required hereunder shall be based solely on the amount of funding originating from the IEDC or the State of Indiana and shall not be based on funding from federal or other sources.

23. MISCELLANEOUS.

(A.) The headings in this Agreement are intended solely for convenience or reference and will be given no effect in the construction or interpretation of this Agreement.

(B.) This Agreement, including any attached exhibits, supersedes all prior oral and written proposals and communications, if any, and sets forth the entire Agreement of the parties with respect to the subject matter hereof and may not be altered or amended except in writing, signed by an authorized representative of each party hereto. The annual credit amount in Paragraph 7 and set forth in Exhibit A may be amended only with the review and certification of the State Budget Director.

(C.) The construction and enforcement of this Agreement will be governed by the laws of the State of Indiana, without regard to principles of choice of law and the venue for any court action shall be the circuit or superior court of Marion County, Indiana or the United States District Court of the Southern District of

Indiana and the Company hereby consents to the personal jurisdiction of said courts.

- (D.) No waiver of any default, failure to perform, condition, provision or breach of this Agreement will be deemed to imply or constitute a waiver of any other like default, failure to perform, condition, provision or breach of this Agreement.
 - (E.) If any paragraph, term, condition or provision of this Agreement will be found, by a court of competent jurisdiction, to be invalid or unenforceable, or if any paragraph, term, condition or provision is found to violate or contravene the laws of the State of Indiana, then the paragraph, term, condition or provision so found will be deemed severed from this Agreement, but all other paragraphs, terms, conditions and provisions will remain in full force and effect.
 - (F.) The parties to the Agreement, in the performance of this Agreement, will be acting in an individual capacity and not as agents, employees, partners, joint venturers or associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of any other party for any purposes whatsoever. No party will assume any liability for any injury (including death) to any persons, or any damage to any property arising out of the acts or omissions of the agents, employees or subagents of any other party.
 - (G.) Company shall be responsible for providing all necessary unemployment and workers' compensation insurance for Company's employees.
 - (H.) Unless otherwise terminated or modified as expressly permitted hereunder, this Agreement will remain in force during the Term stated in Section 2. Notwithstanding anything contained herein to the contrary, provisions of this Agreement, which by their nature contemplate rights and obligations of the parties to be enjoyed or performed after the expiration or termination of this Agreement, will survive until their purposes are fulfilled.
- 24. REPRESENTATIONS CONCERNING APPLICATION:**
The Company represents and warrants that the representations, statements and all other matters contained in the application submitted by the Company to the IEDC are true and complete in all material respects. It shall be considered a material breach of this Agreement if such representations, statements and other matters were not true and complete at the time the application was made.
- 25. AUTHORITY TO COMMIT TO AGREEMENT:**
Notwithstanding anything in this Agreement to the contrary, the signatory for the Company represents that he/she has been duly authorized to execute contracts on behalf of the Company and has obtained all necessary or applicable approvals from the office of the Company to make this Agreement fully binding upon the Company when his/her signature is affixed, and this Agreement is not subject to further acceptance by Company when accepted by the IEDC.

26. NON-COLLUSION AND ACCEPTANCE:

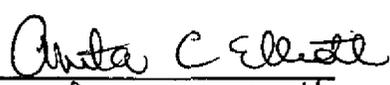
The undersigned attests, subject to the penalties for perjury, (i) that he/she is the contracting party, or that he/she is the duly authorized representative, agent, member or officer of the contracting party; (ii) that he/she has not, nor has any other member, employee, representative, agent or officer of the firm, directly or indirectly, to the best of his/her knowledge, entered into or offered to enter into any combination, collusion or agreement to receive or pay, and (iii) that he/she has not received or paid any sum of money or other consideration for the execution of this Agreement other than that which appears upon the face of the Agreement.

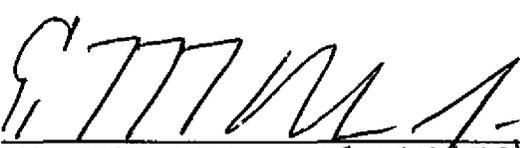
[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties, by their duly authorized representatives, have executed this Agreement on the dates entered below.

