DOLLAR TREE INC
Form PRE 14A
May 02, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)
Filed by the Registrant x
Filed by a Party other than the Registrant o
Check the appropriate box:

x	Preliminary Proxy Statement
o	Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
o	Definitive Proxy Statement
o	Definitive Additional Materials
o	Soliciting Material Pursuant to §240.14a-12

DOLLAR TREE, INC.
(Name of Registrant as Specified In Its Charter)
(Name of Person(s) Filing Proxy Statement, if other than the Registrant)
Payment of Filing Fee (Check the appropriate box):

ý	No fee required.	
o	Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.	
	(1)	Title of each class of securities to which transaction applies:
	(2)	Aggregate number of securities to which transaction applies:
	(3)	Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
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o	Fee paid previously with preliminary materials.	
o	Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.	
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	(3)	Filing Party:
	(4)	Date Filed:

DOLLAR TREE, INC.
500 Volvo Parkway
Chesapeake, Virginia 23320

NOTICE OF
ANNUAL MEETING OF SHAREHOLDERS
to be held on
Thursday, June 19, 2014

To Our Shareholders:

We will hold the annual meeting of shareholders of Dollar Tree, Inc. at The Founders Inn, 5641 Indian River Road, Virginia Beach, Virginia 23464 on Thursday, June 19, 2014 at 10:00 a.m. local time, for the following purposes:

- To elect eleven director nominees to the Company's Board of Directors as identified in the attached proxy statement, each to serve as a director for a one-year term;
- To approve, by a non-binding advisory vote, the compensation of the Company's named executive officers;
- To ratify the selection of KPMG LLP as the Company's independent registered public accounting firm for the fiscal year 2014;
- To vote on a shareholder proposal to implement a majority vote standard in uncontested director elections; and
- To act upon any other business that may properly come before the meeting.

Shareholders of record at the close of business on April 11, 2014 will receive notice of and be allowed to vote at the meeting.

Your vote is important to us. We encourage you to read the attached proxy statement and then sign, date and return your proxy card in the enclosed envelope at your earliest convenience. Sending in your proxy card will not prevent you from voting your shares at the meeting, if you desire to do so.

BY ORDER OF THE BOARD OF DIRECTORS
William A. Old, Jr.
Corporate Secretary
Chesapeake, Virginia
May 19, 2014

IMPORTANT NOTICE ABOUT THE AVAILABILITY OF PROXY MATERIALS
FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 19, 2014

The Company's proxy statement and annual report to shareholders for the fiscal year ended February 1, 2014 are available at http://www.dollartreeinfo.com/investors/financial/annuals/

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INFORMATION ABOUT THE ANNUAL MEETING AND VOTING

Dollar Tree's Board of Directors is soliciting your proxy to vote your shares at the annual meeting of shareholders. This proxy statement summarizes the information you need to know to vote at the meeting.

We began mailing these proxy materials on or about May 19, 2014 to all shareholders entitled to vote. The Dollar Tree 2013 Annual Report, which includes our financial statements, is being sent with this proxy statement.

The principal executive offices of Dollar Tree are located at, and our mailing address is, 500 Volvo Parkway, Chesapeake, Virginia, 23320; telephone: (757) 321-5000.

When and where is the annual meeting?
As shown in the Notice of Annual Meeting, the 2014 Annual Meeting of Shareholders of Dollar Tree, Inc. will be held on Thursday, June 19, 2014, at The Founders Inn, 5641 Indian River Road, Virginia Beach, Virginia 23464 at 10:00 a.m. local time.

Who is entitled to vote at the meeting?
You are entitled to vote if you were a shareholder of record of our common stock as of the close of business on April 11, 2014. Holders of record have one vote for each share held at the close of business. At that time, there were 206,776,394 shares of Dollar Tree, Inc. common stock outstanding. Votes will be tabulated by our transfer agent, Computershare.

What is the difference between a shareholder of record and a beneficial owner of shares held in "street name?"

If your shares are registered directly in your name with the Company's transfer agent, Computershare, you are a shareholder of record. If your shares are held in an account at a brokerage firm, bank, or similar institution, then you are the beneficial owner of shares held in "street name." The institution holding your account is considered the shareholder of record for purposes of voting at the annual meeting. As the beneficial owner, you have the right to instruct the institution on how to vote the shares held in your account.

How can I cast my vote?

Shareholder of Record

If you are a shareholder of record, you may vote in person at the annual meeting, vote by proxy using the enclosed proxy card or vote over the telephone or the Internet.

- To vote in person, we will give you a ballot to vote your shares when you arrive at the meeting.
- To vote using the enclosed proxy card, simply complete, sign, date and return it promptly in the envelope provided.
- To vote by Internet, go to www.investorvote.com/DLTR and follow the steps outlined on the secured website.
- To vote by telephone, dial toll free, 1-800-652-VOTE (8683) within the USA, US territories and Canada any time on a touch tone telephone. Follow the instructions provided by the recorded message.
- If you vote your shares more than one time by any method, your shares will be voted in accordance with the vote that is received on the latest date.

Beneficial Owner

- To vote using the enclosed proxy card, simply complete, sign, date and return it promptly in the envelope provided.
- To vote by Internet, go to www.proxyvote.com and follow the steps outlined on the secured website.
- To vote by telephone, dial toll free, 1-800-454-8683 (please note that beneficial shareholders may receive a different number based on their broker).

- If you vote your shares more than one time by any method, your shares will be voted in accordance with the vote that is received on the latest date.

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Shareholders who own their shares in street name are not able to vote at the annual meeting unless they have a proxy executed in their favor from the holder of record of their shares.

What are the Board's voting recommendations?
The Board recommends that you vote your shares:
- FOR each of the Board's eleven nominees for the Board of Directors;
- FOR the approval, on an advisory basis, of the compensation of our Named Executive Officers;
- FOR the ratification of the selection of KPMG as our independent registered accounting firm for the fiscal year 2014; and
- AGAINST the shareholder proposal to implement a majority vote standard in uncontested director elections.

Can I change my voting instructions before the meeting?

You may revoke your proxy by sending in a signed proxy card with a later date, providing subsequent telephone or Internet voting instructions, providing a written notice of revocation to the Corporate Secretary of Dollar Tree, Inc. at the address on page 1 prior to the annual meeting or attending the annual meeting to cast your vote in person.

What constitutes a quorum?
A quorum is necessary for the transaction of business at the annual meeting. A quorum exists when holders of a majority of the total number of issued and outstanding shares of common stock that are entitled to vote at the annual meeting are present in person or by proxy.

Who will count the votes?
A representative of Computershare, our transfer agent, will act as the Inspector of Election, determine the presence of a quorum and tabulate the votes.
What is the effect of abstentions and broker non-votes?
The inspector will treat valid proxies marked "abstain" or proxies required to be treated as broker "non-votes" as present for purposes of determining whether there is a quorum at the annual meeting. A broker "non-vote" occurs when you fail to provide your broker with voting instructions on a particular proposal and the broker does not have discretionary authority to vote your shares on that particular proposal because the proposal is not a "routine" matter under the applicable rules. Abstentions and broker "non-votes" with respect to the matters to be voted on at the 2014 annual meeting will have no effect on the outcome.

Unless your broker receives appropriate instructions from you, your broker may no longer use discretionary authority to vote your shares on any of the matters to be considered at the 2014 annual meeting of shareholders other than the ratification of our independent registered public accounting firm. Therefore, we strongly urge you to vote your shares.

If I share an address with another shareholder and we receive only one paper copy of proxy materials, how can I obtain an additional copy of proxy materials?
In some cases, only one proxy statement is being delivered to multiple shareholders sharing an address unless we have received contrary instructions from one or more of the shareholders. Upon written or oral request, we will deliver a separate copy of the proxy statement to a shareholder at a shared address to which a single copy of the proxy statement was delivered. You can notify our Corporate Secretary at our address on page 1 that you wish to receive a separate copy of the proxy statement in the future, or alternatively, that you wish to receive a single copy of the materials instead of multiple copies. Each shareholder will receive voting instructions relative to their individual holdings, regardless of a shared address.

How can I obtain an additional proxy card?
If you lose, misplace or otherwise need to obtain a proxy card and you are a shareholder of record, you should contact Computershare at 1-800-622-6757 (US, Canada, Puerto Rico) or 781-575-4735 (non-US).

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If you hold your shares of common stock in “street name” and therefore are not a shareholder of record, contact your account representative at the broker, bank or similar institution through which you hold your shares.

Where and when will I be able to find the voting results?

You can find the official voting results on our Form 8-K within four business days after the annual meeting.

Who pays for the costs of the proxy solicitations?

The cost of soliciting proxies will be borne by us. Proxies may be solicited by officers, directors and regular employees of our company or our affiliates, none of whom will receive any additional compensation for their services. Such solicitations may be made personally, or by mail, facsimile, telephone, telegram or messenger. We will reimburse brokerage firms and other custodians, nominees and fiduciaries for reasonable expenses incurred by them in sending proxy material and annual reports to the beneficial owners of shares in accordance with the schedule of charges approved by the National Association of Securities Dealers, Inc. We have retained Georgeson Inc. to assist with the solicitation of proxies for a fee not to exceed $20,000, plus reimbursement for out-of-pocket expenses.

PROPOSAL NO. 1- ELECTION OF DIRECTORS

Directors and Nominees

At the 2014 annual meeting of shareholders, the terms of the following directors are expiring: Arnold S. Barron, Macon F. Brock, Jr., Mary Anne Citrino, H. Ray Compton, Conrad M. Hall, Lemuel E. Lewis, J. Douglas Perry, Bob Sasser, Thomas A. Saunders III, Thomas E. Whiddon and Carl P. Zeithaml. The Board proposes to nominate these eleven directors to be re-elected for a one-year term at the 2014 annual meeting of shareholders.

The nominees have indicated their willingness to serve as directors. If a nominee becomes unable to stand for re-election, the persons named in the proxy will vote for any substitute nominee proposed by the Board of Directors.

Vote Required

Our directors are elected by a “plurality” vote. The nominees for each of the eleven board seats to be voted on at the 2014 Annual Meeting of Shareholders receiving the greatest number of votes cast will be elected. Shares held by brokers that are not voted in the election of directors will have no effect. In addition, we have adopted a corporate governance policy requiring each director-nominee to submit a resignation letter if he or she does not receive a majority of the votes cast. See page 17 for more on this policy.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE “FOR”
EACH OF THE NOMINEES FOR DIRECTOR.

INFORMATION CONCERNING NOMINEES, DIRECTORS AND EXECUTIVE OFFICERS

Nominees

Arnold S. Barron Private Investor; corporate director Chairman of the Compensation Committee	Mr. Barron, age 66, was the Senior Executive Vice President, Group President of The TJX Companies, Inc. from 2004 until his retirement in January 2009. His employment with The TJX Companies began in 1979. He held the positions of Executive Vice President, Chief Operating Officer, The Marmaxx Group (2000-2004), Senior Vice President, Group Executive, TJX (1996-2000), Senior Vice President, General Merchandising Manager, T.J. Maxx (1993-1996). From 1979 to 1993, he held several other executive positions within The TJX Companies, Inc. With more than thirty years of experience in senior management, operations and retail merchandising in the U.S., Canada and Europe, Mr. Barron brings a tremendous combination of skills and experience spanning areas key to our business. Mr. Barron became a director of Dollar Tree in March 2008. He previously served on the Board of rue21, inc. from 2009 through 2013.
Macon F. Brock, Jr. Non-Executive Chairman Dollar Tree, Inc.	Mr. Brock, age 72, has been Chairman of the Board since 2001 and a director since 1986. He served as the Chief Executive Officer from 1993 to 2003. From 1986, when he co-founded Dollar Tree, until 2001, he served as President. Until 1991, he was an officer and director of K&K Toys, Inc. Mr. Brock earned his B.A. from Randolph-Macon College and served as a Captain in the U.S. Marine Corps. He is a past Chairman of Randolph-Macon College. As the company's co-founder, Chairman of the Board and former Chief Executive Officer, Mr. Brock brings to our Board an intimate knowledge of our business coupled with experience in strategic business development, store operations, logistics, procurement, risk management, sales, marketing and other matters. His service on the Board also ensures that the Company's unique culture and historical commitment to the core values of its customers is preserved. The Board also benefits from his service on the Nominating and Corporate Governance Committee and Compensation Committee of Lumber Liquidators, Inc. Mr. Brock has served on our Board since 1986. He also serves on the Board of Lumber Liquidators, Inc. He previously served on the Board of rue21, inc. from 2010 through 2013 and he served on the Board of Landmark Communications from 2004 through 2009.
Mary Anne Citrino Senior Managing Director, Corporate Advisory Services The Blackstone Group	Ms. Citrino, age 55, has been the Senior Managing Director in the Corporate Advisory Services group at The Blackstone Group, a global investment and advisory firm, since 2004. Previously, Ms. Citrino was employed at Morgan Stanley for over twenty years. During her years there, she served as the Global Head of Consumer Products Investment

Member of the Audit Committee; Member of the Nominating and Corporate Governance Committee	Banking, Co-Head of Health Care Services Investment Banking, and a Mergers and Acquisitions Analyst. With thirty years of experience in investment banking, extensive experience in mergers and acquisitions, together with her competence in critical financial analysis and successful record in a variety of business dealings, Ms. Citrino brings essential skills and a unique perspective to the Board. Ms. Citrino was appointed as a director of Dollar Tree in 2005. She also serves on the Board of Health Net, Inc.

