

**SETTLEMENT, GENERAL RELEASE,
AND CONFIDENTIALITY AGREEMENT**

The parties to this Settlement Agreement, General Release, and Confidentiality Agreement (“Agreement”) are the following:

1. Eric Perez, an individual (herein “Perez”); and
2. 99 Cents Only Stores LLC, a California limited liability company (herein “99 Cents Only” or the “Company”; collectively with Perez, the “Parties”);

WHEREAS, disputes have arisen between Perez on the one hand, and 99 Cents Only on the other, and Perez filed an action in which he sought penalties pursuant to the Private Attorneys General Act of 2004 (“PAGA”) in Alameda County Superior Court on April 2, 2021 entitled *Eric Perez v. 99 Cents Only Stores LLC*, Case No. RG21094369 which alleged that Defendant was liable for civil penalties for (1) failing to pay Plaintiff and Allegedly Aggrieved Employees all minimum wages owed, in violation of Cal. Labor Code §§ 1194 and 1197; (2) failing to pay Plaintiff and Allegedly Aggrieved Employees overtime wages, in violation of Cal. Labor Code § 510; (3) failing to compensate Plaintiff and Allegedly Aggrieved Employees for all hours worked, in violation of Cal. Labor Code §§ 204, 1194, and 1198; (4) failing to authorize and permit Plaintiff and Allegedly Aggrieved Employees to take meal and rest breaks to which they are entitled by law and failing to make premium payments for those non-compliant meal and rest breaks, in violation of Cal. Labor Code §§ 226.7 and 512; (5) failing to reimburse Plaintiff and Allegedly Aggrieved Employees for necessary business expenditures, in violation of Cal. Labor Code § 2802; (6) failing to provide Plaintiff and Allegedly Aggrieved Employees accurate, itemized wage statements, in violation of Cal. Labor Code § 226; and (7) failing to timely pay Plaintiff and Allegedly Aggrieved Employees full wages earned during employment and upon termination or resignation, in violation of Cal. Labor Code §§ 201-203 (the “PAGA Lawsuit”);

WHEREAS, Perez also submitted a notice to California's Labor Workforce and Development Agency pursuant to PAGA, dated January 26, 2021, alleging violations of the California Labor Code ("PAGA Notice");

WHEREAS, Perez also filed a separate action in Riverside County Superior Court on October 1, 2021 entitled *Eric Perez v. 99 Cents Only Stores LLC*, Case No. CVPS2105398, in which he asserted individual claims alleging that Defendant was liable for damages owed from Labor Code wage and hour violations as a result of (1) failing to pay Plaintiff all minimum wages owed, in violation of Cal. Labor Code §§ 1182.11, 1182.12, 1194, 1197, and 1197.1; (2) failing to pay Plaintiff overtime wages, in violation of Cal. Labor Code § 510; (3) failing to compensate Plaintiff for all hours worked, in violation of Cal. Labor Code § 204; (4) failing to make available meal breaks to which plaintiff is entitled and failing to make premium payments for those non-compliant meal breaks, in violation of Cal. Labor Code §§ 226.7 and 512; (5) failing to authorize and permit Plaintiff to take rest breaks to which he is entitled by law and failing to make premium payments for those non-compliant rest breaks, in violation of Cal. Labor Code § 226.7; (6) failing to reimburse Plaintiff for necessary business expenditures, in violation of Cal. Labor Code § 2802; (7) failing to timely pay Plaintiff full wages earned during employment and upon resignation, in violation of Cal. Labor Code §§ 201-203; and (8) unfair business practices, in violation of California Business and Professions Code §§ 17200, *et seq.* (the "Individual Lawsuit"; collectively with the PAGA Lawsuit, the "Lawsuits");

WHEREAS, it is the desire of the parties to this Agreement to avoid the risks, expenses, and emotional stress of litigation and to settle on an individual basis, once and forever, all of the claims, known or unknown, which Perez has against 99 Cents Only; and

NOW THEREFORE, for and in consideration of the mutual promises and undertakings herein set forth, the parties agree as follows:

1. Consideration to Perez. Provided Perez executes this Agreement by June 17, 2022, 99 Cents Only will pay Perez the total gross settlement sum of \$44,000.00 (Forty Four Thousand dollars) (the “Settlement Payment”), in exchange for his dismissal of the Lawsuits and his full general release of all known and unknown claims against 99 Cents Only and his covenant not to sue.

