

DOLLAR GENERAL CORPORATION

AUDIT COMMITTEE CHARTER

I. Membership

The Audit Committee (the “Committee”) shall consist of at least three directors (or at least two directors for the twelve months following the Company’s listing on the New York Stock Exchange). All Committee members shall be Independent Directors (as defined in the Company’s Corporate Governance Principles), shall otherwise meet the membership qualification requirements contained in this Charter and in the Company’s Corporate Governance Principles, and shall be financially literate or become so within a reasonable period of time after appointment to the Committee. For this purpose, “financially literate” is interpreted by the Board in its business judgment to mean the ability to read and understand fundamental financial statements, including the Company’s balance sheet, income statement, and cash flow statement. Committee members shall be appointed by the Board and may be removed by the Board at any time and for any or no reason.

At least one Committee member shall have accounting or related financial management expertise, which is interpreted by the Board in its business judgment to include, without limitation, experience as a certified public accountant, chief executive officer, chief financial officer, controller, or other senior officer with financial reporting oversight responsibilities. A member designated as an audit committee financial expert, who satisfies the definition of an audit committee financial expert as set forth in the federal securities laws, is presumed to have accounting or related financial management expertise. If the Board elects not to designate at least one Committee member as an audit committee financial expert, its reasoning shall be disclosed in the annual proxy statement or Form 10-K or as otherwise required by the New York Stock Exchange rules.

Committee members may not serve on more than two other public company audit committees unless the Board determines in advance that the ability of the director to serve effectively on the Company’s Audit Committee would not be impaired. If the Board determines that a director can serve effectively on more than two other public company audit committees, the Board will disclose a specific explanation of its determination in the annual proxy statement or Form 10-K or as otherwise required by the New York Stock Exchange rules.

II. Purpose

The Committee’s primary purposes are to:

- Assist Board oversight of (1) the integrity of the Company’s financial statements; (2) the Company’s compliance with legal and regulatory requirements; (3) the independent auditor’s qualifications and independence; and (4) the performance of the Company’s internal audit function and independent auditors; and
- Prepare the report required by the Securities and Exchange Commission for inclusion in the annual proxy statement.

The Committee is not responsible for the planning or conduct of audits or for any determination that the Company’s financial statements and disclosures are complete and accurate or are in accordance with generally accepted accounting principles (“GAAP”). This is the responsibility of the Company’s management and independent auditors. It also is not the Committee’s responsibility to conduct investigations or to ensure compliance with laws and regulations.

III. Structure and Operations

Unless the Board appoints a Chairman, the Committee members may designate a Chairman by a majority vote of the full Committee membership. The Committee shall meet at such times as it determines to be necessary or appropriate, but not less than four times each year, and shall report to the Board at the next Board meeting following each such Committee meeting regarding any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditors, or the performance of the internal audit function.

A majority of the Committee members shall constitute a quorum for the conduct of business at Committee meetings. The affirmative vote of a majority of the Committee members participating in any Committee meeting is necessary for the adoption of any resolution. The Committee may invite the Chairman of the Board, members of management, independent auditors or others to attend all or a portion of the Committee meetings. The Committee shall have the opportunity at each regularly scheduled meeting to meet in executive session without the presence of management. In addition, the Committee shall meet periodically with management, with the head of internal audit and with the independent auditors in separate executive sessions to discuss any matters that the Committee or each of these persons or groups believe should be discussed privately. The Committee may delegate any of its responsibilities to one or more subcommittees as the Committee may deem appropriate to the extent allowed by applicable law and the New York Stock Exchange.

IV. Authority and Resources

The Committee is directly responsible for the appointment (subject, if applicable, to shareholder ratification), compensation, retention and oversight of any independent auditing firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, and the independent auditing firm must report directly to the Committee. The Committee also shall have the authority to engage outside legal, accounting or other advisors as the Committee determines to be advisable in carrying out its responsibilities hereunder. The Company shall pay to any independent auditing firm or outside legal or other advisor retained by the Committee such compensation, including without limitation usual and customary expenses and charges, as shall be determined by the Committee. The Company also shall pay such ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties as shall be determined by the Committee.

V. Responsibilities

The responsibilities of the Committee shall include the following, along with any other matters as the Board may delegate to the Committee from time to time:

Independent Auditors

1. Select, determine the compensation of, and oversee the Company's independent auditors. As part of its oversight function, the Committee shall resolve any disagreements between management and the independent auditors regarding financial reporting. The Committee also shall propose and approve the discharge of the independent auditors when circumstances warrant.

2. Pre-approve all audit engagement fees and terms, as well as all audit and permitted non-audit services to be performed for the Company by the independent auditors. The Committee must consider whether the provision of permitted non-audit services by the independent auditors is compatible with maintaining the auditor's independence, and shall solicit the input of management and the independent auditors on that issue. The Committee Chairperson (or any Committee member if the Chairperson is unavailable) may pre-approve such services in between Committee meetings; provided, however, that the Chairperson (or such other Committee member) must disclose all such pre-approved services to the full Committee at the next scheduled meeting.