H. Ray Compton
Private investor; corporate director

Member of the Nominating and Corporate Governance Committee;
Member of the Compensation Committee

Mr. Compton, age 71, has been a director since 1986. Mr. Compton was Executive Vice President from 1998 to 2002 and Chief Financial Officer from 1986 to 1998. He retired as a full-time employee in 2002 and became fully retired in 2004. From 1979 until 1991, he was employed in similar roles with K&K Toys, Inc. Prior to 1979, he was associated for fifteen years with a manufacturing company in various accounting and management positions.

Having served as a director for twenty-seven years and a former Chief Financial Officer, Mr. Compton brings to the Board a deep understanding of the company's history and unique business model. In addition, Mr. Compton's extensive experience in management, finance and accounting, coupled with his past service as Chairman of the Audit Committee for Hibbett Sports, Inc., is a vital asset to our Board.

Mr. Compton has been a director of Dollar Tree since 1986. He previously served on the Board of Hibbett Sports, Inc. from 1997 to 2005.

Conrad M. Hall
Private investor; corporate director

Member of the Audit Committee; Member of the Compensation Committee

Mr. Hall, age 70, served as the President and Chief Executive Officer of Dominion Enterprises, a leading media and marketing information services company from 2006 until his retirement in January 2009. Prior to 2006, he served as the President and Chief Executive Officer of Trader Publishing Company since April 1991. From 1989 to 1991, he served as the President of Landmark Target Media, Inc. Mr. Hall joined Landmark Communications, Inc. in 1970 where he held various senior positions, including Executive Vice President and Chief Financial Officer from 1985 to 1989. He also served as the Vice President of The Virginian-Pilot and The Ledger-Star division of Landmark from 1977 to 1981.

Mr. Hall's experience as a former Chief Executive Officer and his demonstrated success in new business development is of immense value to the Board, especially as we continue to evaluate growth opportunities. He also brings to the Board thirty years of operational expertise, extensive experience in information technology, strategic planning, human resources, and a solid financial background.

Mr. Hall became a director of Dollar Tree in January 2010. He previously served as a director for Dominion Enterprises and Landmark Communications, Inc. from 2006 through 2009. He also served on the Board of Trader Publishing Company from 1991 through 2006.

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Lemuel E. Lewis Private investor; corporate director Member of the Audit Committee	Mr. Lewis, age 67, is President of LocalWeather.com, a web-based privately-held media company he founded in 2008. He served as the Executive Vice President and Chief Financial Officer of Landmark Communications, Inc. from 2000 until his retirement in 2006. From 1981 to 2000, he held several other senior positions with Landmark Communications. Mr. Lewis brings to the Board many years of experience in accounting, finance, human resources, mergers and acquisitions, and business unit operations. The Board also benefits from his valuable financial experience as a former Chief Financial Officer and his service on other Boards, including the Audit Committee Chairman of Markel Corporation and Audit Committee member of Owens & Minor. In addition, our Board has determined that Mr. Lewis qualifies as an Audit Committee financial expert. Mr. Lewis became a director of Dollar Tree in July 2007. He also serves on the Boards of Markel Corporation and Owens & Minor Inc. He served as Chairman of the Board for the Federal Reserve Bank of Richmond from 2008 through 2010 and was the Chairman of its Audit Committee from 2005 to 2008. He previously served on the Board of Landmark Communications from 2006 through 2008.
J. Douglas Perry Chairman Emeritus Dollar Tree, Inc.	Mr. Perry, age 66, became Chairman Emeritus of the Board in 2001. He had been Chairman of the Board since 1986 when he co-founded Dollar Tree. He also served as Chief Executive Officer from 1986 to 1993. He retired as an employee and officer of the company in 1999. Until 1991, he was an executive officer of K&K Toys, Inc. which he, along with Mr. Brock, Mr. Compton and Mr. Perry’s father, built from the company’s original single store to 136 stores. As the company’s co-founder, former Chairman and Chief Executive Officer, Mr. Perry brings to the Board vital leadership and executive management skills, as well as a deep understanding and knowledge about our business. Mr. Perry has served on our Board since 1986.
Bob Sasser Chief Executive Officer Dollar Tree, Inc.	Mr. Sasser, age 62, has been Chief Executive Officer since 2004 and previously served as the President from 2001 to 2013. He had been Dollar Tree’s Chief Operating Officer from 1999 to 2004. Previously, from 1997 to 1999, he served as Senior Vice President, Merchandise and Marketing of Roses Stores, Inc. From 1994 to 1996, he was Vice President, General Merchandise Manager for Michaels Stores, Inc. Prior to 1994, he held several positions at Roses Stores, Inc., ranging from Store Manager to Vice President, General Merchandise Manager. Mr. Sasser’s demonstration of outstanding leadership skills, business acumen, commitment to excellence, and his major contributions to the company’s growth and success as the Chief Executive Officer of Dollar

Tree, provides essential insight and guidance to our Board. In addition, the Board benefits from Mr. Sasser's forty years of retail experience.

Mr. Sasser was elected to our Board in 2004. He serves on the Board of The Fresh Market, Inc.

Thomas A. Saunders III
President, Ivor & Co., LLC

Lead Independent Director;
Chairman of the Nominating and Corporate Governance Committee

Mr. Saunders, age 77, has been the President of Ivor & Co., LLC, a private investment company, since 2000. He was a founder of Saunders Karp & Megrue Partners, L.L.C., ("SKM") which controlled the SK Equity Fund, L.P., once a major investor in Dollar Tree. SKM merged with Apax Partners in 2005. Before founding SKM in 1990, he was a Managing Director of Morgan Stanley & Co. from 1974 to 1989. Mr. Saunders is the recipient of the 2008 National Humanities Medal and a recipient of the highest awards bestowed by the Marine Corps University Foundation, the New-York Historical Society, the Virginia Military Institute and the Darden Graduate School of Business at the University of Virginia.

Mr. Saunders brings to the Board valuable financial expertise, including extensive experience in investment banking and a solid understanding of the capital markets. As a company director for twenty years and lead independent director for the past six years, Mr. Saunders also brings to the Board critical leadership skills and a deep understanding of our business.
The Board also benefits from his service on the Nominating and Corporate Governance Committee and Compensation Committee of Hibbett Sports, Inc.

Mr. Saunders has been a Dollar Tree director since 1993. He also serves on the Board of Hibbett Sports, Inc. and previously served on the Board of Teavana Holdings, Inc. from 2011 to 2012.

Thomas E. Whiddon
Private investor; corporate director

Chairman of the Audit Committee

Mr. Whiddon, age 61, from 2004 to 2013 was an Advisory Director of Berkshire Partners, LLC (a private equity firm), and as such, served in interim executive operating roles for various Berkshire portfolio companies from 2004 to 2006. Previously, he was Executive Vice President of Lowe's Companies, Inc. from 1996 until his retirement in 2003. During this time, he served as Executive Vice President of Logistics and Technology from 2000 to 2003 and Executive Vice President, Chief Financial Officer from 1996 to 2000. Prior to his tenure at Lowe's, he served as the Chief Financial Officer and Treasurer of Zale Corporation from 1994 to 1996. From 1986 to 1993, he served as the Treasurer of Eckerd Corporation.

Having served as Chief Financial Officer and Treasurer of successful large public retail companies, coupled with his many years of experience in public accounting, Mr. Whiddon brings to our Board extensive financial expertise. In addition, our Board has determined that Mr. Whiddon qualifies as an Audit Committee financial expert. His service on the Board and a number of Committees of Carter's Inc. and Sonoco Products Company, Inc. further enhances his contributions to our Board. He also brings a fresh perspective to Dollar Tree's logistics and technology focus.

Mr. Whiddon has been a member of our Board since 2003. He currently serves as a director of Sonoco Products Company, Inc. and Carter's Inc.

Carl P. Zeithaml Dean, McIntire School of Commerce University of Virginia Member of the Compensation Committee	Dr. Zeithaml, age 64, is the Dean of the McIntire School of Commerce at the University of Virginia. He is also a Professor in the Management Area specializing in strategic management. He joined the McIntire School in 1997, after eleven years on the faculty in the Kenan-Flagler Business School at the University of North Carolina-Chapel Hill. Dr. Zeithaml provides the Board with expertise in strategic management with an emphasis on competitive strategy, corporate governance and global strategy. He brings to the Board extensive educational experience and a strong understanding of risk management. Dr. Zeithaml became a director of Dollar Tree in July 2007.

Executive Officers (Other than those listed above)	
David Jacobs Chief Strategy Officer Dollar Tree, Inc.	Mr. Jacobs, age 45, has been the Chief Strategy Officer since 2012. He was the Senior Vice President of Strategic Planning from 2009 to 2012, and Vice President of Strategic Plannning from 2006 to 2009. From 1996 to 2006, he held a number of positions with The Boston Consulting Group, a leading global strategic management consulting firm, including Partner from 2003 to 2006. From 1994 to 1996, he was an attorney at Weil, Gotshal & Manges, LLC.
Michael Matacunas Chief Administrative Officer Dollar Tree, Inc.	Mr. Matacunas, age 47, joined Dollar Tree in 2013 as the Chief Administrative Officer. Prior to joining Dollar Tree, he was the Chief Executive Officer of The Parker Avery Group (a consultancy serving retailers) from 2007 to June 2013. Previously, he served as the Vice President of Manhattan Associates, Inc. from 2005 to 2006 and from 2003 to 2005 he served as the Vice President of Evant, Inc., a retail software and services company that was acquired by Manhattan Associates, Inc. Prior to Evant, he served in a number of senior level positions where he gained expertise in merchandising, supply chain, organizational development, and technology.
William A. Old, Jr. Chief Legal Officer Dollar Tree, Inc.	Mr. Old, age 60, joined Dollar Tree as the Chief Legal Officer in 2013. Prior to joining Dollar Tree, he was the Vice President and Director at Williams Mullen, P.C. from 2004 to 2013. He previously represented Dollar Tree as its primary outside counsel since 1985.
James A. Paisley Chief Information Officer Dollar Tree, Inc.	Mr. Paisley, age 46, has been the Chief Information Officer since 2013. He was the Vice President of Information Systems from 2002 to 2013 and the Director of Application Development from 1995 to 2002. Prior to joining Dollar Tree, he worked for Lillian Vernon Corporation from 1992 to 1995 in the area of application development and project management.
Gary M. Philbin President and Chief Operating Officer Dollar Tree, Inc.	Mr. Philbin, age 57, became President in 2013 and has been the Chief Operating Officer since March 2007. He previously served as our Senior Vice President of Stores since December 2001. He joined Dollar Tree after a thirty year career in the retail grocery industry. This included serving as the Chief Executive Officer, President and Chief Merchandising Officer of Grand Union from 1997 through the year of the company’s sale in 2000. Prior to Grand Union, he held senior executive level positions with SuperValu from 1996 to 1997, and A&P, from 1993 to 1996. In his career, Mr. Philbin held roles in both merchandising and operations at the corporate level. His career started with the Kroger Company where he held increasing positions of responsibility over a twenty year career.
Robert H. Rudman Chief Merchandising Officer Dollar Tree, Inc.	Mr. Rudman, age 63, has been Chief Merchandising Officer since June 2003. Prior to joining Dollar Tree, he served as President/CEO and minority shareholder of Horizon Group USA from 2000. From 1996 to

2000, Mr. Rudman was President/CEO of his own consulting company, VQ International Inc. From 1991 until 1996, Mr. Rudman was Executive Vice President/Chief Merchandise Officer of Michaels Stores. Prior to joining Michaels, Mr. Rudman served in a number of positions in a wide variety of retail formats, gaining the majority of his experience in merchandise and marketing.

