

FAMILY DOLLAR STORES

CODE OF BUSINESS CONDUCT

Our Mission Statement is to make Family Dollar a compelling place to shop, work and invest. To achieve this mission, all Associates of Family Dollar must display the highest standards of honesty and integrity in every action. To help you achieve this mission, the Board of Directors has approved this Code of Business Conduct (the "Code") to provide guidelines for all Associates of the Family Dollar Stores companies ("Family Dollar" or the "Company") regarding your legal and ethical obligations. All Associates must comply with the provisions of the Code.

Questions regarding the Code

A written Code can never cover every situation you may face. If you have questions about a specific situation, you should seek guidance from your immediate supervisor, department head, the Human Resources Service Center, Internal Audit or the Legal Department regarding such matter. Information as to how to reach representatives of these functions is included in the Code.

Violation of the Code

Violations of the Code will be dealt with in a prompt and consistent basis. Any violation of the Code, including the failure to report any violation of the Code, may subject an Associate to disciplinary action, up to and including discharge of the Associate and may also result in civil and/or criminal liability or prosecution.

Reporting Violations of the Code

All Associates are encouraged and expected to report any violation of the Code to the Company. Any Associate who directs or approves violations, or has knowledge of such violation and does not act promptly to correct the violation in accordance with the Code, will be considered in violation of the Code and subject to disciplinary action.

Reports of violation of the Code may be made to your direct supervisor or to the supervisor of the Associate in violation of the Code, through the Human Resources Service Center, Internal Audit or the Legal Department, or may be made on an anonymous basis through the Company's Alertline. Here are the numbers you may contact to report a violation of the Code:

- Human Resources Service Center - 1-800-547-0359, extension 5863 or 5851.
- Alertline - 1-800-932-5378.
- Internal Audit – 1-800-547-0359, request Internal Audit.
- Legal Department – 1-800-547-0359, request Legal Department.

The Alertline is maintained by an independent third party in order to provide a method for Associates to report violations of the Code or other concerns without revealing their identity. The Company encourages Associates to provide full information and their

name in order to facilitate complete investigations by the Company of any reports of violations of the Code. The Company may not be able to investigate and respond to some matters, such as charges of sexual harassment, without information provided by the Associate. The Company will not take any retaliatory action against any Associate making a good faith report of suspected or actual violations of the Code. Associates are also protected by federal laws from any retaliatory action related to reports of improper accounting or related matters.

Conflicts of Interest

Associates must avoid any actual or apparent conflict of interest. A conflict of interest occurs in situations where your personal interest and the best interests of the Company are in actual or potential conflict.

You should avoid any situation in which your business decisions may actually or potentially be influenced by considerations of personal gain or benefit to you and/or some third party which conflicts with your obligation to serve the best interests of the Company and its shareholders. These situations may also arise if any member of your family or household has such an interest or position. Some examples of conflicts of interest by an Associate that may be in violation of the Code are set forth below.

- Having an interest in any business that competes with the Company or any business which has direct dealings with the Company. You may own stock in a publicly traded company as long as such ownership does not influence your business decisions.
- Serving on any board of directors or similar governing body of any competing business or any business which has direct dealings with the Company.
- Taking advantage of an opportunity which the Associate learned of in the course of employment with the Company, such as by acquiring property or leases that the Company may be interested in acquiring.
- Selling anything to the Company or buying anything from the Company (except purchases from the Company's stores in the normal course).
- Providing services to or representing a competing business or a business which has direct dealings with the Company.
- Arranging for, or approving arrangements for, the Company to do business with any ex-Associate of the Company unless the Associate left the Company more than two years before such business relationship occurs.

No Associate shall enter into any situation, including those described above, that may be considered a conflict of interest, without obtaining the prior written approval of the Compliance Committee. Requests for consideration of approval of potential or actual conflicts covered by the Code should be submitted to Internal Audit for submission to the Compliance Committee, which will consider such request and may approve the request

upon a determination that such situation does not constitute a conflict that is adverse to the Company. Determinations regarding such conflicts of interest shall be made by the Board of Directors with respect to the executive officers of the Company.