The Settlement Payment shall be paid to Perez as follows:

(A) A payment to Perez made payable to “Eric Perez” in the gross amount of \$7,500.00 (Seven Thousand Five Hundred United States dollars), less required withholdings and deductions, in settlement of his wage claims (the “Wage Allocation”). This payment shall be reported to the Internal Revenue Service (and any other relevant government agencies) as wage income in the year of payment on a Form W-2 or similar form;

(B) A payment in the amount of \$15,771.46 (Fifteen Thousand Seven Hundred Seventy One United States dollars and Forty Six Cents) made payable to Eric Perez and attributable to Perez’s non-wage recovery (including, but not limited to, recovery for alleged statutory penalties, interest, and liquidated damages) (the “Non-Wage Allocation”). This payment shall be reported via Form 1099 or similar form issued to Eric Perez and provided to his counsel.

(C) Of the Settlement Payment, counsel for Perez shall receive, as attorneys’ fees, forty percent (40%) of the settlement, or Seventeen Thousand Six Hundred dollars (\$17,600), in addition to costs incurred in bringing the PAGA Lawsuit and Individual Lawsuit, Three Thousand One Hundred Twenty Eight dollars (\$3,128.54). This payment will be made by business check payable to “SCHNEIDER WALLACE COTTRELL KONECKY LLP” and delivered to Perez’s counsel,

for which 99 Cents Only shall issue a 1099-Misc form with Box 14 checked “Gross proceeds paid to an attorney.”

All settlement checks shall be sent to Perez’s counsel, Carolyn H. Cottrell, Esq. of Schneider Wallace Cottrell Konecky LLP, 2000 Powell Street, Suite 1400, Emeryville, California 94608. These payments shall be paid by 99 Cents Only within thirty (30) calendar days of: (1) execution of this Agreement by Perez and his counsel; and (2) receipt by counsel for 99 Cents Only of a completed Form W-4 for Perez and Form W-9 for Perez’s counsel.

2. Tax Indemnification. With the exception of 99 Cents Only’s reporting and withholding obligations described in Paragraph 1 of this Agreement, Perez shall be solely responsible for the reporting and payment of any federal, state and/or local income or employment tax or any other withholding, if any, on the gross settlement payment described in Paragraph 1 of this Agreement. Should it be determined that Perez owes any taxes or related payments as a result of this settlement, Perez agrees to pay all of the aforementioned taxes and any costs, fees, interest, assessments, penalties, damages or other losses resulting from any such determination. To the extent that 99 Cents Only is, in good faith, required to pay any federal or state taxes or associated penalties or expenses because Perez is required to pay such taxes or penalties and does not, Perez agrees to indemnify 99 Cents Only for any such payments. In the event 99 Cents Only is contacted by the Internal Revenue Service, Franchise Tax Board or other taxing authority regarding this payment, 99 Cents Only will notify Perez’s counsel within ten (10) business days. Perez agrees that he has had the opportunity to obtain advice from a tax professional, and Perez represents and warrants that he has been advised to consult an accountant or professional tax preparer about this Agreement. 99 Cents Only makes no representation as to the taxability of the consideration

provided under this Agreement, and Perez hereby acknowledges that he does not rely on any such representation in deciding to execute this Agreement and Release.