Kevin S. Wampler Chief Financial Officer Dollar Tree, Inc.	Mr. Wampler, age 51, has been the Chief Financial Officer since December 2008. Prior to joining Dollar Tree, he served as Executive Vice President, Chief Financial Officer and Assistant Secretary for The Finish Line, Inc. from October 2003 to November 2008. Mr. Wampler held various other senior positions during his fifteen-year career at The Finish Line, including Senior Vice President, Chief Accounting Officer and Assistant Secretary from 2001 to 2003. Mr. Wampler, a Certified Public Accountant, was employed by Ernst and Young LLP from 1986 to 1993.
Stephen W. White Chief Logistics Officer Dollar Tree, Inc.	Mr. White, age 59, has been Chief Logistics Officer since April 2003. He was the Senior Vice President of Logistics from 1999 to 2003, Vice President of Logistics from 1995 to 1999 and Director of Transportation and Distribution from 1994 to 1995. Prior to joining Dollar Tree, he served as Director of Transportation and held various other positions at Ames Department Stores from 1986 to 1994. Prior to Ames, he held several transportation and supply chain positions with a number of companies, including Shell Oil Company and Eastern Airlines.

Mr. Brock is married to Mr. Perry’s sister. There are no additional family relationships among the directors and executive officers.

HOW NOMINEES TO OUR BOARD ARE SELECTED

Candidates for election to our Board of Directors are nominated by our Nominating and Corporate Governance Committee and ratified by our full Board of Directors for consideration by the shareholders. The Nominating and Corporate Governance Committee operates under a charter, which is available on our corporate website at http://www.dollartreeinfo.com/investors/corporate/. You will find the charter of the committee and the charters of all of our other Board committees under the heading “Corporate Governance” in the Investor Relations section of the site. A copy of the charter is available to all shareholders upon request, addressed to our Corporate Secretary at the address on page 1. All members of the committee are independent under the standards established by the NASDAQ Stock Market.

Our Nominating and Corporate Governance Committee will consider candidates recommended by shareholders. Shareholders may recommend candidates for Nominating and Corporate Governance Committee consideration by submitting such recommendation using the methods described under the “Shareholder Nominations for Election of Directors” section on page 10 and “Communicating with our Board Members” on page 19. In making recommendations, shareholders should be mindful of the discussion of minimum qualifications set forth in the following paragraph. Although a recommended individual may meet the minimum qualification standards, it does not imply that the Nominating and Corporate Governance Committee necessarily will nominate the person so recommended by a shareholder.

In evaluating candidates for election to the Board, our Nominating and Corporate Governance Committee shall take into account the qualifications of the individual candidate as well as the composition of the Board as a whole. Among other things, the Committee shall consider:

- the candidate’s ability to help the Board create shareholder value,
- the candidate’s ability to represent the interests of shareholders,
- the business judgment, experience and acumen of the candidate,
- the need of the Board for directors having certain skills and experience,
- other business and professional commitments of the candidate, and
- the number of other boards on which the candidate serves, including public and private company boards.

Our Nominating and Corporate Governance Committee does not have a written diversity policy, however, it does give consideration to potential candidates who would represent diversity on the Board with respect to professional background, experience, expertise, age, gender, and ethnicity.

Our Nominating and Corporate Governance Committee identifies nominees in a number of ways. One method is the recommendation of a current member of the Board, who personally knows and has an understanding of the qualifications of a proposed nominee. A second method is an awareness of persons who are successful in business, whether personally known to a member of the Board or not. We may contact such persons from time to time to ask whether they would be willing to serve. If they are willing, then the Nominating and Corporate Governance Committee conducts significant amounts of due diligence to ensure that a nominee possesses the qualifications, qualities and skills outlined above. The Nominating and Corporate Governance Committee also from time to time engages search firms to assist the committee in identifying potential Board nominees, and we pay such firms a fee for conducting such searches. As mentioned above, our Nominating and Corporate Governance Committee will consider recommendations from shareholders on the same basis as other candidates.

Shareholder Nominations for Election of Directors

Shareholders generally can nominate persons to be directors by following the procedures set forth in our bylaws. In short, these procedures require the shareholder to deliver a written notice containing certain required information in a timely manner to our Corporate Secretary at the address on page 1. To be timely, the notice must be sent either by personal delivery or by United States certified mail, postage prepaid, and received no later than 120 days in advance of the anniversary date of the proxy statement for the previous year's annual meeting. If no annual meeting was held in the previous year, or the date of the applicable annual meeting has been changed by more than 30 days from the date contemplated at the time of the previous year’s proxy statement, notice must be sent not less than 90 days before the date of the applicable annual meeting. The notice must contain the information required by our bylaws about the shareholder proposing the nominee and about the nominee. A copy of our bylaws can be found online at http://www.dollartreeinfo.com/investors/corporate/.

Each shareholder's notice to the Corporate Secretary must include, among other things:

- the name and address of record of the shareholder who intends to make the nomination;
- a representation that the shareholder is a shareholder of record of our company's capital stock and intends to appear in person or by proxy at such meeting to nominate the person or persons specified in the notice;
- the class and number of shares of our capital stock beneficially owned by the shareholder; and
- a description of all arrangements or understandings between such shareholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by such shareholder.

For each person nominated, the notice to the Corporate Secretary must also include, among other things:

- the name, age, business address and, if known, residence address, of the nominee;
- his or her principal occupation or employment;
- the class and number of shares of our capital stock beneficially owned by such person;
- any other information relating to such person that is required to be disclosed in solicitations of proxies for election of directors or is otherwise required by the rules and regulations of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934, as amended; and
- the written consent of such person to be named in the proxy statement as a nominee and to serve as a director if elected.

INFORMATION ABOUT THE BOARD OF DIRECTORS

Director Compensation

Director compensation is established by the Board of Directors and periodically reviewed. In 2013, the Board determined that each non-employee director – that is, every director other than Macon Brock and Bob Sasser - will receive an annual retainer of $180,000, payable quarterly in advance. In addition, the Audit Committee chair will receive $30,000 and Audit Committee members will receive $20,000; the Compensation Committee chair will receive $30,000 and Compensation Committee members will receive $15,000; the Nominating and Corporate Governance Committee chair will receive $15,000 and the Nominating and Corporate Governance Committee members will receive $10,000. The Lead Director will receive an additional $35,000. The Board may also authorize additional fees for ad hoc committees, if any. Fees are paid quarterly in advance. We do not offer non-equity incentives or pension plans to non-employee directors.

Under our shareholder-approved 2003 Director Deferred Compensation Plan (DDCP), directors may elect to defer receipt of all or a portion of their board and committee fees to be paid at a future date in either cash or shares of common stock, or to defer all or a portion of their fees into non-statutory stock options. Deferral elections must be made by December 31 for the deferral of fees in the next calendar year and must state the amount or portion of fees to be deferred; whether and to what extent fees are to be deferred in cash or shares or paid in the form of options; in the case of deferral into cash or shares, whether the pay out shall be in installments or lump sum; and the date on which such pay out will commence. In the case of deferrals into options, the number of options to be credited is calculated by dividing the deferred fees by 33% of the closing price on the first day of each calendar quarter, which is the date of grant. The options bear an exercise price equal to the closing price on the date of grant and are immediately exercisable. Deferrals into cash or stock are recorded in unfunded and unsecured book-entry accounts. Deferred shares to be credited are calculated by dividing the deferred fees by the closing price on the first day of each calendar quarter. If cash dividends are declared, deferred share accounts are credited with a corresponding number of deferred shares, based on the market price on the dividend date. In the case of deferrals into a deferred cash account, interest is credited to the account at the beginning of each quarter based on the 30-year Treasury Bond rate then in effect (an average of 3.56% in 2013). See the Director's Compensation Table below for a description of deferrals in the current fiscal year.

In 2007, the Board instituted a guideline requiring directors to hold Dollar Tree stock, not including stock options, equal to at least $100,000 in value, measured as of the date the stock was acquired, within four years of election by the shareholders. Effective March 2013, the Board increased the minimum ownership guideline from $100,000 in value to $300,000 in value. As of February 1, 2014, all of our directors owned shares in excess of this amount. Consistent with prior years, despite all directors owning shares in excess of this guideline, a majority of the directors have

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consistently chosen to defer a meaningful portion of their annual cash retainer as shares of common stock or as options (ranging from 60% to 100% of total compensation for participating Directors during 2013). See the Director's Compensation Table below for a description of deferrals in the 2013 fiscal year.

In November of 2013, we replaced Mr. Perry's consulting agreement with a post-retirement benefit agreement that provides for annual fees of $30,000 to be paid to him and ensure his eligibility in our group health plans at his cost. Mr. Perry no longer provides advisory services to the Company as of November 2013.

Mr. Compton, who retired as a full-time employee in 2002 and as a part-time employee in 2004, has a post-retirement benefit agreement that provides for $30,000 to be paid to him annually and allows him to participate in our group health plans at his cost. Mr. Compton does not provide advisory services to the Company.

The following table shows compensation paid to each person who served as a director during fiscal year 2013. (Bob Sasser's compensation information can be found on page 31 of this document).

Name	Fees Earned or Paid in Cash ($) (1)	Stock Awards ($) (2)	All Other Compensation ($)(3)	Total ($)
Arnold S. Barron	$193,750	$—	$—	$193,750
Macon F. Brock, Jr.	—	299,999	272,116	572,115
Mary Anne Citrino	196,250	—	—	196,250
H. Ray Compton	191,250	—	30,000	221,250
Conrad M. Hall	201,250	—	—	201,250
Lemuel E. Lewis	186,250	—	—	186,250
J. Douglas Perry	166,250	—	30,000	196,250
Thomas A. Saunders III	216,250	—	—	216,250
Thomas E. Whiddon	196,250	—	—	196,250
Carl P. Zeithaml	181,250	—	—	181,250

(1) This column shows amounts earned for retainers and fees, including fees paid for service on standing and ad hoc committees, not reduced for deferrals.

(2) This column includes the grant date fair market value in the amount of $299,999 for 5,810 service-based restricted stock units granted on July 1, 2013 for his services as Chairman.

(3) This column includes a post-retirement benefit paid to Mr. Compton and both consulting and post-retirement benefit fees paid to Mr. Perry, as more fully described in the narrative accompanying this table. In addition, see "Certain Relationships and Related Transactions" on page 41 of this proxy. This column also includes compensation paid to Mr. Brock for his services as Chairman. His "all other compensation" includes: base salary in the amount of $228,846; perquisites in the amount of $26,464; and profit sharing in the amount of $16,806.