Every Associate shall report in writing to his or her immediate supervisor the existence of family or close personal relationships involving the Associate, or any member of his or her family, and an owner or representative of a competing business or a business which has direct dealings with the Company where such relationship might influence or appear to influence the Associate's independent judgment or actions in performing his or her job duties for the Company.

Entertainment and Gifts

The Company will treat fairly and impartially all persons and firms with whom it has business relationships. The acceptance of gifts, entertainment, favors, personal discounts, trips and similar gratuities might influence or raise doubts as to the impartiality of the recipient and damage the reputation of Family Dollar for fair dealing. In order to guide you in determining whether the acceptance of any item violates the Code, the Company has adopted the following rules.

Generally, no Associate may give or accept gifts or favors in the Associate's business relationships with Family Dollar vendors or suppliers, which include both current and potential vendors and suppliers. This prohibition includes, but is not limited to, such things as sporting event tickets, theater tickets or other entertainment tickets; golf or other recreational outings; and any other consideration or item above nominal value. An Associate may not accept such tickets or other items of value even if the Associate reimburses the vendor or supplier for such tickets or items. Samples, premiums, etc. are the property of the Company and may not be appropriated for personal use.

Exceptions to this prohibition are limited to the following:

- You may give or receive items with a value of \$50.00 or less (such as promotional and advertising novelties, desk calendars, ashtrays, candy, cakes or other inexpensive gifts of this nature) but must inform your supervisor of the gift. This exception for items of nominal value does not allow the acceptance of tickets or entertainment in any form, even if the value is less than \$50.00.
- You may accept dinners from a vendor or supplier only if you receive prior written approval of the event from your supervisor.
- You may accept breakfast or lunches from a vendor or supplier when you dine together if the cost is reasonable, appropriate as to the time and place and occasional in nature.
- You may accept dinners from a vendor or supplier and may attend business events provided by vendors or suppliers to their customers generally, such as seminars, training events, trade show meetings or other events that are primarily business related, that may include luncheons, dinners or other entertainment, but only when such events are a part of such business event and only if you receive your

supervisor's prior written approval for attendance at such event, including the related entertainment events.

- You may allow vendors or suppliers to pay the reasonable costs associated with transportation, lodging and meals incurred in connection with visits to vendor's facilities, showrooms, plants or other sites for the purpose of obtaining information about the vendor and/or its products, but only if you receive prior written approval from an officer at the level of divisional vice president or above of your functional area and an officer at the level of divisional vice president or above attends such site visit. Such arrangements should generally be consistent with the Company's travel expense guidelines.

All supervisors shall ensure that such meals, gifts, transportation and other payments as set forth above do not exceed reasonable bounds.

Subject only to these limited exceptions, no Associate shall accept directly or indirectly any personal benefit, including, but not limited to, any bribe, commission, kickback, personal discount, payment, loan, service or promise of employment from any vendor, supplier, or anyone providing or proposing to provide goods or services to the Company.

An Associate shall immediately report in writing to Internal Audit, the Legal Department or his or her department head any improper offer of a personal benefit, gift, favor, gratuity or compensation made to the Associate, or to any member of his or her family, by a vendor or supplier.

Securities Laws and Insider Trading

It is both illegal and against Company policy for any individual to profit, directly or indirectly, from undisclosed information relating to the Company or any other company with which the Company does business. Anyone who is in possession of any material inside information that the Company has not yet disclosed to the public (i.e. plans, new concepts, sales, profits, dividends) may not purchase or sell any of the Company's securities, including its common stock. Information is material if there is a likelihood that a reasonable investor would consider it important in making an investment decision to buy or sell the Company's securities. An Associate also must not disclose any such information to any third person who would then act on the information to purchase or sell any Company securities. The penalties for violation of the legal prohibitions on purchasing or selling Company securities when an Associate has undisclosed, material inside information are severe. Also, it is illegal and against Company policy for any Associate who may have inside or unpublished knowledge about any of our suppliers, customers, or any other company with which the Company does business to purchase or sell the securities of such companies.

