

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL APPROVAL

To: All current and former hourly paid Key Holder or Sales Associate employed by Defendants within the State of California May 1, 2019 through October 10, 2025

PLEASE READ THIS NOTICE CAREFULLY. IT MAY AFFECT YOUR LEGAL RIGHTS YOU MAY BE ENTITLED TO MONEY FROM THIS SETTLEMENT

I. INTRODUCTION

A proposed class action and Private Attorneys General Act (“PAGA”) settlement (the “Settlement”) of the above-captioned case (the “Action”) pending in the Superior Court of the State of California, in and for the County of San Francisco (the “Court”), has been reached by the parties and has been granted preliminary approval by the Court.

The proposed settlement has two main parts: (1) a class settlement pursuant to which eligible class members may receive a cash payment as well as a voucher for use for any Cycle Gear merchandise (online or in stores), and (2) a PAGA settlement under which Defendant will fund Individual PAGA Payments and pay a portion as penalties to the California Labor and Workforce Development Agency (“LWDA”).

Defendants’ records show that you were employed by one of the Defendants in California, in a position listed above, at some time during the period between May 1, 2019 and October 10, 2025 (“Class Period”) and, therefore, are a Class Member in this Action. As a Class Member, you may be entitled to money under the Settlement and, unless you opt out of the Settlement, your legal rights may be affected. The purpose of this Notice is to (1) describe the Action, (2) inform you of the terms of the Settlement, and (3) inform you of your rights and options in connection with the Settlement.

II. SUMMARY OF THE ACTION

Plaintiff Isin al-Otat (“Plaintiff”) alleges in the Action that, within the Class Period, Defendants had a consistent policy of paying its commissioned employees less than the regular rate of pay for its missed meal and rest periods as well as overtime payment, as well as failing to compensate them for missed and/or rest breaks, provide accurate itemized wage statements and pay wages timely upon Class Members’ terminations. Plaintiff alleges that these violations resulted in the underpayment of wages to Class Members. Plaintiff also seeks civil and statutory penalties related to these claims.

Defendants deny that they violated the law in any way as described in the lawsuit and deny each and every claim raised by Plaintiff. Defendants contends that they followed lawful policies and practices and that employees were paid appropriately and provided meal periods and rest breaks, properly paid all appropriate minimum and overtime wages, paid for all business-related expenses, provided compliant wage statements and timely paid all wages due and owing upon termination of employment. Nothing in this Notice, or the Settlement itself, or any actions to carry out the terms of the Settlement, means that Defendants admit any fault, guilt, negligence, wrongdoing, or liability whatsoever. Defendants agreed to settle the Action solely for the purposes of compromising to avoid the cost and operational burden of continued litigation.

The Court has already granted preliminary approval of the proposed Settlement and approved this notice. The Court has not yet decided whether to grant final approval. Read this notice carefully as your rights are affected whether you act or not act. At the Final Approval Hearing, scheduled for May 8, 2026, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff, Class Members, and Plaintiff’s attorneys (“Class Counsel”).

Class Members have two basic options under the Settlement:

- **(1) Do Nothing.** You don’t have to do anything to participate in the proposed Settlement and be eligible for an Individual Settlement Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert wage claims against Defendants as well as PAGA penalty claims.
- **(2) Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting a written Request for Exclusion or otherwise notifying the Settlement Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Settlement Payment. You will, however, preserve your right to personally pursue wage claims against Defendants, and, if you are a PAGA Member, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

III. SUMMARY OF SETTLEMENT TERMS

Settlement Amount. Defendants have agreed to pay an amount not to exceed \$1,350,000 (the “Maximum Settlement Amount”) to resolve the claims in the Action fully. The allocation will be made in both vouchers and cash benefits. This Maximum Settlement Amount includes, but is not limited to, all settlement payments to Qualified Claimants (defined below), Class Counsel’s attorneys’ fees and litigation expenses, all Settlement Administration expenses, payments to the California Labor and Workforce Development Agency (“LWDA”), and an enhancement award to Plaintiff, as outlined below.