3. Dismissal of Pending Claims. Within five (5) business days after Perez's counsel receives the Settlement Payment (as defined above), Perez's counsel shall provide a fully executed Request for Dismissal to 99 Cents Only's counsel to dismiss the Lawsuits in their entirety. For the Individual Lawsuit, the dismissal form shall be marked "with prejudice," and for the PAGA Lawsuit, the dismissal form shall be marked "without prejudice"; the parties acknowledge, however, that under the release contained in this Agreement, the dismissal of the PAGA Lawsuit operates with prejudice as to Perez's individual claims. The Parties agree that they will cooperate, through counsel of record in the Lawsuits, to effectuate a dismissal of the Lawsuits, and to file such other papers as are necessary to terminate the Lawsuits against 99 Cents Only. The Parties agree that all documents to be prepared and filed with the Court to effectuate dismissal shall be reviewed and approved by both Parties. The Parties agree not to appeal or seek other review of the dismissal of the Lawsuits.

4. Release. Perez, on behalf of himself and his assignees, heirs, or other successors, hereby releases, acquits and forever discharges to the broadest extent permitted by law any and all claims, expenses, debts, demands, costs, contracts, liabilities, obligations, actions, and causes of action of every nature, under any theory under the law, whether common, constitutional, statutory or other of any jurisdiction, foreign or domestic, whether known or unknown, whether in law or in equity, which he has or had or may claim to have on his own behalf or on behalf of any other entity by reason of any and all matters from Plaintiff's date of hire, December 1, 2009, to the execution of this Agreement, June 6, 2022, against any of the "99 Cents Only Releasees," which shall mean 99 Cents Only, its predecessors and successors, investors, partners, corporate parents, corporate

subsidiaries, corporate affiliates and all of its and those entities' current and former owners, parents, divisions, branches, units, officials, officers, directors, managing agents, shareholders, affiliates, assigns, employees, representatives, servants, agents, attorneys, and insurers. The release set forth in this paragraph includes, but is not limited to, any rights or claims under the Age Discrimination in Employment Act of 1973, as amended; the California Labor Code, as amended; the Fair Labor Standards Act, as amended; Title VII of the Civil Rights Act of 1964, as amended; the California Fair Employment and Housing Act, as amended; the Equal Pay Act, as amended; the Rehabilitation Act of 1973, as amended; the Employee Retirement Income Security Act of 1974, as amended; the California Civil Code, as amended; the Americans with Disabilities Act of 1990; the California Unfair Competition Law, as amended; Family and Medical Leave Act of 1993, as amended; the California Family Rights Act, as amended; the False Claims Act, as amended; the California Constitution; the Worker Adjustment Retraining and Notification Act; the Labor Management Relations Act; the Sarbanes Oxley Act of 2002; and/or Section 1981 of Title 42 of the United States Code. Nothing in this paragraph is intended to limit any party's participation in any proceeding brought by any federal, state or other governmental agency to the extent that such participation is protected by law. To the extent that any alleged claim is not or cannot be released under applicable law, the payment provided by 99 Cents Only pursuant to this Agreement shall be an offset against any such unreleased claim, if any.

5. Waiver of Unknown Claims. Perez expressly waives any and all rights under section 1542 of the Civil Code of the State of California, and any like or comparable provision or principle of common law in any other jurisdiction. Section 1542 provides as follows:

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS
THAT THE CREDITOR OR RELEASING PARTY DOES
NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER
FAVOR AT THE TIME OF EXECUTING THE RELEASE**

AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Thus, notwithstanding the provisions of section 1542 or any provision of law with a comparable effect, and for the purpose of implementing a full and complete release and discharges, Perez expressly acknowledges that this Agreement is intended to include in its effect, without limitation, claims and causes of action which he does not know of or suspect to exist in his favor at the time of execution hereof and that this Agreement contemplates extinguishment of all such claims and causes of action. This release does not operate to release claims which may not be released as a matter of law or public policy.