Family Dollar encourages its Associates to invest in the Company's common stock, but not to speculate in the common stock by in-and-out trading. In order to avoid any appearance that an Associate is speculating in the Company's common stock, no Associate should engage in short sales of the Company's common stock, or, without the prior written

consent of the Compliance Committee or the Board, as applicable, engage in any trade in puts, calls or other options on the Company's common stock.

If you are uncertain about the legal rules involving your purchase or sale of any Company securities or any securities in companies that you are familiar with by virtue of your work for the Company, you should consult with the General Counsel before making any such purchase or sale. Additional special rules relating to the Company's securities apply to the officers and directors of the Company. Among those rules are requirements that executive officers and directors report all transactions in Company securities by them and related parties to the Securities and Exchange Commission and the New York Stock Exchange. No executive officer or director is permitted to buy or sell the securities of the Company, exercise any stock options or engage in any other transaction in the Company's stock without first advising the General Counsel in writing of his or her intentions. The Company generally encourages Associates who wish to sell shares in order to exercise stock options or otherwise engage in transactions in the Company's stock to do so within an "open window" period shortly following the Company's release of periodic earnings information. Associates who wish to engage in such transactions may obtain information regarding such "open window" periods from the Company's Human Resources department but are reminded that even during an "open window" period Associates must also comply with the provisions set forth above barring any transaction at a time during which the Associate may have material undisclosed inside information regarding the Company.

The Company, and all supervisory Associates within the Company, also have an obligation to be alert to situations where others within the Company (particularly those over whom they have supervisory authority) may not be observing the rules against insider trading. The securities laws provide for penalties not only for those who engage in insider trading, but also for those "controlling persons" who fail to take appropriate actions when they either knew or should have known that those persons within their control were violating such rules.

It is clearly against Company policy, and possibly illegal as well, to trade the Company's securities or the securities of any other company, in a way which attempts to hide the true identity of the trader or to mislead others as to exactly who is performing the trading. Any Associate trading in the Company's securities using fictitious names, names of relatives or friends, or brokerage accounts under fictitious names located in foreign jurisdictions shall be subject to immediate disciplinary action, up to and including discharge.

In order to comply with specific federal securities laws, the Company has designated certain individuals to speak on behalf of the Company in various situations. If you are approached by a member of the press, an analyst, investors or others in the financial community, you should refer their inquiries to the Corporate Communications Department (1-800-547-0359, request Corporate Communications) or the Legal Department.

Books and Accounts

The Company's financial statements must be a full and accurate statement, in all material respects, of the Company's financial condition. All payments by the Company

and other transactions must be properly authorized by management, and be accurately and completely recorded on the Company's books and records, in accordance with established corporate accounting policies. The recording of false, incomplete or misleading entries on the Company's books and records is a violation of such accounting policies. The destruction or alteration of Company records in order to falsify, conceal or misrepresent information is also prohibited. No undisclosed or unrecorded corporate funds or assets shall be established or maintained for any purpose, nor should funds of the Company be placed in any personal or non-corporate account. Associates are expected to fully cooperate with and provide complete information as requested by the Company's independent auditor and to avoid any action that may coerce, manipulate or fraudulently influence the independent auditors that could cause the Company's financial statements to be materially misleading.

Any Associate with information or knowledge of secret or unrecorded funds or assets or other concerns regarding questionable accounting or bookkeeping practices should immediately report the matter in writing to Internal Audit and/or the General Counsel or call the Alertline. You may also contact the Company's Chief Financial Officer or the Audit Committee directly with your concerns. You may contact the Audit Committee by requesting that your Alertline complaint be forwarded to the Chair of the Audit Committee or by providing a written complaint addressed to the Chair of the Audit Committee, marked as Confidential and sent in care of the Legal Department.

Compliance with Laws

Associates must comply fully with all applicable legal requirements associated with the Company's business operations, including, but not limited to, laws related to the importation of goods into the United States, securities laws, environmental laws and laws related to competition. This Code does not list all applicable laws and regulations that may apply to each Associate's duties and responsibilities. You are responsible for understanding and complying with all applicable laws and regulations related to the performance of your job.