DOLGENCORP, LLC

INDIANA ECONOMIC
DEVELOPMENT CORPORATION

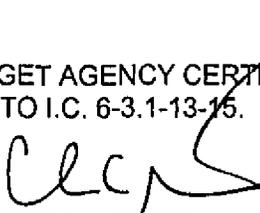

BY: Anita C. Elliott
TITLE: SVP - Controller


BY: Nathan J. Feltman ~~SR~~ Erin Mitchell Rodb, Jr.
TITLE: Secretary of Commerce

DATE: 3-9-09

DATE: 3-13-09

STATE BUDGET AGENCY CERTIFICATION
PURSUANT TO I.C. 6-3.1-13-15.


BY: Christopher A. Ruhl, Director
The State Budget Agency

DATE: 3-27-09

DOLGENCORP, LLC

EXHIBIT A

I. **Schedule of Terms.** The defined terms in the Economic Development for a Growing Economy Tax Credit Agreement (the "Agreement") shall have the definitions set forth below:

- A. "Additional Jobs Commitment" shall mean **600** new, full-time employee jobs that were not jobs previously performed by Company employees in Indiana by **December 31, 2009**.
- B. "Average Wage Commitment" shall mean [REDACTED]
- C. "Base Year" shall mean and be established as the Taxable Year ending on **February 3, 2006**.
- D. "Base-Year Employment Number" shall mean **zero (0)**.
- E. "Base Year Tax Withholding Amount" shall mean [REDACTED]
- F. "Capital Investment Commitment" shall mean **Seventy-Seven Million Five Hundred Thousand and 00/100 Dollars (\$77,500,000.00)**
- G. "Commencement Date" shall mean **May 15, 2005**, the date the IEDC issued a letter preliminarily approving a tax credit to the Company.
- H. "Company Contract Administrator" shall mean

**James L. Miller
Attention: Director of Tax
DOLGENCORP, LLC
100 Mission Ridge
Goodlettsville, TN 37072**

- I. "First Eligible Tax Year" shall mean **2006**.
- J. "Minimum Wage Commitment" shall mean **\$8.25** per hour.
- K. "Successive Taxable Years Maximum" shall mean **ten (10)** successive Taxable Years (as such term is defined in the Agreement).

II. **Project Information.** The Project shall consist of the Company constructing and operating an approximately 1.1 million sq. ft. warehouse distribution facility. The Project will be located at the following location: Marion, Indiana (the "Project Location"). The Project does not include any retail stores of the Company, Dollar General Corporation or affiliates of the Company or Dollar General Corporation.

III. **Maximum Credit Amount**

TAXABLE YEAR	MAXIMUM EDGE CREDIT
2006	\$160,161
2007	\$213,548
2008	\$260,891
2009	\$308,233
2010	\$317,634
2011	\$327,322
2012	\$337,305
2013	\$347,593
2014	\$358,194
2015	\$369,119
TOTAL	\$3,000,000

DOLGENCORP, LLC

EXHIBIT B

(See attached Drug-Free Workforce Policy)

Dollar General's Drug and Alcohol Policy

I. Introduction

It is Dollar General's intent to maintain a safe and healthful working environment for our employees, to protect and preserve our property and that of others, and to provide safe and efficient operations for our customers. Research shows that the effects of substance abuse may linger long after the individual believes the effects have worn off. Dollar General takes very seriously its responsibility to ensure that substance abuse by its employees does not impact Company operations or the safety of our employees and customers.

This Drug & Alcohol Policy sets out the Dollar General policy and procedures regarding: (i) the use, sale, possession, transfer, or other misconduct involving illegal drugs; (ii) the use and misuse of legal drugs; (iii) alcohol use and misuse; and (iv) Company policy and procedures relating to drug and alcohol testing.

Applicability

This policy applies to all employees, job applicants, and temporary employees working for Dollar General. Employees who are subject to federal drug and/or alcohol testing requirements (for example, over-the-road truck drivers) will be notified and must comply with this policy and with those requirements.

II. Drug and Alcohol Use

Illegal Drug Use

The Company strictly prohibits the use, sale, attempted sale, manufacture, possession, conveyance, purchase, attempted purchase, distribution, cultivation, transfer, or dispensing of any illegal drug, at any time and in any manner. A confirmed positive drug test showing the presence of an illegal drug in an individual's body will be considered proof that this Policy has been violated.