3. At least annually, obtain and review a report by the independent auditors describing (a) the audit firm's internal quality-control procedures, (b) any material issues raised by the most recent internal quality-control review, or peer review, of the audit firm, or by any inquiry, review, or investigation by governmental or professional authorities (including the Public Company Accounting Oversight Board), within the last five years, respecting one or more independent audits carried out by the audit firm, and any steps taken to address any such issues, and (c) to assess the auditor's independence, all relationships between the audit firm and the Company.

4. After reviewing the independent auditors' report referred to in #3 above and such auditors' work throughout the year, annually evaluate the qualifications, performance and independence of the independent auditors, including a review and evaluation of the lead partner on the audit, taking into account the opinions of management and the Company's internal auditors. As part of this independence review, the Committee should ensure the rotation of the lead, concurring and other audit partners as required by law. The Committee also should periodically consider whether, in order to ensure continuing auditor independence, there should be regular rotation of the independent auditing firm. The Committee shall present its conclusions with respect to the independent auditors to the full Board.

5. At least annually, discuss with the independent auditors, out of the presence of management if deemed appropriate:

- The overall scope, planning and staffing of the annual audit.
- The matters required to be discussed by Statement on Auditing Standards No. 61, as amended, relating to the conduct of the audit.
- Any audit problems or difficulties, and management's response, including a discussion regarding: (a) any restrictions on the scope of the independent auditor's activities or on access to requested information, (b) any significant disagreements with management, (c) any accounting adjustments that were noted or proposed by the independent auditors but were "passed" (as immaterial or otherwise), (d) any communications between the independent audit team and the independent auditor's national office respecting auditing or accounting issues presented by the engagement, (e) any "management" or "internal control" letter issued, or proposed to be issued, by the independent auditors to the Company, and (f) the responsibilities, budget and staffing of the Company's internal audit function.

6. Set clear hiring policies for current and former employees of the independent auditors.

Financial Statements and Disclosures

7. Review and discuss with management and the independent auditors:

- The Company's annual audited financial statements and quarterly unaudited financial statements. This review must be conducted at a meeting (whether in person, telephonic or otherwise) and must include a review of the Company's specific disclosures under MD&A. The Committee shall recommend to the Board whether the annual audited financial statements should be included in the Company's Form 10-K.
- The independent auditors' report mandated by Section 10A of the Securities Exchange Act of 1934 regarding: (a) illegal acts, (b) related party transactions, (c) critical accounting policies and practices, (d) alternative treatments of financial information within GAAP that have been discussed with management, along with the ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the independent auditors, and (e) other material written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences.
- Major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and major issues as to the adequacy and effectiveness of the Company's internal controls and any special audit steps adopted in light of material control deficiencies.
- Analyses prepared by management and/or the independent auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of financial statements, including analyses of the effects of alternative GAAP methods on the financial statements.
- The effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company.

8. Discuss the Company's earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies. This discussion may be general (i.e., in terms of the types of information to be disclosed and the type of presentation to be made, paying particular attention to the use of "pro forma" or "adjusted" non-GAAP information), and the Committee need not discuss in advance each earnings release or each instance in which the Company may provide earnings guidance.

9. Discuss the Company's policies governing the process by which risk assessment and risk management is undertaken. The Committee should discuss the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.

10. Review disclosures made by the CEO and CFO regarding any significant deficiencies or material weaknesses in the design or operation of the Company's internal control over financial reporting that are reasonably likely to adversely affect the Company's ability to record, process,

summarize and report financial information, and any fraud that involves management or other employees that have a significant role in the Company's internal control over financial reporting.

Internal Auditors

11. Review internal audit department activities, organizational structure and staff qualifications.

12. Approve internal audit department projects and annual budget and receive updates regarding significant changes thereto.

13. Review with the internal audit department the status and results (including remedial actions) of audit projects.

14. Review all significant reports to management prepared by the internal audit department, and management's responses.

Ethical and Legal Compliance

15. Establish procedures for (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and (b) the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.

16. Oversee such portions of the Code of Business Conduct and Ethics as the Board of Directors may designate from time to time.

17. Discuss with the Company's General Counsel legal matters that may have a material impact on the financial statements or the Company's compliance policies.

Other Responsibilities

18. Review and reassess the adequacy of this Charter at least once every two years.

19. Provide information to the Board that may be relevant to the Board's annual evaluation of the Committee's performance and effectiveness.

20. Prepare the report required by the rules of the SEC to be included with the Company's annual proxy statement.

21. Evaluate and make recommendations to the Board regarding shareholder proposals that relate to matters over which the Committee has expertise.