The following table shows, for each of our non-employee directors, amounts deferred in fiscal year 2013 under our DDCP, the number of shares underlying those deferrals, and the aggregate number, as of February 1, 2014, of outstanding stock options, including those awarded prior to 2005 and options obtained through deferral of fees (all of which are fully vested), and deferred shares:

Name	Amounts Deferred in 2013 ($)(1)	Shares Underlying Amounts Deferred in 2013 (#)(2)	Total Deferred Shares (#)	Options Outstanding, including Options acquired through Deferral of Fees (#)	Total Shares Underlying Options and Deferred Amounts (#)
Arnold S. Barron	$117,000	2,181	17,780	—	17,780
Mary Anne Citrino	196,250	3,659	51,912	13,700	65,612
H. Ray Compton	—	—	—	—	—
Conrad M. Hall	201,250	3,753	12,285	—	12,285
Lemuel E. Lewis	186,250	3,471	38,673	—	38,673
J. Douglas Perry	—	—	1,671	—	1,671
Thomas A. Saunders III	216,250	12,228	—	216,656	216,656
Thomas E. Whiddon	—	—	—	18,000	18,000
Carl P. Zeithaml	108,750	2,026	18,118	—	18,118

(1) This column shows the dollar amount of retainers and fees deferred in 2013 under the DDCP. Directors may choose to defer a portion or all of their fees into a deferred cash account, common stock equivalents (which we call "deferred shares") or options, as more fully described in the narrative in this section. Note that not all deferred amounts shown in this column are represented by underlying shares in the next column, to the extent that fees are deferred into a cash account. In 2013, we credited $430 to Mr. Perry's deferred cash account (to which he did not contribute in 2013).

(2) Shares in this column represent deferred shares and in the case of Mr. Saunders, deferral into options. Compensation expense related to these options, valued by the same method as that used for option grants to employees, is recorded upon grant; $309,408 was recorded in 2013.

Meetings of the Board of Directors

The Board of Directors has scheduled four regular meetings in 2014 and will hold special meetings when company business requires. During 2013, the Board held seven formal meetings and undertook action by unanimous consent on one occasion. Informational update calls are periodically conducted during the year. Each member of the Board attended at least 75% of all Board meetings and meetings of committees of which he or she was a member.

Committees of the Board of Directors

The Board of Directors has established an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee. The memberships and functions of these committees are set forth below. The Board does not have a standing Executive Committee. Other committees may be established to consider non-routine matters as the Board deems necessary.

Audit Committee

The Audit Committee has four members: Thomas E. Whiddon (Chairman), Mary Anne Citrino, Conrad M. Hall and Lemuel E. Lewis. The functions of this committee include:

- reviewing management's assessment of our internal control over the financial reporting process;
-

reviewing results of internal control testing related to Section 404 of the Sarbanes-Oxley Act of 2002;

- reviewing our quarterly and annual financial statements;
- reviewing the audit efforts of our independent auditors and internal audit department;
- reviewing related party transactions; and

- selecting the independent auditors and any independent counsel or other advisers it deems necessary.

The Audit Committee met in person or via teleconference eight times in 2013 and undertook actions by unanimous consent on one occasion. In addition, the Chairman of the committee conducted periodic updates with the independent auditors and/or financial management.

Our Board has reviewed the composition of the Audit Committee and determined that the independence and financial literacy of its members meet the listing standards of the NASDAQ Stock Market and regulations of the Securities and Exchange Commission. In addition, our Board has determined that the chairman of our Audit Committee, Thomas Whiddon, and Audit Committee member Lemuel Lewis, by virtue of their careers serving as Chief Financial Officers for large companies as well as other experience, qualify them as “audit committee financial experts,” within the meaning of applicable regulations of the SEC, promulgated pursuant to the Sarbanes-Oxley Act of 2002.

Report of the Audit Committee

The Audit Committee’s main purpose (in accordance with its written charter adopted by the Board of Directors) is to assist the Board of Directors in fulfilling its oversight responsibilities regarding the quality and integrity of the accounting, auditing and financial reporting practices of the company.

In connection with these responsibilities, the Audit Committee:

- met with management and the head of our internal audit department to discuss the company’s risk management, control, and governance processes;
- discussed with counsel our compliance with NASDAQ listing requirements and other securities regulations;
- met with management and KPMG LLP, our independent registered public accounting firm, to review and discuss the quarterly and annual financial statements of the company for the fiscal year ended February 1, 2014;
- discussed with KPMG the matters required by Public Company Accounting Oversight Board Auditing Standard No. 16 and Statements on Auditing Standards No. 61 (Communication with Audit Committees) (as amended);
- discussed with KPMG the quality, not just the acceptability, of our accounting principles;
- received from KPMG written disclosures and the letter regarding its independence as required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountants’ communications with the Audit Committee concerning independence;
- reviewed and approved KPMG’s fees for audit, audit-related and tax services; and
- discussed with KPMG any relationships that may impact their objectivity and independence.

Based upon the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited financial statements for the fiscal year ended February 1, 2014 be included in the company’s Annual Report on Form 10-K, as filed with the Securities and Exchange Commission.

SUBMITTED BY THE AUDIT COMMITTEE

Mary Anne Citrino Conrad M. Hall Lemuel E. Lewis Thomas E. Whiddon

Compensation Committee

The Compensation Committee has four members: Arnold S. Barron (Chairman), H. Ray Compton, Conrad M. Hall and Carl P. Zeithaml.

The functions of this committee include:

- overseeing our compensation and benefit practices;
- establishing the compensation arrangements for our executive officers;
- administering our executive compensation plans and Employee Stock Purchase Plan;
- administering and considering awards under our stock- and equity-based compensation plans; and
- reviewing annually executives' stock ownership levels to ensure compliance with the Company's executive ownership policy.

The Compensation Committee met in person or via teleconference two times in 2013 and undertook actions by unanimous consent on five occasions. In addition, the Chairman engaged in numerous in-depth discussions with members of management.

All members of the Compensation Committee meet the independence requirements of the Nasdaq Stock Market. The report of the Committee, together with our Compensation Discussion and Analysis and information regarding executive compensation, can be found beginning on page 21.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee has three members: Thomas A. Saunders III (Chairman), Mary Anne Citrino and H. Ray Compton. The purpose of this committee is to advise the Board of Directors on the composition, organization and effectiveness of the Board and its committees, and on other issues relating to the corporate governance of the company. The committee's primary duties and responsibilities are to:

- recommend candidates to be nominated by the Board, including the re-nomination of any currently serving director, to be placed on the ballot for shareholders to consider at the annual shareholders meeting;

- if the Chairman of the Board is not independent, recommend an independent director to be considered by the Board to be appointed as Lead Director;

- recommend nominees to be appointed by the Board to fill interim director vacancies;

- review periodically the membership and Chair of each committee of the board and recommend committee assignments to the board, including rotation or reassignment of any Chair or committee member;

- monitor significant developments in the regulation and practice of corporate governance and of the duties and responsibilities of each director;

- lead the Board in its biennial performance evaluation;

- evaluate and administer our Corporate Governance Guidelines and recommend changes to the Board;

- review our governance structure;

- recommend policies for compensation and equity ownership guidelines for Board members who are not executive officers, as well as expense reimbursement policies;

- review annually the directors’ stock ownership levels to ensure compliance with our director target ownership policy;
- monitor annually the education of Board members on matters related to their service on the Board; and

- advises the Board on its composition, committees, structure, practices and self-evaluation.

The Nominating and Corporate Governance Committee met in person or via teleconference on three occasions and undertook action by unanimous consent on one occasion in 2013. During 2013, the committee continued to review potential candidates for Board seats in order to further enhance the Board's effectiveness. For further information on the committee, its composition and procedures, please see the discussion beginning on page 10.

CORPORATE GOVERNANCE AND DIRECTOR INDEPENDENCE

Independence

Dollar Tree is committed to principles of good corporate governance and the independence of a majority of our Board of Directors from the management of our company. The following eight directors have been determined by our Board to be, and have been throughout 2013, independent directors within the applicable listing standards of the NASDAQ Stock Market: Arnold S. Barron, Mary Anne Citrino, H. Ray Compton, Conrad M. Hall, Lemuel E. Lewis, Thomas A. Saunders III, Thomas E. Whiddon, and Carl P. Zeithaml. All members of our Audit Committee, our Compensation Committee and our Nominating and Corporate Governance Committee are independent under the same standards. Our Board has reviewed the various relationships between members of our Board and the company and has affirmatively determined that none of our directors or nominees has material relationships with Dollar Tree, other than Messrs. Brock, Perry and Sasser who are or were members of management or were paid consultants. See “Information about the Board of Directors” on page 11 and “Certain Relationships and Related Transactions” on page 41 for a discussion of relationships between the company and certain directors.

If the slate of directors proposed to be elected at the 2014 annual meeting of shareholders is elected, all committees of our Board will continue to be comprised solely of independent directors. The basis for an independence determination by our Board is either that the director has no business relationship other than his or her service on our Board, or that while a director may have some involvement with a company or firm with which we do business, our Board has determined that such involvement is not material and does not violate any part of the definition of “independent director” under NASDAQ listing standards. None of our current executives sit on any of our committees.

At the regular meetings of our Board of Directors, a private session, without management present, is conducted by the non-management members of our Board.

Corporate Governance Guidelines

In 2007, we adopted formal Corporate Governance Guidelines, a copy of which is available online at www.DollarTreeinfo.com in the Investor Relations section.

Board Leadership Structure

Our corporate guidelines state that, in the event our Chairman is not an independent director, the Board shall name a Lead Director who is independent. Because Macon F. Brock, Jr., our Chairman, is not independent, our Board appointed Thomas A. Saunders III as Lead Director in May 2007, upon the recommendation of the Nominating and Corporate Governance Committee. Since 2007, the Board has annually confirmed him in this role. Mr. Saunders' role is similar to that of an Independent Chairman. As our Lead Director, he has clearly defined leadership authority and responsibilities, including: setting the agenda for and presiding over executive sessions of solely independent directors; conferring with the Chief Executive Officer and Chairman; communicating feedback from the Board regarding the CEO’s performance; working with the Chairman to set the Board agenda; and remaining well-informed about senior management and succession plans. We believe that as Lead Director, Mr. Saunders has been effective at enhancing the overall independent functioning of the Board.

After careful consideration, the Board determined that its current leadership structure is the most appropriate for Dollar Tree and its shareholders. As part of the company’s ongoing commitment to corporate governance, the Board periodically considers its leadership structure and the role of the Lead Director.

Majority Vote Standard for the Election of Directors

Our Corporate Governance Guidelines also set forth our procedure if a director-nominee is elected but does not receive a majority of the votes cast. Prior to an election, each director-nominee submits a resignation letter, contingent upon such individual failing to receive more than 50% of the votes cast in an uncontested election. In such event, the resignation would be considered by the Nominating and Corporate Governance Committee, which would recommend to the Board what action to take with respect to the resignation.

Board’s Role in Risk Oversight

The Board of Directors is actively involved in overseeing enterprise risk, primarily through the assistance of its Audit Committee whose charter requires that its members be knowledgeable of and inquire about risk related to the company’s business. The company's Internal Audit Department conducts an annual investigation and evaluation of enterprise risk which focuses on four primary areas essential to the successful operation of the company: 1) strategic, 2) financial, 3) operational and 4) governance. The Internal Audit department reports its findings to and answers inquiries of the Audit Committee. The Committee Chair then shares this information with the full Board at its next meeting and responds to its directors.

The Audit Committee also engages in dialogue and receives updates at or between its meetings from the Vice President of Internal Audit, the Chief Financial Officer, Chief Legal Officer and the Chief Executive Officer on matters related to risk. The Committee shares appropriate information with the Board, either at its next meeting or by other more immediate communication. In addition, the Company's Disclosure Committee meets at least quarterly and monitors internal controls over financial reporting and ensures that the company's public filings contain discussions about risks our business faces, all of which is reported to the Board. In addition to the Audit Committee, other committees of the Board consider risk within their areas of responsibility. In setting executive compensation, the Compensation Committee considers risks that may be implicated by our compensation programs and endeavors to set executive compensation at a level that creates incentives to achieve long-term shareholder value without encouraging excessive risk-taking to achieve short-term results. The Nominating and Corporate Governance Committee annually reviews the Company's corporate governance guidelines and their implementation. Each committee reports its findings to the full Board.