"Illegal drug" includes all drugs, narcotics, and intoxicants for which possession or misuse is made illegal under federal, state, or local law, and includes prescription medication for which the individual does not have a valid prescription. Prescription medication and over-the-counter drugs used in a manner inconsistent with prescription or dosing directions also are considered illegal drugs, as may be other chemical intoxicants used in a manner inconsistent with their intended purpose.

Alcohol Use and Misuse

The use or abuse of alcohol while on the job, on Company premises, in a Company vehicle, or while representing the Company in any capacity, at any function, or in any manner, is strictly prohibited. Additionally, the use or abuse of alcohol off the job that impairs, to any extent, performance on the job is prohibited. Employees are prohibited from reporting to work with alcohol in their systems and from bringing any alcoholic beverage to work. A confirmed positive test showing the presence of 0.02 percent or more alcohol in an employee's system will be considered proof that this Policy has been violated.

Dollar General's Drug and Alcohol Policy

Use of Prescription Medications

Employees who use prescription and/or over-the-counter medication that the employee or his or her healthcare provider believes may impair the ability to perform his or her position safely are responsible for notifying: (1) their immediate supervisor; (2) if a Distribution Center employee, the Distribution Center Human Resources Manager; or (3) if a Corporate office or Field Operations employee, Employee Relations, so that steps can be taken to minimize the safety risks posed by such use. The employee need not reveal the state of his or her health or the medication(s) being taken, but may be asked to obtain a doctor's certification that the employee can safely perform the responsibilities of his or her position. Any information Dollar General may learn about an employee's health or medication will be treated as confidential and shared with Company personnel only on a need-to-know basis.

It is each employee's responsibility to consult with his or her health-care provider and/or to review relevant dosing instructions to determine whether the use of a medication could lead to impairment. No medication containing alcohol should be used during or immediately before an individual's scheduled shift, unless by prescription.

The Company reserves the right to transfer, reassign, place an employee on leave of absence, or take other appropriate action during the time the employee uses medication that may affect the employee's ability to perform safely.

III. Searches

The Company reserves the right, at all times and without further notice, to have Company representatives conduct searches and inspections of any or all Company premises to enforce this Policy or determine if this Policy has been violated.

All vehicles and containers, including bags, backpacks, boxes, purses, and lunch containers, brought onto Company premises may be searched at any time. Employees are expected to cooperate in any searches, and consent to a search is required as a condition of employment. A refusal to consent to a search may result in disciplinary action, including discharge, even for a first refusal.

IV. Employee Assistance

Employees who believe they have a problem with alcohol or drugs – legal or illegal – are encouraged to seek assistance before this Policy is violated. An Employee Assistance Program ("EAP") is available to employees in Oklahoma, and/or in other states where required by law. The EAP can provide information regarding the dangers of drug and alcohol abuse, evaluate an employee for possible drug and/or alcohol dependence, and assist an employee to locate appropriate services and rehabilitation programs that emphasize education, prevention, counseling, and treatment. Each request for assistance will be treated as confidential, and only those persons with a "need to know" will be informed of an employee's request.

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An employee's decision to seek help voluntarily will not be used as a basis for disciplinary action against the employee, although the employee may be transferred, given work restrictions, or placed on leave, as the Company deems appropriate, while the employee seeks assistance and/or until the employee is drug- and alcohol-free. However, entering a drug and/or alcohol assistance program will not protect an employee from the consequences of substandard work performance, misconduct or policy violations. Unless, otherwise required by law, an employee's decision to seek assistance under this policy will be considered voluntary only if the employee seeks assistance before the employee's alcohol- or drug-abuse problems lead to a violation of this or another Company policy justifying disciplinary action and before being asked to take a drug and/or alcohol test.

V. Drug & Alcohol Testing

The following drug- and alcohol-testing procedures have been established to carry out Dollar General's commitment to a drug- and alcohol-free workplace. Employees covered by Department of Transportation (DOT) testing regulations are subject to testing under this policy and under the DOT policy.

Where permitted by law, the Company may require employees and job applicants to submit urine, hair, breath, saliva or blood samples to check for the presence of illicit drugs or alcohol. Drug and/or alcohol tests will be generally conducted during or just after scheduled work hours, and all time spent in the testing process will be compensable work time. Transportation to the test site will be provided or employees will be reimbursed for the costs associated with travel to the collection site.