Settlement Administration and Other Payments. The Court has tentatively approved certain payments to be made from the Maximum Settlement Amount as follows, which will be subject to final Court approval:

- **Settlement Administration.** Payment to the Settlement Administrator not to exceed \$12,000.00 for the expense of notifying the Class Members of the Settlement, processing opt-outs submitted by Class Members, and distributing settlement payments.
- **Attorneys’ Fees and Expenses.** Payment to Court-approved Class Counsel of reasonable attorneys’ fees not to exceed \$445,500.00. Separately, costs are estimated to be approximately \$45,000.00. The payments represent the work Class Counsel performed in this Action and will continue to perform through settlement finalization, together with reimbursement for litigation expenses actually incurred in

connection with the Action. Class Counsel has been prosecuting the Action on behalf of Plaintiff and the Class on a contingency fee basis since 2023 (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

- Enhancement Award to Class Representative. A service enhancement award not to exceed \$5,000 to Plaintiff as the class representative to compensate for her services on behalf of the Class in initiating and prosecuting the action. This payment is in addition to whatever payments Plaintiff is otherwise entitled to receive as a Class Member.
- Payment to LWDA. A payment of \$75,000.00 will be made to the LWDA for the LWDA's portion of the Settlement allocated to civil penalties under the Labor Code Private Attorneys General Act, Lab. Code §§ 2698, et seq.

Calculation of Class Member Awards. Pro rata settlement payments to Class Members will be calculated based on each Class Member's relative percentage of eligible service time as a Key Holder and/or Sales Associate during the Class Period based on Defendants' internal records. Awards will therefore vary. Only Class Members who did not opt out of the Settlement as provided for below will be entitled to receive a payment pursuant to the Settlement. If the conditions of the Settlement (as described in this Notice) are met and if the Court grants final approval of the Settlement, then settlement checks and voucher codes will be mailed to Class Members. Unclaimed settlement amounts will be sent to the Office of the California State Controller - Unclaimed Property Fund, to be held in the name of the respective employee.

Releases. Upon the final approval by the Court of the Settlement, all members of the Plaintiff Class who do not timely request exclusion fully release and discharge Defendants and Defendants' present and former parent companies, subsidiaries and affiliates, as well as their shareholders, officers, directors, attorneys, insurers, successors and assigns ("Releasees"), from any and all individual and class claims, debts, liabilities, demands, obligations, penalties, guarantees, costs, expenses, attorneys' fees, damages, action or causes of action of whatever kind or nature, whether known or unknown, that were actually alleged in the Complaint or First Amended Complaint filed in this Action, as well as wage and hour class claims which could have been brought based on the specific factual allegations contained in the Complaint or First Amended Complaint filed in this Action, including, but not limited to any claims for unpaid wages, unpaid overtime, unpaid minimum wages, record-keeping violations, paycheck violations, meal period and rest period violations, "waiting time" penalties, and failure to reimburse business expenses, which arose between May 1, 2019, and October 10, 2025, inclusive. The release period shall extend through the end of the Class Period. All Class Members shall be bound by this release unless they opt-out of the settlement.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an Order at or following the Settlement Hearing finally approving the Settlement.

For more information on the Settlement, please visit the Settlement website at: <https://www.apexclassaction.com/cyclegear>.

IV. RIGHT TO CLAIM MONEY FROM THE SETTLEMENT

Shares of the settlement are allocated based on a Class Member's dates of service with Defendants as a Key Holder and/or Sales Associate in California during the Class Period (May 1, 2019 to October 10, 2025) Defendants' records show that, within the Class Period, you worked as a non-exempt employee in California during the following time period(s):

Dates: _____ to _____. [this should reflect the employee's period of employment]

Compensable Workweeks: _____ [this should reflect the number of workweeks worked by the employee during their employment period]

If you believe the data listed above is incorrect, you may submit a challenge in writing to the Settlement Administrator indicating your belief as to the correct data. You must also send the Settlement Administrator any documents or other information that supports your challenge to the above information. The Settlement Administrator will use Defendants' records and any information you provide to resolve any dispute about your service data. All such challenges must be postmarked by March 9, 2026, to be considered.