Generally, federal antitrust laws prohibit agreements or actions "in restraint of trade," which are restrictive practices that may reduce competition without providing beneficial effects to consumers. Among those agreements and activities found to be clear violations are agreements or understandings among competitors to fix or control prices; to allocate products, territories, or markets; or to limit the production or sale of products or product lines. Such agreements are against public policy and against the policy of the Company. Associates should never engage in discussions of such matters with representatives of other companies or directly, or indirectly, exchange price lists with a competitor or agree not to buy or sell from an agreed supplier or vendor. Associates should report to their immediate supervisor any instance in which such discussions are initiated by other companies, including any discussions that may occur during trade association meetings, conferences or trade shows.

Prohibition of Corrupt Practices

No gratuity, gift, or other payment should be given or made by any Associate to influence any government or business decisions. All payments for goods and services

should be made only under customary trade terms that reflect their fair value. All of the Company's agents or business partners must comply with these provisions and all applicable legal requirements.

Confidential and Proprietary Information

Family Dollar's trade secrets, proprietary information and other confidential information are valuable assets. Protection of this information plays a vital role in the Company's continued growth and ability to compete. With respect to proprietary and trade secret information, Associates must not disclose this information to persons outside the Company (e.g., conversations with visitors, vendors, suppliers, family) unless appropriate confidentiality agreements have been entered into to protect such information from further disclosure. In addition, the Associate should not disclose this information to other Associates except on a "need to know" or "need to use" basis accompanied by a written statement, where feasible, that the information is confidential and being provided for the purpose of permitting an Associate to properly perform the duties of his or her job with the Company.

If an Associate leaves the Company, his or her obligation to protect Family Dollar's confidential information continues until the information becomes publicly available or Family Dollar no longer considers it a trade secret or proprietary. Correspondence, printed matter, documents or records of any kind, specific process knowledge, and Family Dollar procedures are all the property of and must remain with the Company. The improper divulging or removal of Company information and property may subject any individual to civil and/or criminal liability or prosecution.

Associates should take similar care to avoid the disclosure to any third party of any confidential or proprietary information that belongs to a supplier, vendor or other third party with whom the Company does business.

Family Dollar will be deemed the owner of any inventions, discoveries or software developments you may conceive or make, alone or with others, during your employment with the Company, that relate to or are useful in the Company's business.

Protection of Company Assets

Associates have a duty to protect the Company's assets and to use those assets solely for legitimate business purposes. Associates who are provided with or have access to the Company's technology resources must become familiar with and comply with the Company's Information Technology Security Policy.

Fair Dealing

The Company's success depends on its relationships with all those with whom it deals, including its customers, suppliers, vendors and others. All Associates must deal fairly with each other and with all others and should avoid any actions that involve taking unfair advantage of others through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice. All arrangements with vendors or suppliers must be based on the best interest of the Company

and an impartial evaluation of the vendor or supplier. Our vendors and suppliers are expected to deal with the Company in the same honest and fair manner that the Company deals with them.

Civic and Political Activities

Family Dollar encourages its Associates to become involved in civic affairs and to participate in political activities. Such involvement, however, must be on an individual basis, on an Associate's own time, and at his or her own expense. Associates must also make every effort to ensure that they do not create the impression that they speak or act on behalf of the Company. Company contributions to any political candidate or party, or to any other organization that might use the contributions for a political candidate or party are prohibited and in violation of Company policy. For the purposes of this section, the term "contributions" includes, but is not limited to, direct or indirect payments, loans, advances, deposits or gifts of money or any services.

Health and Safety

It is the policy of Family Dollar to provide safe, drug-free and healthful working conditions for all Associates. It is the responsibility of every Associate to identify unsafe work situations, and to report them to his or her immediate supervisor for action and correction. As set forth in the Company's policy on "Weapons on Company Property," no weapons of any type are permitted on Company property. Further, as set forth in the Company's policy on "Workplace Violence Policy and Prevention," Family Dollar has a zero tolerance policy on violence in the workplace.