A. Job Applicants

Job applicants in certain categories may be asked to take and pass a urinalysis or oral fluid collection drug test prior to the actual time they begin employment with the Company which typically will be as soon as practical following their acceptance of a conditional offer of employment. A failure to receive a negative test result will result in a revocation of the conditional offer.

Job applicants who fail to test negative for drugs may not re-apply for a position with the Company for a period of one year.

A job applicant's refusal to submit to drug testing, or attempt to tamper with, substitute, adulterate, dilute, or otherwise falsify a test sample will be considered a withdrawal from the application process, which will result in denial of employment.

B. Current Employees

1. **Post-Accident Testing.** The Company may require Distribution Center employees and employees who operate a Company-owned or Company-leased vehicle to submit to drug and/or alcohol testing following a workplace accident or, in the case of employees operating Company-owned or leased vehicles, an automobile accident, resulting in a work-related injury and/or significant property damage in which the employee's acts, or failure to act, appear to have caused or contributed to the accident.

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2. **Unannounced Testing.** Where permitted by law, employees may be subject to unannounced drug testing and those who work in safety-sensitive positions may also be subject to unannounced alcohol testing, depending upon the nature of their assignment and responsibilities. Employees who are subject to this requirement will be notified at the time they are conditionally offered employment with the Company or are offered a transfer to a position subject to such testing. Employees will be selected for testing at random from the pool of employees subject to such testing.
3. **Reasonable Suspicion Testing.** Where permitted by law, the Company may require employees to submit to drug and/or alcohol testing whenever Company management has information about an employee's conduct that would cause a reasonable person to believe that the employee is demonstrating signs of impairment due to alcohol or drugs, appears unfit for duty or is otherwise in violation of this Policy. Reasonable suspicion determinations will be based on contemporaneous observations regarding an employee's appearance and conduct and may include but are not limited to:
 - Observed physical symptoms or manifestations of being under the influence of a drug or alcohol while at work or on duty;
 - The direct observation of what appears to be drug or alcohol use while at work or on duty;
 - A credible report of drug or alcohol use;
 - A workplace accident, as described above.
4. **Follow-Up Testing.** Unannounced follow-up testing may be required as a condition of continued employment during and after an employee has participated in a treatment program for drug or alcohol abuse, as recommended by the employee's substance-abuse treatment provider and approved by the Company, for a period not to exceed two years.

C. Consequences of a Positive Test

An employee whose alcohol or drug test is positive, regardless of the reason for the test, is considered to be in violation of Company policy and will be subject to adverse employment action. Unless otherwise prohibited by law, termination will be the ordinary consequence of a confirmed positive test, even for a first offense. An employee who fails to test negative for drugs or alcohol is ineligible for rehire for a period of one year.

D. Refusing a Test

An employee or job applicant's attempt to avoid or refusal to submit to drug and/or alcohol testing will be considered insubordination and grounds for disciplinary action, ordinarily termination. Attempts to tamper with, substitute, adulterate, dilute, or otherwise falsify a test sample are considered refusals to submit to testing. Applicants who are unable to provide a sample at the time of the test will be required to provide a sample within 24 hours at an approved collection site.

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Individuals will be provided with a copy of their own positive test result. In addition, an individual who tests positive for drugs may request, within 72 hours of notification, that his or her positive saliva or urine sample or the second container, where the split-specimen collection is used, be sent to an independent laboratory for a second confirmatory test, at the individual's expense, although the Company may suspend, transfer, or take other appropriate action against the individual pending the results of any such re-test. (If the re-test is negative, Dollar General will reimburse the employee the cost of the second test.)

All test results will be treated as confidential, and shared within the Company only on a need-to-know basis. Test results will not be released outside the Company without the written consent of the tested individual, except as required by law or to defend the Company in any threatened or actual legal action. An individual may request a copy of his or her results at any time. Test results will be stored separately from employee personnel files in a secure location.

E. Compliance With All Applicable Laws

The Company will implement this Policy, including the drug- and alcohol-testing provisions, in a manner that complies with relevant federal, state, and local law.

