

DOLLAR TREE STORES, INC.
COMPENSATION COMMITTEE CHARTER

I. Purpose of the Compensation Committee

The purpose of the Dollar Tree Stores, Inc. (the “Company”) Compensation Committee (the “Committee”) is to assist the Board of Directors (the “Board”) in its oversight of the Company’s employee compensation structure, including salary, incentives and benefits, in order to attract and retain key personnel. The Compensation Committee’s primary duties and responsibilities include:

- Recommending to the full Board the compensation arrangements for the Company’s Chief Executive Officer;
- Approving the compensation arrangements for the Company’s other officers;
- Undertaking studies and making recommendations to the full Board regarding the Company’s compensation structure and policies;
- Administering the Company’s executive compensation plans and the Employee Stock Purchase Plan; and
- Approving awards under the Company’s stock- and equity-based compensation arrangements.

The Committee will prepare the report required by the rules of the Securities and Exchange Commission (“Commission”) to be included in the Company’s annual proxy statement.

II. Composition of the Compensation Committee

The Committee will consist of at least three directors, all of whom are independent. Directors may be considered to be independent if they meet the independence requirements of the Nasdaq Stock Market, as determined by the Board. In addition, at least two members shall qualify as “outside directors” under Section 162(m) of the Internal Revenue Code and as “non-employee” directors under the rules and regulations of the Commission, as considered advisable by the Board. Committee members and the Chairman are appointed by the Board.

III. Number and Nature of Meetings

The Compensation Committee will strive to effectively use valuable meeting time through appropriate planning by the chairman, establishment of a focused agenda and advance distribution of relevant materials/information. The Committee will formally meet at least twice annually. Committee members may participate in Committee meetings in person or via telephone.

IV. Authority

The Committee will have the authority, to the extent it deems necessary and appropriate, to retain independent advisors. The Company will provide appropriate funding for such advisors.

The Committee may delegate such of its authority to any one or more of its members or to management selected by it, to the extent it deems desirable and appropriate, except as may be limited by applicable law or Nasdaq rule. The Committee may revoke any such delegation at any time.

The Committee will make regular reports to the Board. The Committee will review and reassess the adequacy of its Charter annually and recommend any proposed changes to the Board for approval.

V. Roles and Responsibilities

To fulfill its responsibilities and duties, the Compensation Committee shall, alone or in conjunction with management:

- Review succession planning process;
- Review annually the performance goals of the Chief Executive Officer and propose to the Board appropriate compensation based on attainment of such goals;
- Review annually and approve compensation recommendations for all Senior Officers;
- Grant stock options and other awards under the Company's stock- or equity-based incentive plans;
- Approve and retain independent compensation consultants to advise the Committee when appropriate;
- Review annually and approve management's recommendations relating to revisions to the Company's existing benefit plans and other compensation programs; and
- Review and approve any new compensatory plans or programs.
- Submit its report on executive compensation to the Board for inclusion in the Company's annual proxy statement.