Equal Employment Opportunity

Family Dollar is an equal opportunity employer. The hiring and promotion of an Associate are based on the Associate's qualifications and performance, and such decisions are made without regard to race, color, religion, national origin, citizenship, gender, sexual orientation, gender identity, age, marital status, veteran status, any physical or mental disability or any other classification that is protected under applicable law. All personnel policies shall also be administered without regard to the considerations listed above. Our employment policies are set forth in detail in various materials, including the Associate Handbook.

Wage and Hour Laws

The Company is committed to strictly complying with all applicable state and federal wage and hour laws and providing full payment to all Associates for hours worked. All time actually worked must be recorded for every hourly Associate. Any person working in a Family Dollar store must be an authorized associate of the Company. Every hourly Associate must be paid for all hours worked and it is against Company policy to modify time records or fail to report hours so that an Associate is not paid for all hours worked. Hourly Associates are required to record their work time and will not be permitted to work "off the clock." If you are aware of any failures to abide by the Company's wage

and hour policy, you should contact the Human Resources Service Center or call the Alertline.

Accommodating Disabilities

We accommodate Associates with disabilities in many ways, and we will attempt to provide reasonable accommodations, as needed, to qualified Associates with disabilities. If you are an Associate with a disability and believe that you need an accommodation to perform the essential functions of your job, you should inform your supervisor or contact the Human Resources Service Center so that we can work with you and properly respond to your request.

Harassment in the Workplace

It is the policy of Family Dollar that our workplace is for work, and it is the Company's goal to provide a workplace free of tensions and considerations which do not relate to Company business. Unwelcome sexual advances, requests for sexual favors or other offensive conduct of a sexual nature do not belong in the workplace. In addition, a hostile or offensive work environment caused by remarks or actions based on race, color, religion, national origin, citizenship, gender, sexual orientation, age, marital status, veteran status, any physical or mental disability or any other classification that is protected under applicable law will not be condoned or permitted. Such conduct could constitute harassment, which is not only a violation of Company policy, but also could violate the law.

It is important to remember that actions or comments you may consider to be innocent or harmless may be considered offensive physical or verbal harassment by another Associate. In addition, under some circumstances a violation of the Company's e-Mail and Internet Policy may also constitute harassment. Such harassment may subject the Company and the Associate personally to legal and financial liability.

Family Dollar prohibits dating or a romantic relationship between a supervisor and a subordinate who reports either directly or indirectly to that supervisor. This prohibition applies to all Associates regardless of their marital status. In the event a supervisor and subordinate desire to date or enter into a romantic relationship, the supervisor first should immediately notify his or her own supervisor or a Vice President of Human Resources so that the Company may take appropriate steps to avoid any adverse impact in the workplace. This may include the transfer, reassignment, or resignation of one (or both) of the Associates involved. The Company will address these situations as confidentially and discreetly as possible.

Other Company Policies

The Code of Business Conduct supplements and is in addition to all related Company policies and procedures (including, but not limited to, those in the Associate Handbook and other manuals and communications), but is to take precedence in matters of interpretation. The interpretation and application of the terms of the Code of Business Conduct by the Company's Compliance Committee will be final and binding on all parties.

The Company reserves the right to modify, supplement or discontinue any provision of the Code of Business Conduct at any time with or without notice to Associates.

Waivers and Amendments

Waivers of any provision of the Code with respect to the directors and executive officers of the Company may be granted only by the Board of Directors, or a committee designated by the Board, and will be promptly disclosed to the shareholders. All other waivers of any provision of this Code or of any material violation of the Code must be submitted to the Compliance Committee for consideration. The Board of Directors may modify, amend, waive or supplement any provision of the Code at any time.

The existence of the Code of Business Conduct and the policies, principles and obligations described herein do not create an employment contract or affect the right of an Associate or the Company to end the employment relationship at any time for any reason with or without cause.

Last Amended: November 5, 2007