Code of Ethics

Our Board has adopted a Code of Ethics for all our employees, officers and directors, including our Chief Executive Officer and senior financial officers, which was recently reviewed and approved by the Board on January 16, 2014. A copy of this code may be viewed at our corporate website, www.DollarTreeinfo.com, in the Investor Relations section of the site, under the heading "Corporate Governance." In addition, a printed copy of our Code of Ethics will be provided to any shareholder upon request submitted to the Corporate Secretary at the address on page 1.

Charters of our Board Committees

The charters of our Board committees are available on our corporate website, www.DollarTreeinfo.com, in the Investor Relations section of the site, under the heading "Corporate Governance." In addition, printed copies of any of our Board committee charters will be provided to any shareholder upon request submitted to the Corporate Secretary at the company's address on page 1.

COMMUNICATING WITH OUR BOARD MEMBERS

Our shareholders may communicate directly with our Board of Directors. You may contact any member of our Board, any Board committee or any chair of any such committee by mail. To do so, correspondence may be addressed to any individual director, the non-management directors as a group, any Board committee or any committee chair by either name or title. All such mailings are to be sent in care of "Corporate Secretary" at our corporate headquarters address, which is 500 Volvo Parkway, Chesapeake, VA 23320. To communicate with our directors electronically, emails may be sent to CorpSecy@DollarTree.com.

Mail received as set forth in the preceding paragraph may be examined by the Corporate Secretary from the standpoint of security and for the purpose of determining whether the contents actually represent messages from shareholders to our directors. Depending upon the facts and circumstances outlined in the correspondence, the Corporate Secretary will forward the communication to the Board, or any director or directors, provided that the contents are not in the nature of advertising, promotions of a product or service, or patently offensive material.

In addition, any person who desires to communicate financial reporting or accounting matters specifically to our Audit Committee may contact the Audit Committee by addressing a letter to the chairman of the Audit Committee at our corporate headquarters address, noted above, or electronically to AuditChair@DollarTree.com. Communications to our Audit Committee may be submitted anonymously, if sent by mail, addressed to the Audit Committee Chair. All correspondence will be examined by the Corporate Secretary and/or Internal Audit from the standpoint of security and depending upon the facts and circumstances outlined in the correspondence, the communications will be forwarded to our Audit Committee or Audit Committee Chair for review and follow-up action as deemed appropriate.

In 2009, we created the position of Vice President, Corporate Governance. This officer serves as the liaison with our shareholders on governance matters. We established this position to provide a more direct channel for communications with shareholders, to ensure an open dialogue on an ongoing basis and to promote increased understanding of industry standards for best practices in corporate governance as they evolve.

We expect each of our directors to attend the annual meeting of our shareholders. All of the eleven incumbent directors were in attendance at the 2013 annual meeting of our shareholders.

Shareholder Proposals for the 2015 Annual Meeting

Shareholder proposals for the annual meeting of shareholders to be held in 2015 will not be included in our proxy statement for that meeting unless received by us at our principal executive offices in Chesapeake, Virginia, on or prior to close of business on January 19, 2015. Such proposals must contain the information and meet the requirements set forth in our bylaws and in Rule 14a-8 of the Securities and Exchange Commission relating to shareholder proposals. See page 10 for additional requirements for the submission of shareholder nominations to the Board. Notice of a shareholder proposal submitted outside of the processes of Rule 14a-8 will be considered untimely after January 19, 2015. If notice of such a shareholder proposal is received by us after such date, then the proxies we solicit for next year's annual meeting may confer discretionary authority to vote on any shareholder proposals that were not submitted in a timely manner, without including a description of such proposals in the proxy statement for that meeting.

COMPENSATION OF EXECUTIVE OFFICERS

Compensation Committee Report on Executive Compensation

The Compensation Committee of our Board of Directors is responsible for developing, overseeing and implementing our compensation program for executive officers. In carrying out its responsibilities, each year the Compensation

Committee reviews and establishes the compensation of our Chief Executive Officer and approves the compensation of our other executive officers. The Compensation Committee is committed to a pay-for-performance policy that guides its discussions and determinations with respect to executive compensation.

In structuring compensation for executives, the Compensation Committee seeks to attract, motivate and retain executive talent and to offer greater rewards for superior individual and corporate performance. To achieve these goals, the Compensation Committee provides a mix of annual and long-term compensation that will align the short- and long-term interests of our executives with those of our shareholders. In 2013, the Compensation Committee established base salaries, approved targets and awards under an annual cash incentive plan and made long-term incentive awards, the vesting of which are subject to our achieving a target level of performance and the executives remaining with us over a specified period of time.

A discussion of the principles, objectives, components and determinations of the Compensation Committee is included in the Compensation Discussion and Analysis that follows this Compensation Committee report. The specific decisions of the Compensation Committee regarding the compensation of named executive officers are reflected in the compensation tables and narrative that follow the Compensation Discussion and Analysis.

The Compensation Committee has reviewed the Compensation Discussion and Analysis and discussed it with our management. Based on this review and discussion, the Compensation Committee recommended that the Compensation Discussion and Analysis be included in the company’s proxy statement for the 2014 annual meeting of shareholders.

SUBMITTED BY THE COMPENSATION COMMITTEE

Arnold S. Barron H. Ray Compton Conrad M. Hall Carl P. Zeithaml

Compensation Committee Interlocks and Insider Participation

No member of the Compensation Committee is a current or former officer of Dollar Tree or any of our subsidiaries, except H. Ray Compton who was an officer of the company until his retirement in 2004. In addition, none of the members of the Compensation Committee has or had any relationship with the company during fiscal 2013 that requires disclosure in accordance with the applicable rules of the Securities and Exchange Commission relating to compensation committee interlocks and insider participation.

Compensation Discussion and Analysis

2013 Executive Compensation Overview

Despite continuing economic pressures, an unfavorable retail calendar and severe weather that caused temporary store closures during the fourth quarter, 2013 proved to be another exciting year for the Company where our business momentum remained strong. The Company's consolidated net sales were $7.84 billion compared with 2012 sales of $7.39 billion. Comparable store sales increased 2.4%, on top of a 3.4% increase in 2012. Diluted earnings per share were $2.72, compared to diluted earnings per share of $2.68 in 2012, which included 53 weeks.

We are committed to a pay-for-performance policy for our executives that appropriately balances each executive's total compensation between cash and non-cash and short and long-term components, while ensuring that a significant portion of pay is performance-based and therefore, at risk. We believe that our executive compensation program, combined with our stock ownership guidelines, effectively link the interests of our executive officers with the interests of our shareholders and focuses the executives on the long-term growth and profitability of our business, without encouraging excessive risk-taking.

The following provides an overview of executive compensation actions in fiscal 2013:

- The Compensation Committee approved base salary increases and cash bonus payouts for our named executive officers;

- The Compensation Committee approved long-term equity incentive awards in the form of performance-based restricted stock units to each of our named executive officers;

- The Compensation Committee approved target award values for each of our named executive officers under the Company's three-year long term performance plan made available under the Company's Omnibus Incentive Plan; and

- The Compensation Committee approved an additional base salary increase and long-term incentives for our Chief Operating Officer in connection with his promotion to President.

Governance of Executive Compensation Program

Role of the Compensation Committee

The Compensation Committee consists entirely of non-employee, independent members of our Board of Directors and operates under a written charter approved by the Board. The Compensation Committee has the direct responsibility to determine and approve the compensation of the named executive officers. The Compensation Committee has historically consulted, and expects to continue to consult, with the Chief Executive Officer and senior management, as well as an external compensation consultant retained by the Compensation Committee when deemed appropriate, in the exercise of its duties. Notwithstanding such consultation, the Compensation Committee retains absolute discretion over all compensation decisions with respect to the named executive officers.

Role of the Chief Executive Officer in Compensation Decision-Making

In general, at the Compensation Committee's request, our Chief Executive Officer may review and recommend the compensation structure and awards for the other named executive officers to the Compensation Committee or its consultants. The Chief Executive Officer also provides information to the Compensation Committee and its consultants regarding the job performance and overall responsibilities of the other named executive officers. He makes no recommendations concerning his own compensation to the Compensation Committee or its consultants. The Chief

Executive Officer does not possess the right to call a meeting of the Compensation Committee, but the Compensation Committee would likely convene a meeting at his request. The Chief Executive Officer does not vote on executive compensation matters nor is he present when his compensation is being discussed or approved.

Role of the Compensation Consultant

Pursuant to its written Charter, the Compensation Committee has the authority to engage the services of outside independent advisers. Aon Hewitt LLC was retained in the spring of 2010 to assist the Compensation Committee in determining the appropriateness and competitiveness of our executive compensation program. The Compensation Committee continues to engage Aon Hewitt on an ad hoc basis for executive compensation consulting services. No executive officer had the authority to direct the work of Aon Hewitt with regards to its work with the Compensation Committee. The Compensation Committee bears ultimate responsibility for approving the compensation of all named executive officers.

In fiscal 2013, the Company engaged Aon Hewitt to provide employee dependent verification services to help verify the eligibility of our employees' dependents prior to enrollment into our health insurance plan. In addition, Aon Risk Services, Inc. ("Aon Risk"), an affiliate of Aon Hewitt, provided insurance brokerage services to the Company for which it received commissions.

In fiscal 2013, we paid $354,332 for the additional services described above, and $40,815 was paid to Aon Hewitt for executive compensation consulting services provided directly to the Compensation Committee. The decisions to engage Aon Hewitt and Aon Risk for these additional services were made by management, and the approval of the Compensation Committee or Board of Directors was not required or requested. However, the Compensation Committee has reviewed the relationship between the entities and the internal guidelines adopted by Aon Hewitt to guard against any potential conflict of interest and ensure its consultants provide only independent advice, regardless of fees paid to the firm. The Compensation Committee believes the additional services provided to management by Aon Hewitt and Aon Risk does not impair the objectivity of the advice rendered by Aon Hewitt to the Compensation Committee on executive compensation matters.

Further information on the Compensation Committee's procedures for determining executive compensation is included in its Charter which can be found at our corporate website, www.DollarTreeinfo.com, in the Investor Relations section of the site, under the heading "Corporate Governance."

Objectives of Our Compensation Program

The Compensation Committee has adopted a pay-for-performance policy for executive officers that balances each executive's total compensation between cash and non-cash, and current and long-term, components. The principal objectives of our compensation policies are to:

- align executive pay with shareholders' interests;
- provide executive pay that is competitive among our peer group;
- recognize individual initiative and achievements;
- attract, motivate and retain highly qualified executives; and
- unite the executive management team to a common objective.

Assessment of Risk

We have reviewed our compensation policies and practices for all employees and concluded that such policies and practices are not reasonably likely to have a material adverse effect on our company.

Say on Pay Votes

In compliance with Section 14A of the Securities Exchange Act of 1934, the Company asks the shareholders to approve, on an advisory basis, the compensation of our named executive officers as disclosed in the Company's proxy statement (commonly known as “Say on Pay”). The Company believes that Say on Pay is an important means by which shareholders may express their views regarding the Company’s executive compensation and has decided to hold a Say on Pay advisory vote on an annual basis.

During our June 2013 annual shareholders’ meeting, we provided our shareholders with an advisory vote to approve the compensation of our named executive officers. The Company received an overwhelming support of 96% for its Say on Pay proposal. The Compensation Committee believes the results of these Say on Pay votes reflect our shareholders’ approval of our executive compensation program. Therefore, the Compensation Committee did not make any changes to its executive compensation program as a result of the 2013 Say on Pay votes.

Executive Compensation Principles

Our executive compensation program consists of base salaries, cash bonus incentives, and long-term equity incentives generally in the form of restricted stock units. These components of executive compensation are used together to strike an appropriate balance between cash and stock compensation and between short-term and long-term incentives. We expect a significant portion of an executive's total compensation to be at risk, tied both to our annual and long-term performance as well as to the creation of shareholder value. In particular, we believe that short-term annual cash incentive compensation should be tied directly to both corporate performance and individual performance for the fiscal year, including the achievement of identified goals as they pertain to the areas of our operations for which the executive is personally responsible and accountable. In contrast, we believe that long-term incentive compensation should reward an executive for his or her contribution to our long-term corporate performance and shareholder value. Under our policy, performance above targeted standards results in increased total compensation, and performance below targeted standards results in decreased total compensation.

