Sands Willie Form 4 September 14, 2010

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

**OMB APPROVAL** 

OMB 3235-0287 Number:

January 31, Expires: 2005

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response... 0.5

if no longer subject to Section 16. Form 4 or Form 5

Check this box

obligations may continue. See Instruction

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1(b).

1. Name and Address of Reporting Person \* Sands Willie

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to

Issuer

(Last)

(City)

(First)

(Street)

(State)

(Middle)

(Zip)

FREDS INC [FRED]

3. Date of Earliest Transaction

(Month/Day/Year) 09/11/2010

Director 10% Owner Other (specify

(Check all applicable)

X\_ Officer (give title below) below) Vice President

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check

Applicable Line)

\_X\_ Form filed by One Reporting Person Form filed by More than One Reporting

Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

MEMPHIS, TN 38118

4300 NEW GETWELL

1.Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) Execution Date, if (Instr. 3)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

Code V Amount (D)

5. Amount of 6. Ownership 7. Nature of Securities Form: Direct Beneficially (D) or Owned Following (Instr. 4) Reported

Beneficial Indirect (I)

Ownership (Instr. 4)

(A) or

Transaction(s) (Instr. 3 and 4) Price

Class A Common Stock (2)

 $11,780^{(2)}$ D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

(Month/Day/Year)

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Indirect

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

### Edgar Filing: Sands Willie - Form 4

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transacti Code (Instr. 8)			6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option on Class A Common Stock	\$ 17.67	09/11/2010		J <u>(1)</u>		3,000	08/20/2008	09/11/2010	Class A Common Stock	3,000

# **Reporting Owners**

Reporting Owner Name / Address	Relationships
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Director 10% Owner Officer Other

Sands Willie

4300 NEW GETWELL Vice President

MEMPHIS, TN 38118

# **Signatures**

Anita Ryan by power of

attorney 09/13/2010

\*\*Signature of Reporting Person Date

# **Explanation of Responses:**

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Shares granted 3/11/2003 have expired unexercised.
- (2) Employee has 5041 shares included in the shares owned that were acquired via the company's ESPP program.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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