6. No Pending Claims and Covenant Not to Sue. Perez further covenants and agrees that (a) with the exception of the PAGA Lawsuit, Individual Lawsuit, and PAGA Notice, he has not filed any complaints, charges or lawsuits against 99 Cents Only with any government agency, court, arbitration service, or other tribunal, (b) he will not sue or bring any action or cause of action, including by way of a third-party claim, cross-claim, or counterclaim, against any of the 99 Cents Only Releasees with respect to any of the claims released in Paragraph 4; (c) he will not initiate any class, collective, private attorney general, or other representative action against any of the 99 Cents Only Releasees with respect to any of the claims released in Paragraph 4 during the relevant time period of December 1, 2009 through the date of execution, June 6, 2022; and (d) he will not assist any third party in initiating or pursuing a class, collective, private attorney general, or other representative action in respect of any of the claims released in Paragraph 4 during the relevant time period of December 1, 2009 through the date of execution, June 6, 2022. Perez agrees to and hereby does withdraw the PAGA Notice, agrees not to submit any additional PAGA Notices related to 99 Cents Only, and agrees to not bring or pursue any PAGA claim against the Releasors, or any of them for the time period from the beginning of time through the date of execution of this

Agreement. Perez understands and agrees that his covenant not to pursue any individual or representative litigation against 99 Cents Only is material consideration to 99 Cents Only, and should he breach this covenant, 99 Cents Only would be entitled to recover damages, including recovery of the settlement amount and/or resulting attorneys' fees and litigation costs. Nothing herein shall preclude Perez from complying with a lawful order by a court or other tribunal with jurisdiction or responding to a duly issued subpoena.

7. No Assignments. Perez warrants and represents that he has not assigned, or in any way conveyed, all or any portion of the claims or rights released by this Agreement.

8. No Prevailing Party, No Admission of Liability, and No Additional Payments. This Agreement affects the settlement of disputes which are denied and contested in good faith and nothing contained herein should be construed as an admission by any party of any liability of any kind with respect thereto. All such liability is expressly denied. Each party acknowledges that it is not a prevailing party for any purpose. Perez represents and acknowledges that he has no legal or equitable claim to any additional compensation of any kind, including without limitation, his costs and fees in the PAGA Lawsuit and the Individual Lawsuit, as a result of his employment with 99 Cents Only beyond the compensation that has already been paid to him. Perez further agrees that his counsel has no independent right to recover any additional costs or fees beyond those that may be included in the Settlement Payment in Paragraph 1 of this Agreement. By approving this Agreement as to form, Perez's counsel agrees to this term as well. The parties further represent and acknowledge that they have been paid all compensation of any kind owed to them, including any payment owed as a result of Perez's employment with 99 Cents Only. Perez further agrees that the 99 Cents Only Releasees shall have no responsibility for the allocation of

the Settlement Payment paid to Perez pursuant to Paragraph 1 of this Agreement other than as set forth in Paragraph 1.

9. Consultation With Counsel. Perez represents and warrants that he has been advised to and has discussed this Agreement with his own counsel, that he has carefully read and fully understands all of the provisions of this Agreement, and that he is entering into this Agreement knowingly and voluntarily.

10. Confidentiality. Other than as may be required by law, Perez agrees not to disclose to, or discuss with, any person, corporation, agency, group, or other organization, either directly or indirectly, except his spouse, immediate family, tax preparers, accountants, or attorneys (provided they agree to maintain the confidentiality of such information), any information relating to the settlement amount or any other terms and conditions of this Agreement. If Perez is asked about this matter, he agrees to respond only that “the matter has been resolved and dismissed,” or words to that effect, without further elaboration.

Other than as may be required by law, 99 Cents Only agrees not to disclose, or discuss with, any person, corporation, agency, group, or other organization, either directly or indirectly, any information relating to the settlement amount or any other terms and conditions of this Agreement beyond disclosure to its auditors and tax preparers, and to its employees, agents, officers, or directors in the course of business. 99 Cents Only does not breach this confidentiality provision by engaging in any internal business discussions regarding this Agreement.