We differentiate compensation to executives based on the principle that total compensation should increase with an executive's position and responsibility, while at the same time, a greater percentage of total compensation should be tied to corporate and individual performance, and therefore be at risk, as position and responsibility increases. Thus, executives with greater roles and responsibilities associated with achieving our performance targets should bear a greater proportion of the risk if those goals are not achieved and should receive a greater proportion of the reward if our performance targets are met or surpassed. In addition, as an executive's position and responsibility increases, the use of long-term incentive compensation should increase as a percentage of total compensation because our senior executives have the greatest influence on our strategic performance over time.

The difference between the compensation of the Chief Executive Officer and the other named executive officers is due to a variety of factors, including his unique role as primary architect of the Company’s strategic vision, as well as his responsibility for achievement of the Company’s operational goals. Accordingly, he receives a higher base salary, higher annual bonus incentives and higher long-term equity incentives as a product of his greater authority, responsibility and oversight.

How Executive Pay Levels are Determined

The Compensation Committee reviews our executive compensation program every year and periodically conducts an in-depth market analysis of executive compensation as it determines is necessary to ensure that our compensation programs meet our objectives. Decisions by the Compensation Committee relating to the compensation of our executive officers are reported to the full Board of Directors. The Compensation Committee considers recommendations of the Chief Executive Officer with respect to the compensation of other executives but makes its own determinations in all cases.

In determining the compensation of our executive officers, the Compensation Committee evaluates total overall compensation, as well as the mix of salary, cash bonus incentives and equity incentives, using a number of factors including the following:

- our financial and operating performance, measured by attainment of specific strategic objectives and operating results;

- the duties, responsibilities and performance of each executive officer, including the achievement of identified goals for the year as they pertain to the areas of our operations for which the executive is personally responsible and accountable; and

- historical cash and equity compensation levels.

Amounts realizable from prior compensation, including equity awards, are not generally considered in setting current year compensation.

In fiscal 2013, the Compensation Committee reaffirmed its peer group which consists of the following 16 companies that we believe are similarly situated to Dollar Tree and represent the markets in which we compete for executive talent:

Advance Auto Parts Inc.	Kohl's Corp.
AutoZone Inc.	Limited Brands, Inc.
Bed Bath & Beyond, Inc.	O'Reilly Automotive Inc.
Dick's Sporting Goods, Inc.	PetSmart, Inc.
Dollar General Corp.	Ross Stores Inc.
Family Dollar Stores Inc.	Sally Beauty Holdings, Inc.
Foot Locker Inc.	Staples, Inc.
Gap, Inc.	Tractor Supply Co.

The peer group was developed based primarily upon Dollar Tree's industry and size. Revenue growth and market capitalization were selected as the appropriate size filters. In fiscal 2012, Aon Hewitt assisted the Compensation Committee with identifying positions comparable to those of our named executive officers and providing the Committee with benchmarking data for both total direct compensation and each element of total direct compensation within the revised peer group. Aon Hewitt also assisted the Compensation Committee with reviewing the financial performance of the peer group companies. The financial metrics used by the Compensation Committee to evaluate performance of the 16 peer companies included sales/revenue growth, net income growth, and total shareholder return. This analysis provided the Committee with a perspective on Dollar Tree's pay-for-performance relationship relative to its peers. The Committee reviews data from the peer group companies as a point of reference to help ensure that our overall compensation remains competitive.

In evaluating the competitiveness of Dollar Tree named executive officers' compensation in October 2012, the Compensation Committee, with the assistance of Aon Hewitt, found that overall, the total direct compensation for the majority of our executives was within the competitive range of the market median.

Components of Executive Compensation

The executive compensation program consists of three principal components: base salary, annual bonus incentives and long-term incentives. The Compensation Committee considers these components individually and reviews the overall distribution between them but does not target specific allocation percentages or amounts.

While we do not offer executives a pension plan, each executive may elect to defer a portion of his or her annual cash compensation into our Non-Qualified Deferred Compensation Plan, which is further described in the Non-Qualified Deferred Compensation Table and narrative disclosure following this discussion. We also provide our executives with the benefits that are commonly available to our full-time associates, including participation in our profit-sharing and 401(k) savings plan, employee stock purchase plan, health, dental and vision plans and various insurance plans, including disability and life insurance.

We extend to our executives a limited number of perquisites, including a monthly car allowance, in recognition of the extensive travel required in managing a business of our size; the reimbursement for up to $3,000 in tax and financial planning to assist executives in managing their financial situations; a biannual executive physical, in order to ensure the health and continuity of our executive team; and an employer-paid portable term life insurance plan for executives, which includes a one times base annual salary benefit. We believe the nature and amounts of all perquisites provided to our named executive officers are reasonable and that they support our expectations of an engaged and productive executive team.

Our compensation and benefits programs provide basic economic security for our employees at a level consistent with competitive practices to help retain a highly skilled and qualified workforce, including at the executive level. The annual bonus and long-term incentive compensation programs are designed to reward performance measured against goals and standards established by the Compensation Committee and to encourage executives to increase shareholder value by focusing on growing revenue and earnings, generating cash flow and efficiently deploying capital, and to ensure retention of key personnel.

The principal components of executive compensation and the rationale and methodology for each are further described below. Specific information on the amounts and types of compensation earned by the named executive officers during 2013, 2012 and 2011 can be found in the Summary Compensation Table and other tables and narrative disclosures following this discussion.

Base Salary

Our base salary philosophy is to provide reasonable current income to our named executive officers in amounts that will attract and retain individuals with a broad, proven track record of performance. To accomplish this objective, we provide base salaries that are intended to be competitive relative to similar positions at comparable companies. Base salaries are reviewed annually and adjustments are made as required to recognize outstanding individual performance, expanded duties or changes in the competitive marketplace.

The Compensation Committee determined during its March 2013 meeting that our named executive officers would receive base salary increases in order to keep salaries at competitive levels. In June 2013, the Committee approved an additional base salary increase for Gary Philbin in connection with his promotion to President. Base salaries paid to our NEOs in fiscal 2013 are contained in the Summary Compensation Table in this Proxy Statement.

Annual Bonus Incentives

Executives and certain salaried associates have the opportunity to earn an annual cash bonus under our Management Incentive Compensation Plan (MICP). The MICP is intended to provide incentive bonuses that are reasonable in relation to the payment of base salaries and overall compensation to executives, reward executives for superior performance and are expected to be competitive.

The Company performance goals are generally based on U.S. operating income targets defined by the annual budget as approved by the Board of Directors at the beginning of the fiscal year. The performance targets are intended to be challenging but achievable, and serve to focus our management team on a common goal while aligning efforts with shareholder interests.

The MICP is expressed as a percentage of salary. At the executive level, the target is weighted more heavily toward corporate performance, thereby more closely aligning executives' interests with the interests of shareholders. As described above, the Compensation Committee establishes the MICP corporate performance target, which is generally derived from the annual budget approved by the Board of Directors at the beginning of the fiscal year. Individual performance goals are based on the area over which the executive has influence and may include items such as improvement in same-store sales, opening of new stores, development of new strategies, reduction in specified costs, etc.

For 2013, incentive bonuses were targeted at 70% of base salary for named executive officers, 90% for the President and Chief Operating Officer and 120% for the Chief Executive Officer. Of that amount, 85% is linked to a specified U.S. operating income target and 15% to individual performance. In order for an executive to receive any bonus, we must achieve at least 85% of the operating income target. Once at least 85% of the target is reached, payment for a portion of the bonus for the corporate performance component is made. Maximum bonus is earned with performance achieved at 125% of target (see table below).

The following table illustrates the variation that can occur at differing levels of corporate performance compared to target, based on salary percentages applied to bonuses for 2013:

% of Corporate Performance Target Attained	Portion of Executive's Corporate Performance Bonus Deemed Earned	Corporate Performance Component as a percent of salary (CEO) (120% target)[1]	Corporate Performance Component as a percent of salary (President and COO) (90% target)[1]	Corporate Performance Component as a percent of salary (other executives) (70% target)[1]
Below 85.0%	0.0 %	0.0 %	0.0 %	0.0 %
85.0%	25.0 %	25.50 %	19.13 %	14.88 %
90.0%	50.0 %	51.00 %	38.25 %	29.75 %
95.0%	75.0 %	76.50 %	57.38 %	44.63 %
100.0%	100.0 %	102.00 %	76.50 %	59.50 %
105.0%	125.0 %	127.50 %	95.63 %	74.38 %
110.0%	150.0 %	153.00 %	114.75 %	89.25 %
115.0%	175.0 %	178.50 %	133.88 %	104.13 %
120.0%	200.0 %	204.00 %	153.00 %	119.00 %
125.0% or above	225.0 %	229.50 %	172.13 %	133.88 %

1. Represents the corporate performance component of 85% multiplied by the level of bonus deemed earned multiplied by the target bonus level.

The MICP bonuses relating to performance in a given fiscal year are paid in the following year when annual results are available, upon approval by the Compensation Committee, generally in March. The Compensation Committee may revise the target amount to account for unusual factors such as, but not limited to, the acquisition of a company, expenses related to changes in accounting rules and non-cash charges. Any modification is carefully considered by the Committee and applied only in special circumstances that warrant the modification. The Compensation Committee did not exercise such discretion with respect to the 2013 bonus payments.

We believe that our performance goals are sufficiently difficult as to represent a challenge for our management, while remaining reasonably attainable. Any portion of the bonuses described above may be paid through the Omnibus Incentive Plan ("OIP") in order to preserve the Company's deduction under Section 162(m) of the Internal Revenue Code. In such event, the additional restrictions of the OIP shall apply to the applicable payments.

For 2013, the operating income target was $992,492,000 for our U.S. operations, which reflected our strategic plan. During its March 2014 meeting, the Compensation Committee certified that the Company achieved a U.S. operating income of $983,660,455 in fiscal 2013, which reflected an achievement of 99.11% of the fiscal 2013 annual incentive bonus performance goal. Accordingly, a payout of 95.55% of the corporate performance portion of the annual incentive bonus target amount was made to each named executive officer. The actual bonus amount earned in fiscal 2013 and paid in April of 2014 to each of our named executive officers is reflected in the "Non-Equity Incentive Plan Compensation" column of the Summary Compensation Table on page 31 of the Company's proxy statement.
As described earlier, 85% of the annual incentive bonus is based on corporate performance while 15% of the annual incentive bonus is based on individual performance. At the beginning of each fiscal year, individual goals are established and approved for each named executive officer. For the Chief Executive Officer, factors considered by the Compensation Committee when determining the individual performance portion of his 2013 bonus fell within the following goal categories: leadership, organizational development, strategic planning, and sales growth in the U.S and Canada. At the March 2014 meeting, the Compensation Committee conducted an evaluation of the Chief Executive Officer's performance based on the categories outlined above to determine the extent to which his individual goals were achieved, found they were substantially achieved and approved the amount of his 2013 annual incentive bonus as listed in the Summary Compensation Table on page 31 of the proxy statement.
For other named executive officers, factors considered in determining the individual performance portion of the bonus paid were based on the area over which the executive is responsible and were generally aligned with the strategic direction of the Company. Fiscal 2013 year-end performance evaluations were conducted for each named executive

officer consisting of both subjective and objective criteria and certain core competencies on which all of our employees are evaluated. For the Chief Financial Officer, the factors considered fell within the goal categories of SG&A cost reduction, oversight of capital structure, shrink reduction, oversight of systems and process change relating to accounting controls and operational effectiveness. For the President and Chief Operating Officer, the goal categories were achievement of real estate plan and sales growth in the U.S and Canada, SG&A cost reduction, inventory productivity, operational effectiveness and organizational development.

For the Chief Merchandise Officer, the goal categories were sales growth and new store productivity in the U.S. and Canada, inventory productivity, organizational development and operational effectiveness. For the Chief Administrative Officer, the goal categories were organizational development, recruiting, health care plans and oversight of Information Technology department and strategies. In March 2014, the evaluations were reviewed and accepted by the Compensation Committee, with input from the Chief Executive Officer. Each named executive officer received an overall goal score that fell within the “meet expectations” or “exceed expectations” performance rating for fiscal 2013.