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VI. Procedures for Drug and Alcohol Testing

A. Consent

No alcohol test will be administered, sample collected, or drug test conducted on any sample without the written consent of the person to be tested. However, testing is a condition of employment and a person's refusal to submit to a proper test will be viewed as insubordination. The Company will pay the costs of all drug and/or alcohol tests it requires of job applicants and employees.

B. Collection and Chain-of-Custody

Persons being tested will be asked to provide a test sample by the collection site person. Procedures for collection of urine specimens will allow for reasonable individual privacy. Urine samples will be tested for temperature, and may be tested for adulterants or subject to other validation procedures, as appropriate. The collection site person and the person being tested will maintain chain-of-custody procedures at all times.

C. Testing Methods

All urine and saliva samples will be screened using an immunoassay technique and all presumptive positive tests will be confirmed using gas chromatography/mass spectrometry (GC/MS) or other equally sensitive methodology. All confirmatory tests will be performed by a laboratory certified by the federal Substance Abuse Mental Health Services Administration (SAMHSA) for federal workplace testing. The Company currently tests for cannabinoids (marijuana), cocaine metabolites, amphetamines (including methamphetamines and some prescription stimulants), opiates (including codeine, morphine, heroin, methadone, mepiradine, hydrocodone, hydromorphone, and oxycodone), phencyclidine (PCP), and alcohol, and may test for other drugs at its discretion, in which case, employees will be advised of the additional substances for which the Company may test. Typically, breath and/or blood tests will be used to detect the presence of alcohol. If breath is used, positive tests will be confirmed with a second breath test. Employees may request a confirmatory blood-alcohol test instead. An alcohol test will be considered positive if it shows the presence of 0.02 percent or more alcohol in an individual's system. Tests will seek information about the presence of drugs and alcohol in an individual's system, and will not test for any medical condition.

D. Notification & Review of Positive Results

Any individual whose test is positive for the presence of an illegal drug or drugs will be so notified by an independent Medical Review Officer ("MRO") (a medical doctor with an expertise in toxicology), and given an opportunity to provide the MRO, in confidence, with any legitimate explanation he or she may have that would explain the positive drug test.

If the individual provides an explanation acceptable to the MRO that the positive drug test result is due to factors other than illegal drugs (such as a prescription for the drug detected), the MRO will order the laboratory to disregard the positive test and will report the test as negative to Dollar General.

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EMPLOYEE CERTIFICATION:

I hereby certify that Dollar General has provided me with a copy of its Drug & Alcohol Policy; that I have read and understand the Policy; and that I agree to abide by the terms and conditions of the Policy.

Date

Store Number

Employee Signature

Employee's Printed Name

Witness Signature

'Witness' Printed Name

Enter Social Security Number.

Shade in corresponding circle.

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Consent to Submit to Drug and/or Alcohol Testing As a Condition of Employment

I, _____, hereby consent and agree to drug and/or alcohol testing as a condition of consideration for employment and/or continued employment by Dollar General (or "the Company").

I understand that information regarding the test results may be used as grounds for adverse employment action, including denial of employment and/or termination of my employment with the Company.

I further understand and acknowledge that:

1. The Company will pay the cost of all required drug and/or alcohol tests;
2. The test results will be released to Dollar General and may be used by the Company in determining any adverse employment action that may be taken against me;
3. If the laboratory results of my drug test indicate a positive result, I will have an opportunity to discuss and rebut that result by consulting with a Medical Review Officer; and to request a second confirmatory drug test on that sample, at my own expense; and that the Medical Review Officer will determine whether there is a legitimate medical explanation for any positive drug test; and
4. I have the right to refuse to submit to such testing; understanding, however, that my refusal to submit to, or to cooperate with such testing shall be considered a refusal to submit to testing subject to denial of employment or termination in accordance with Dollar General's Drug & Alcohol Policy.

I agree that Dollar General has made no representations, inducements, or statements, other than those in writing, about the testing, and that I consent to be tested.

I hereby further certify that Dollar General has provided me with a copy of its Drug & Alcohol Policy; that I have read and do understand that Policy; and that I agree to abide by the terms and conditions of the Policy.

___ / ___ / ___
Date

Job Applicant/Employee Name

Witness Name