The Parties acknowledge that confidentiality is a material part of this Agreement and that this confidentiality provision is valuable consideration for the other terms, promises and conditions contained in this Agreement, including, but not limited to, the payment of the Settlement Payment set forth in Paragraph 1 of this Agreement. Perez or his counsel shall not issue any press release

or make any other public or non-public representation regarding this Agreement which identifies 99 Cents Only by name, other than as necessary to effectuate the terms of the settlements, including but not limited to, notifying the LWDA, the Superior Courts of Alameda County and Riverside County, and attaching this Agreement. The Parties further recognize that violation of this confidentiality provision will result in substantial and irreparable damage to 99 Cents Only. Perez therefore expressly agrees that, in the event that he or his agents breach this confidentiality provision, 99 Cents Only may bring an action for damages against Perez and/or his agents. The Parties further agree that because such damages are and would be difficult to measure, the parties agree to the following provision as liquidated damages, and not as a penalty: If this confidentiality provision is breached by either party and/or their attorneys or agents then the damages due and owing shall include, but not be limited to, a payment in the amount of \$2,500.00 (Two Thousand Five Hundred United States dollars) per proven breach, appropriate injunctive relief and all attorneys' fees and costs incurred in the successful prosecution of the action for breach. However, prior to any award of liquidated damages, the parties shall submit the dispute to a mediator for resolution and the party seeking liquidated damages must provide credible evidence to substantiate that a breach occurred.

Perez may disclose that this Agreement exists to the extent necessary to effectuate the terms of the Agreement and may disclose the terms of this Agreement, including the Settlement Payment, to a tax advisor or attorney in connection with a tax or other financial matter; the United States Internal Revenue Service, or state or local tax authority upon its request for tax purposes; as required by court order or otherwise required by law or in response to valid legal process; or to any prosecutorial agency, on the condition that Perez agrees to ensure that any recipients of such

disclosures are informed of this Section of the Parties' Settlement Agreement and agree to be bound by it.

11. Job Reference & Non-Disparagement. Perez agrees not to disparage or to take any action which is intended, or would reasonably be expected, to harm the Company or its reputation, or which would reasonably be expected to lead to unwanted or unfavorable publicity to the Company. 99 Cents Only agrees not to make any authorized statement on behalf of the Company that disparages or to take any authorized action which is intended, or would reasonably be expected, to harm Mr. Perez or his reputation, or which would reasonably be expected to lead to unwanted or unfavorable publicity to Mr. Perez. Except as expressly permitted by Paragraph 4, Perez further agrees not to cooperate voluntarily in any action or proceeding brought by any other person against any of the 99 Cents Only Releasees during the relevant time period of December 1, 2009 through the date of execution, June 6, 2022. If served with a subpoena to testify or produce documents in connection with such action or proceeding, Perez shall provide 99 Cents Only with prompt written notice to the attention of 99 Cents Only's general counsel. 99 Cents Only agrees that Verify Job System will provide prospective employers with only a neutral reference, i.e., Perez's dates of employment and job title, and will not provide any other information. To obtain a reference, a prospective employer should dial 1-800-800-4857 and provide 99 Cents Only's designated company code, 4857, and Perez's individual PIN. Perez's PIN is a seven-digit number consisting of the first three digits of his social security number, followed by the four digits of his birth year.

12. Permitted Disclosure of Factual Information. Nothing in Paragraphs 10 or 11, or otherwise in this Agreement, prevents Perez from discussing or disclosing factual information related to his action as set forth in California Code of Civil Procedure section 1001(a), the NLRA

or as otherwise provided by law, information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Perez has reason to believe is unlawful, or from testifying in any administrative, legislative, or judicial proceeding about any alleged criminal conduct pursuant to California Civil Code section 1670.11.