Long-Term Incentives

The Compensation Committee provides equity incentives to executives through the Omnibus Incentive Plan. The Omnibus Incentive Plan permits the grant of stock options, stock appreciation rights, stock awards, performance stock awards, incentive awards and stock units. Long-term equity incentives generally have been made available to executives in the form of restricted stock units. These awards provide executives with an opportunity to accumulate our common stock and associated wealth related to that ownership.

The Compensation Committee’s objective in granting equity incentives is to balance the mix to achieve alignment with shareholder interests while also focusing on retention and stock ownership. Restricted stock and restricted stock units provide more immediate value to associates, including executives, even in advance of stock price appreciation, with the opportunity for increased value as the stock price increases. Restricted stock and restricted stock units also provide the opportunity for executives to acquire our shares and are therefore useful for retention and motivation. In addition, all equity incentives vest over multiple years. Multiyear vesting focuses executives on consistent long-term growth in shareholder value and requires executives to remain employed with us for extended periods to receive the full benefit of the awards. Multiyear performance goals support consistent growth in shareholder value across a longer time horizon.

In March 2013, the Committee approved the dollar value of performance-based restricted stock units granted to our executives that will vest ratably over three years. These awards are subject to the achievement of 80% of the target U.S. operating income for fiscal 2013. Thus, the awards are tied to performance measures that align executives’ interest with those of our shareholders and are fully at risk. The Compensation Committee certified in March 2014 that the performance goal established for the restricted stock units granted to each of our named executive officers on March 22, 2013, was met. The amounts listed in “Estimated Future Payouts Under Equity Incentive Plans” column of the Grants of Plan-Based Awards Table on page 33 reflect the actual number of units approved and granted, which will vest in approximately three equal installments beginning on March 22, 2014 provided the named executive officers remain continuously employed with the Company through the vesting dates.

In June of 2011, the Compensation Committee approved a new three-year long-term performance program (“LTPP”). The program provides for payments contingent upon the achievement of a cumulative performance goal that is measured over a three-year performance period. Provided that performance is met, the award is settled in both cash and restricted stock units. On March 14, 2013, the Compensation Committee approved awards to our named executive officers under the LTPP. The target value of the award was divided equally between cash and restricted stock units. The target number of restricted stock units was calculated by dividing the target restricted stock unit award value (which represents fifty percent of the total target award value) by the fair market value of a share of Dollar Tree stock on March 22, 2013.

Under the LTPP, each named executive officer will have the opportunity to earn between zero percent (0%) and two hundred percent (200%) of his individual target award based on the level at the which Company achieves its three-year U.S. operating income goal for the performance period beginning on February 3, 2013 and ending on January 30, 2016. Payouts are made as soon as practicable following the end of the three-year performance cycle and the certification of the performance achievement and corresponding award by the Compensation Committee.

During the March 2014 meeting, the Compensation Committee certified the performance achievement for the 2011 LTPP grant for the three-year performance period beginning on January 30, 2011 and ending on February 1, 2014. The operating income target for the 2011 LTPP grant was $2,373,000,000 for our U.S. operations. The Compensation Committee certified that the Company achieved a U.S. operating income of $2,707,916,085 which reflected an achievement of 114% of the 2011 LTPP performance goal. Accordingly, a payout of 140% of the target value of the award was made to each named executive officer. The actual number of restricted stock units approved and granted to the named executive officers were as follows: 8,207 RSUs to Bob Sasser; 4,102 RSUs to Kevin Wampler; 5,130 RSUs to Gary Philbin; and 4,102 RSUs to Robert H. Rudman. For the cash component, the amounts paid are included in the "Non-Equity Incentive Plan Compensation" column under the Summary Compensation Table on page 31.

The LTPP adds an incentive tied to our long-term performance while bringing our target total direct compensation for our named executive officers to more competitive levels. The use of cumulative earnings captures results over the entire three year performance period and aligns with the Company's long term strategic planning and our shareholders' interests.

One-Time Retention Award to Chief Executive Officer

On June 13, 2012, upon the recommendation of the Compensation Committee, the independent directors of the Board of Directors approved a one-time special grant to the Chief Executive Officer in the form of a performance-based restricted stock unit with an aggregate value of $10 million as of the date of the grant. The independent members of the Board believed that the Chief Executive Officer has had a direct impact on the significant increase in share price during his tenure as Chief Executive Officer and believed it was in the best interest of the shareholders to provide him with an additional incentive to remain with the Company.

The award will vest one hundred percent (100%) on the fifth anniversary of the grant date provided the Chief Executive Officer delivers positive net income to shareholders over the first year of the vesting period and remains continuously employed with the Company through the vesting date. In September of 2013, the Compensation Committee certified that the net income performance goal was met for the one-time special grant.

Timing of Long-Term Incentive Awards

Our grant policy for equity awards establishes April 1 as the date of the annual grant for future years, subject to modification in response to certain events such as an early Easter, as determined in advance of the award date. Awards of equity incentives to new officers occur at the time of the person's appointment as an officer, no earlier than the first day of employment. The Compensation Committee may, in its discretion, make grants that vary from these guidelines if there is a compelling business reason, but in every case the Committee is required to complete its approval of the equity awards prior to the date of the grant.

The Compensation Committee will not award equity incentives when in possession of potentially material non-public information. The exercise price for option awards is the closing price on the date of grant, or, if the market is closed, the previous day's closing price. We believe that the beginning of April is an appropriate time during the year to make grants of equity awards and that a consistent application of our granting practices from year to year regardless of other events is also appropriate. The awards granted by the Compensation Committee are designed to create incentives for the creation of long-term shareholder value and contain delayed vesting provisions that prevent recipients from taking advantage of short-term fluctuations in the market price of our common stock. We have not planned in the past, nor do we plan in the future, to time the release of material non-public information for the purpose of affecting the value of executive compensation.

Policy Against Hedging Company Stock

Under our Insider Trading Policy, associates, including our executives, may not use our stock or unvested options or restricted stock units in any hedging transactions.

Executive Stock Ownership

In early 2007, the Compensation Committee considered and adopted an executive target ownership program that encourages certain of our executive officers to attain designated stock ownership levels over a five-year period. The amount expected to be retained for the CEO is 100,000 shares and varies between 12,000 to 30,000 for other executive officers, depending on the executive's position. The types of stock ownership that qualify toward the ownership requirement under our policy include direct stock ownership, unvested restricted stock units and unvested restricted stock. As of April 11, 2014, all of our named executive officers were in compliance with the stock ownership guidelines.

Impact of Accounting and Tax Treatments on Compensation Program Design

The Compensation Committee considers the accounting and tax impact of its overall compensation programs in order to balance the cost to the company with the potential benefits as compensation tools.

Section 162(m) of the Internal Revenue Code imposes a limitation on the deductibility of non-performance-based compensation in excess of $1 million paid to named executive officers of public companies. As noted above, the Compensation Committee has adopted a policy of pay-for-performance and has taken appropriate steps to cause relevant grants and awards under our equity incentive plans to be performance-based. We intend to qualify executive compensation for deductibility under Section 162(m) to the extent consistent with our best interests and the interests of our shareholders. Since our corporate objectives may not always be consistent with the requirements of full deductibility, we may enter into compensation arrangements under which payments are not deductible under Section 162(m). We currently believe that we should be able to continue to manage our executive compensation program for the named executive officers to preserve the related federal income tax deductions, although individual exceptions may occur from time to time.

The Compensation Committee also reviews the accounting impact of the various forms of compensation, with the goal of ensuring that our compensation practices remain competitive while also being cost-effective.

Retirement, Deferred Compensation and Pension Plans

We do not have any defined benefit or pension plans that provide for payments based on an executive's salary and/or years of service. In addition, we have not adopted a supplemental executive retirement plan or other "excess plan" that pays benefits to highly compensated executives. Instead, we offer the following two alternatives to allow executives to actively participate in funding their retirement plans.

Executives are eligible to participate in our Profit Sharing and 401(k) Retirement Plan. At the end of the year, the Board may approve a discretionary profit-sharing contribution to be made to all eligible employees, including executive officers. In addition, executives may elect to defer a portion of their cash compensation into 401(k) retirement accounts. The Board has authorized us to match 100% of 401(k) deferrals up to 4% of an individual’s cash compensation.

Under our Non-Qualified Deferred Compensation Plan, executives may elect to defer a portion of their annual cash compensation to be distributed at a future date in accordance with the relevant deferral election. The program allows executives to save for retirement in a tax-effective way at minimal cost to us. Plan participants may invest their deferred compensation in any one or a combination of the plan’s investment funds. In most cases, the deferred amounts plus earnings are paid out upon the participant’s retirement or termination of employment. The future payment obligations under the plan are our general unsecured obligations. Although the amounts deferred are deposited into a trust, the trust belongs to us, rather than the executives, and is subject to the claims of our creditors.

Severance Plans

Our equity plans and our deferred compensation plan contain provisions that may convey benefits to our executives and other plan participants upon a change in control. Generally, the provisions address the management of account values upon separation from us due to death, disability or retirement, or due to a change in control, as defined within the plans.

In March 2007, the Compensation Committee established change-in-control retention agreements with certain executive officers that provide for payment in the event of a termination resulting from a change in control of the company. The Compensation Committee’s intent with these agreements is to take reasonable steps to retain key management personnel and to minimize disruption in the event of a change in control. Under these agreements, severance benefits would be payable only if the executive is terminated without cause or resigns for good reason, as defined in the agreement (commonly known as "double trigger"). Benefits payable are limited to 2.5 times salary plus bonus (as defined in the agreements) for the CEO and 1.5 times for other named executive officers. Any amounts payable are intended to be tax deductible under applicable tax regulations and payments are capped so that they do not trigger excise taxes.

The structure of change in control arrangements and post-termination benefits is consistent with our compensation objectives to attract, motivate and retain highly talented executives. These arrangements preserve morale and productivity, provide a long-term commitment to job stability and financial security, and encourage retention in the face of the potential disruptive impact of an actual or potential change in control, death or disability. The post-termination vesting benefit under our equity compensation plans also secures the value of previously granted compensatory awards against forfeiture solely because of retirement.

The change in control arrangements ensure that the interests of the executives will be materially consistent with the interests of shareholders when considering corporate transactions. The Compensation Committee determined that the multiples applied to base compensation upon a change of control should be consistent with the limits specified by tax deductibility for “parachute payments” as well as with principles of good corporate governance promulgated by major proxy advisory firms and institutional investors. The multiple applicable to the Chief Executive Officer’s retention agreement is higher to reflect the greater importance the Compensation Committee places on his management role and responsibility.
Details related to these change-in-control retention agreements are more fully discussed below, under "Potential Payments Upon Termination or Change of Control."

Annual Compensation of Executive Officers

In the following table, we summarize the compensation earned during fiscal years 2013, 2012 and 2011 by our Chief Executive Officer, our Chief Financial Officer and each of our three other most highly compensated executive officers who earned more than $100,000 in total compensation for services rendered in all capacities during 2013, 2012 and 2011. We refer to these five individuals in this proxy statement as the "Named Executive Officers."

The compensation that we pay to our named executive officers is determined as described above in our "Compensation Discussion and Analysis" section and in the tables that follow.

Summary Compensation Table (For the Fiscal Years ended February 1, 2014, February 2, 2013 and January 28, 2012.)

