

FREDS INC  
Form 4  
January 22, 2014

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

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. Name and Address of Reporting Person \*  
Coughlin Randy

(Last) (First) (Middle)  
4300 NEW GETWELL ROAD  
(Street)

MEMPHIS, TN 38118

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
FREDS INC [FRED]

3. Date of Earliest Transaction  
(Month/Day/Year)  
01/21/2014

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_ 10% Owner  
 Officer (give title below) \_\_\_ Other (specify below)  
SVP

6. Individual or Joint/Group Filing(Check Applicable Line)  
 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**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Class A Common Stock	01/21/2014		S <sup>(1)</sup>		255 <sup>(1)</sup>	D <sup>(1)</sup>	\$ 18.81
					1,180	D	

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

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SEC 1474 (9-02)

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

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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. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Options on Class A Common Stock	\$ 10.78	01/21/2014		S <sup>(2)</sup>	3,807 <sup>(2)</sup>	08/22/2012	02/16/2014	Class A Common Stock	3,807
Options on Class A Common Stock	\$ 10.78	01/21/2014		S <sup>(2)</sup>	2,557 <sup>(2)</sup>	08/22/2012	02/16/2014	Class A Common Stock	2,557
Options on Class A Common Stock	\$ 10.78	01/21/2014		S <sup>(2)</sup>	500 <sup>(2)</sup>	08/22/2012	02/16/2014	Class A Common Stock	500
Options on Class A Common Stock	\$ 10.78	01/21/2014		J <sup>(3)</sup>	10,297 <sup>(2)</sup>	08/22/2012 <sup>(3)</sup>	02/16/2014	Class A Common Stock	10,297

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Coughlin Randy 4300 NEW GETWELL ROAD MEMPHIS, TN 38118			SVP	

## Signatures

Jerry Shore by power of attorney  
01/22/2014

\_\_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) Sale of 255 shares acquired as a restricted stock grant.

(2) Cashless exercise of options for 6864 shares of stock.

(3) Unvested options canceled because they will expire before vesting as a result of employee service termination.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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