13. Ramifications of Breach. The parties agree that the provisions of this Agreement shall be deemed breached and a cause of action accrued thereon immediately upon the commencement of any legal proceeding contrary to this Agreement, and in any such proceeding, this Agreement may be pled as a defense and/or offset and/or as a counter-claim or cross-claim in such action. Disputes shall be submitted to the Superior Court of Riverside County.

14. Time to Consider. Perez acknowledges that he has the right to consult an attorney regarding this Agreement and has been provided at least five (5) business days in which to do so. If Perez executes this Agreement before five (5) business days have passed, his decision to do so is knowing and voluntary.

15. Governing Law. This Agreement shall be construed in accordance with, and governed by, the laws of the State of California. Any original action or claim concerning the enforcement or application of this Agreement shall be resolved pursuant to any Superior Court of California and under the laws of California.

16. Integration. This Agreement, together with any Superior Court of California and under the laws of California , which is incorporated herein by reference, is the only, sole, entire and complete agreement of the parties relating in any way to the subject matter hereof. No statements, promises or representations have been made by any party to any other, or relied upon, and no consideration has been offered, promised, expected or held out other than as may be expressly provided herein. No party is relying on any representations, warranties, undertakings,

agreements, or understandings except as expressly set forth in this Agreement. In the negotiation and execution of this Agreement, each party has been represented by counsel of his, her, or its own selection.

17. Interpretation. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against either party. No party shall be deemed the drafter of this Agreement. The parties acknowledge that the terms of the Agreement are contractual and are the product of negotiations between the parties and their counsel. In any construction to be made of the Agreement, the Agreement shall not be construed against any party and the canon of contract interpretation set forth in California Civil Code section 1654 shall not be applied.

18. Counterparts and Signature. This Agreement may be executed and delivered in two or more counterparts, each of which when so executed and delivered shall be the original, but such counterparts together shall constitute but one and the same instrument. A scanned or facsimile signature (transmitted electronically or by facsimile), or a signature via DocuSign or Adobe Sign, shall have the same effect as an original signature and may be accepted as the equivalent of an original signature.

19. Severability. In the event that any provision of this Agreement (except for Paragraph 4) shall be held void, voidable or unenforceable, the remaining provisions hereof shall remain in full force and effect.

20. No Third Party Beneficiaries. No third party beneficiaries are created or intended to be created by the provisions of this Agreement except as to those third parties specifically referred to herein, and any such intention is expressly disclaimed by the parties.

21. Authority to Execute. Each party represents and warrants to the other parties that the signatories to the Agreement are competent and have been duly authorized to execute the Agreement on behalf of the entities or individuals identified below.

22. Enforcement. This Agreement is fully enforceable under Code of Civil Procedure section 664.6. The prevailing party in any enforcement action shall be entitled to an award of reasonable attorneys' fees and costs.

23. No Implied Waiver. The waiver of any provision or term of this Agreement shall not be deemed a waiver of any other term or provision, except where expressly agreed to by the parties in writing.

24. Cooperation. The parties agree to do all things necessary, and to execute all further documents necessary and appropriate, to carry out and effectuate the terms and purposes of this Agreement.

PLEASE READ THIS AGREEMENT AND CAREFULLY CONSIDER ALL OF ITS PROVISIONS BEFORE SIGNING IT. THIS AGREEMENT CONTAINS A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS, INCLUDING CLAIMS UNDER THE CALIFORNIA FAIR EMPLOYMENT AND HOUSING ACT AND OTHER STATE AND LOCAL LAWS PROHIBITING DISCRIMINATION IN EMPLOYMENT, TO THE EXTENT PERMITTED BY LAW.

READ AND AGREED TO:

DATED: 06 / 06 / 2022, 2022



Eric Perez
Plaintiff, as an individual

DATED: June 16, 2022



Mary M. Kasper
Chief Legal Officer, General Counsel
and Secretary
For 99 Cents Only Stores LLC

APPROVED AS TO FORM:

DATED: June 9, 2022



Carolyn H. Cottrell, Esq.
Counsel for Eric Perez