Name and Principal Position	Year	Salary ($)(1)	Bonus ($)(2)	Stock Awards ($)(3)	Non-Equity Incentive Plan Compensation ($)(1)(4)	All Other Compensation ($)(5)	Total ($)
	2013	$1,410,577	—	$3,839,768	$1,909,929	$58,089	$7,218,363
Bob Sasser	2012	1,301,923	—	13,676,384	1,847,813	63,670	16,889,790
Chief Executive Officer	2011	1,080,769	—	3,193,858	1,813,020	56,769	6,144,416
	2013	545,192	—	1,140,273	499,465	56,380	2,241,310
Kevin Wampler	2012	514,423	—	1,075,700	415,872	52,932	2,058,927
Chief Financial Officer	2011	466,154	—	874,752	445,983	52,423	1,839,312
	2013	738,846	—	1,749,799	796,624	53,080	3,338,349
Gary Philbin	2012	693,654	—	1,469,537	551,608	59,569	2,774,368
President and Chief Operating Officer	2011	618,269	—	1,224,798	595,688	54,380	2,493,135
	2013	636,154	—	1,253,591	555,262	54,918	2,499,925
Bob Rudman	2012	604,615	—	1,184,693	482,662	57,080	2,329,050
Chief Merchandising Officer	2011	534,231	—	996,799	513,540	61,481	2,106,051
	2013	274,038	150,000	899,826	182,258	215,306	1,721,428
Michael Matacunas	2012	—	—	—	—	—	—
Chief Administrative Officer	2011	—	—	—	—	—	—

Footnotes to the Summary Compensation Table:

Our annual bonus plan qualifies as a “non-equity incentive plan” for purposes of this table. Earnings under our deferred compensation plan result from the executives’ investments in mutual funds commonly available to investors generally. Therefore, the “Option Awards” and “Change in Pension Value and Non-Qualified Deferred Compensation Earnings” columns are omitted as all amounts are zero.

(1) Executives may defer a portion of their salaries and up to 100% of their annual incentive bonus under our Non-Qualified Deferred Compensation Plan; any such deferrals are included in the appropriate column of this table

and shown in the Deferred Compensation table.

(2) This column includes a signing bonus paid to Michael Matacunas in connection with his employment agreement.

(3) Pursuant to SEC rules, this column represents the aggregate grant date fair value during the last three fiscal years of restricted stock units (RSU) and performance-based restricted stock units computed in accordance with FASB ASC Topic 718 related to

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the annual spring grant (RSU awards), grants made under the three-year long-term performance program ("LTPP") and a one-time RSU retention award to Bob Sasser. The Compensation Committee determined that the LTPP awards would be made 50% in cash and 50% in performance-based restricted stock units. We are required to report the equity portion of the award at the beginning of the LTPP cycle even though, should it be earned, it will not be paid until the end of the cycle. The cash portion of the LTPP award is not reported until earned at the end of the cycle. Both the cash and equity portions of the LTPP award are earned only if performance conditions are met and the final payment amount, if any, will range from 0% to 200% of the stated target. The amounts shown in this column assume performance at target. Fair value for the RSU awards is calculated using the closing price of our stock on the date of grant. In the event the highest level of performance is achieved, the aggregate grant date fair value for the fiscal year 2013 awards would be as follows: $1,340,233 for Kevin Wampler, $1,999,771 for Gary Philbin and $1,099,791 for Michael Matacunas. Pursuant to FASB ASC Topic 718, due to Bob Sasser's and Bob Rudman's retirement-eligible status, the fair value of each of their 2013 awards is calculated at the date of grant and is not modified to reflect actual performance; therefore, the fair values remain the same as those included in this column even in the event of maximum performance.

Amounts shown in this column do not correspond to the actual value that will be realized by the named executives. Additional information regarding FASB ASC Topic 718 calculations related to these awards is included in footnote 9 of our consolidated financial statements included in our Annual Report on Form 10-K for the fiscal year ended February 1, 2014. See the Grants of Plan-Based Awards Table for information on awards made in 2013.

(4) The amounts in this column represent the annual bonus that we pay under our Management Incentive Compensation Plan ("MICP") and the cash bonus that we pay under our Long Term Performance Plan ("LTPP") for awards conditioned upon achieving a three-year performance goal, as discussed in the Compensation Discussion and Analysis section. The amounts listed were earned in the years shown, but paid after the end of the fiscal year, upon approval by the Compensation Committee. The amounts paid under the MICP to Messrs. Sasser, Wampler, Philbin, Rudman and Matacunas were $1,629,929, $359,465, $621,624, $415,262 and $182,258 respectively. Cash bonuses paid under the 2011 LTPP to Messrs. Sasser, Wampler, Philbin, and Rudman were $280,000, $140,000, $175,000 and $140,000, respectively.

(5) "All Other Compensation" includes the amounts paid to named executives shown in the following table. Perquisites include car allowances related to travel, financial and tax planning, executive physicals, executive term life insurance and relocation, none of which individually exceeded $25,000 in either 2013, 2012 or 2011, except that Michael Matacunas who joined the Company in July of 2013 had perquisites that included $115,800 for relocation and $75,922 for relocation gross-ups. Effective in March 2009, the company discontinued tax gross-ups on all perquisites, except for business-related relocation expenses. Car allowance is intended to compensate executives for the use of their personal vehicles in conducting company business. However, as we do not require our executives to account for their business or personal use, we include the entire amounts in our disclosures. Pursuant to our corporate aircraft policy approved by the Board of Directors, Mr. Sasser and Mr. Brock, and in exceptional circumstances, other executives, may also use Dollar Tree's leased corporate jet for non-business purposes. They each reimburse the company for all variable costs but none of the fixed costs relating to their plane usage. Because they reimburse all incremental costs related to their usage, no amounts relating to the plane are included in "All Other Compensation."

NEO	Perquisites	Profit Sharing & 401k Match	Total
Bob Sasser	$26,982	$31,107	$58,089
Kevin Wampler	25,449	30,931	56,380
Gary Philbin	22,081	30,999	53,080
Bob Rudman	23,980	30,938	54,918

Michael Matacunas	215,306	—	215,306

Grants of Plan-Based Awards Table

Name	Grant Date	Compensation Committee Action Date (1)	Estimated Future Payouts Under Non-Equity Incentive Plans Threshold ($)	Target ($)	Maximum ($)	Estimated Future Payouts Under Equity Incentive Plans Threshold (#)	Target (#)	Maximum (#)	All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($/Sh)	Grant Date Fair Value of Stock and Option Awards ($)(6)
Bob Sasser	—	-- (2)	$344,250	$1,620,000	$3,341,250	—	—	—	—	—	$—	$ —
	—	-- (3)	75,000	300,000	600,000	—	—	—	—	—	—	—
	3/22/2013	3/14/2013	—	—	—	—	80,055 (4)	80,055 (4)	—	—	—	3,562,287
	3/22/2013	3/14/2013	—	—	—	1,601 (5)	6,404 (5)	12,808 (5)	—	—	—	277,480
Kevin Wampler	—	-- (2)	81,840	385,000	794,090	—	—	—	—	—	—	—
	—	-- (3)	50,000	200,000	400,000	—	—	—	—	—	—	—
	3/22/2013	3/14/2013	—	—	—	—	20,075 (4)	20,075 (4)	—	—	—	940,313
	3/22/2013	3/14/2013				1,067 (5)	4,269 (5)	8,538 (5)	—	—	—	199,960
Gary Philbin	—	-- (2)	143,438	675,000	1,392,188	—	—	—	—	—	—	—
	—	-- (3)	56,250	225,000	450,000	—	—	—	—	—	—	—
	6/10/2013	-- (3)	6,250	25,000	50,000	—	—	—	—	—	—	—
	3/22/2013	3/14/2013	—	—	—	—	28,820 (4)	28,820 (4)	—	—	—	1,349,929
	3/22/2013	3/14/2013	—	—	—	1,200 (5)	4,803 (5)	9,606 (5)	—	—	—	224,973
	6/10/2013	6/10/2013	—	—	—		3,010 (4)	3,010 (4)	—	—	—	149,898
	6/10/2013	6/10/2013	—	—	—	125 (5)	502 (5)	1,004 (5)	—	—	—	25,000
Bob Rudman	—	-- (2)	95,232	448,000	924,032	—	—	—	—	—	—	—
	—	-- (3)	50,000	200,000	400,000	—	—	—	—	—	—	—
	3/22/2013	3/14/2013	—	—	—	—	24,015 (4)	24,015 (4)	—	—	—	1,068,619
	3/22/2013	3/14/2013	—	—	—	1,067 (5)	4,269 (5)	8,538 (5)	—	—	—	184,971
Michael Matacunas	—	-- (2)	70,680	332,500	685,805	—	—	—	—	—	—	—
	—	-- (3)	50,000	200,000	400,000	—	—	—	—	—	—	—

8/2/2013	7/1/2013	—	—	—	—	12,870 (4)	12,870 (4)	—	—	—	699,871
8/2/2013	7/1/2013	—	—	—	919 (5)	3,677 (5)	7,354 (5)	—	—	—	199,955

Footnotes to the Grants of Plan-Based Awards Table:

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(1) The date of grant for the relevant award is established by the Compensation Committee during a regularly scheduled meeting or by written consent.

(2) Our Management Incentive Compensation Plan (MICP) is considered a "non-equity incentive plan." MICP targets are established by the Compensation Committee early in the fiscal year and amounts payable are determined and paid in the following year, when annual results are available, upon approval by the Compensation Committee. For 2013, bonuses were targeted at 120% of salary for the CEO, 90% for the President and COO and 70% for other Named Executive Officers, with corporate performance representing 85% of the goal. Earned amounts, to the extent not otherwise deferred under our Non-Qualified Deferred Compensation Plan, are paid after the end of the relevant fiscal year. See "Annual Bonus Incentives" in our Compensation Discussion and Analysis for a detailed discussion of our MICP.

(3) Pursuant to our Long Term Performance Plan (LTPP), the Compensation Committee approved three-year performance based total target award values for each of our Named Executive Officers and the award was divided equally between a performance bonus and restricted stock units. The amounts included in this row represent the fifty percent (50%) granted as a performance bonus. The percentage of the target performance bonus earned will be based on the level at which the Company achieves its three year cumulative performance goal for the performance period from February 2, 2013 through January 30, 2016. The amount of payment, if earned, will range from 0% to 200% of stated target and will be paid in year 2016, when the achievement level is available and certified by the Committee.

(4) Represents awards of performance-based restricted stock units that will vest in approximately three equal installments over three years only upon the certification by the Compensation Committee that the company achieved its fiscal 2013 performance target goal and upon the executives remaining with the company through the vesting dates.

(5) Represents the performance-based equity portion of the award granted under the LTPP that is based on a three-year performance cycle beginning on February 2, 2013 through January 30, 2016 and will cliff vest only upon certification by the Compensation Committee that the company achieved its performance goal.

(6) This column shows the full grant date fair value under FASB ASC Topic 718 of performance-based restricted stock units (PSUs) and performance-based restricted stock units under the three-year LTPP that were granted in 2013. For PSUs and the LTPP equity grant, fair value is calculated using the closing price of our stock on the grant date. The closing price of our stock for both awards granted on March 22, 2013 was $46.84. The closing price for the awards granted on June 10, 2013 and August 2, 2013 was $49.80 and $54.38 respectively. Pursuant to FASB ASC Topic 718, upon an executive becoming retirement eligible, the expense that is associated with any unvested RSU awards are fully expensed as of the date of the executive's retirement eligibility. Additional information regarding FASB ASC Topic 718 calculations related to these awards is included in footnote 9 of our consolidated financial statements included in our Annual Report on Form 10-K for the fiscal year ended February 1, 2014. These amounts reflect our accounting expense, and do not correspond to the actual value that may be realized by the named executives.

Outstanding Equity Awards at Fiscal Year End Table

The following table provides information on the holdings of stock option and stock awards by the named executives at the end of the fiscal year. This table includes unexercised and unvested option awards, unvested RSUs and PSUs with service requirements that have not been met. Each equity grant is shown separately for each named executive. The vesting schedule for each grant is shown in the footnotes following this table, based on the award date. The market value of the stock awards is based on the closing market price of our stock as of February 1, 2014, which was $50.52. For additional information about the option awards and stock awards, see the description of equity incentive compensation in the Compensation Discussion and Analysis.

		Option Awards (1)					Stock Awards			
Name	Award Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
Bob Sasser	3/14/2008	64,002	—	—	$ 8.91	3/14/2018	—	$ —	—	$—
	4/1/2011	—	—	—	—	—	35,260 (2)	1,781,335	—	—
	7/1/2011	—	—	—	—	—	—	—	5,862 (3)	