Individual Settlement Payments may be subject to subject to withholdings and will be reported on IRS W-2 Forms, as required. Any employer-requested payroll taxes will be paid from the Maximum Settlement Amount. The Settlement Administrator will report non-wage portions of the Individual Settlement Payments on IRS 1099 Forms, as required. Neither Defendants nor Plaintiff is giving you any advice on whether your payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

The front of every check issued for Individual Settlement Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be forwarded to the California State Controller, to be held and disposed of by the Controller under California's Unclaimed Property Law

V. RIGHT TO OPT OUT

If you do not wish to participate in the Settlement of your claims, you may exclude yourself from the Settlement or "opt out." If you opt out, you will receive no money from the Settlement, and you will not be bound by its terms. To opt out, you must submit a signed, written request to the Settlement Administrator for Exclusion ("Request for Exclusion") from the Settlement postmarked no later than March 9, 2026. Written Requests for Exclusion from the Settlement that are postmarked after March 9, 2026, or are unsigned by the Class Member, will be rejected, and Class Members submitting untimely Exclusions shall be bound by the Settlement and the Releases described above. Only timely opt-outs will be excluded from the settlement.

VI. RIGHT TO OBJECT

If you are a Class Member who has not opted out and believe that the Settlement should not be finally approved by the Court for any reason, you may object to the proposed Settlement. Objections may be in person at the Final Approval Hearing or, in writing. If in writing, the objection must state the basis for the objection, and be mailed to the Settlement Administrator at the below addresses on or before March 9, 2026. All objections or other correspondence must state the name and number of the case, which is *Isin al Otat v. Cycle Gear Inc., et al* (CGC-23-606243), filed in the Superior Court of the State of California, in and for the County of San Francisco.

If a class member wishes to object to the settlement, they may do so by submitting a timely written objection or by appearing at the final approval hearing. **Filing an objection does not exclude the class member from the settlement**, nor does it prevent receiving their settlement payment if final approval is granted.

Objecting class members **remain part of the class** unless they affirmatively request to opt-out. An objection simply informs the Court of the member's disagreement with some aspect of the settlement, and the Court will consider all objections at the final approval hearing before determining whether the settlement is fair, reasonable, and adequate.

If you wish, you may also appear at the Final Approval Hearing, detailed below. You have the right to appear either in person or through your own attorney at this hearing.

VII. DISBURSEMENT OF SETTLEMENT FUNDS

If you do not opt out of the Settlement, your share of the settlement funds will be sent to you within 30 days after the final hearing by cash and by a unique voucher code that is non-voidable and fully transferable. You are not required to file a claim to receive either a check or voucher.

VIII. HEARING ON THE SETTLEMENT

The Final Approval Hearing on the adequacy, reasonableness and fairness of the Settlement will be held on May 8, 2026, at 10:00 a.m., in Department 613, in the Superior Court of the State of California, in and for the County of San Francisco, located at 400 McAllister St., San Francisco, CA 94102. The Hearing may be continued without further notice. You are not required to attend the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

All Documents submitted to the Court may be viewed online on the court's website: <https://sf.courts.ca.gov/online-services/case-information>. To view this matter search, civil case query, search by case number, and enter CGC-23-606243. Searching the Court docket on the website is free.

IX. ADDITIONAL INFORMATION

This Notice is only a summary of the Action and the Settlement. Class Members should contact the Settlement Administrator at Apex Class Action, LLC, P.O. Box 54668, Irvine, CA 92619 or at claims@apexclassaction.com with any concerns or questions regarding the Settlement. You may also refer to the pleadings, the Class Action Settlement Agreement and Release of Claims, and other papers filed in the Action, which may be inspected at the Office of the Clerk for the Superior Court of the State of California, in and for the County of San Francisco during regular business hours of each court day, or online through the Court's Public Access System.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT OR THE JUDGE WITH QUESTIONS.