



March 10, 2025

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

Re: *Manoa Majo Cruz v. United AG Source, Inc., et al.*

To Whom It May Concern:

Please be advised that this law firm represents Manoa Majo Cruz in claims arising from his employment with United AG Source, Inc. and DOES 1 through 100 (collectively “UAS”). Mr. Cruz is an “aggrieved employee” as defined by Labor Code Section 2698 *et seq.*, due to UAS’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Sections 2699.3, which requires aggrieved employees to notify their employer and the Labor & Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated.

UAS employs individuals to perform agricultural work at its farm, namely growing and harvesting tangerines. Mr. Cruz commenced employment with UAS as a non-exempt employee from approximately January 2025 until approximately February 2025 in the position of tree trimmer.

For purposes of this letter, the “aggrieved employees” whom Mr. Cruz seeks to represent are the other aggrieved employees of UAS in California at any time during the one year preceding the date of this letter through the present.

Mr. Cruz worked for UAS from approximately January 2025 until approximately February 6, 2025. His most recent position was that of a tree trimmer. Mr. Cruz’s job duties generally revolved around pruning and trimming nectarine trees at UAS’ farm. Mr. Cruz would work Monday through Friday at least 8 hours per day, between approximately 7:00 a.m. through 3:00 p.m., and often longer depending on work demands. Despite working in excess 8 hours per day, UAS did not employ any actual timekeeping practices whatsoever. Instead, Mr. Cruz and other nonexempt employees were instructed to arrive to their worksites before 7:00 a.m. and commence work until their supervisors released them for the day, typically around 3:00 p.m., and often later. At no point during his employment with UAS was Mr. Cruz made to confirm or sign off on his hours worked. Upon information and belief, Mr. Cruz and other aggrieved employees worked far more hours than what they were credited for on their wage statements, which served to compensate them only for their prescheduled hours rather than paying them for all of the

time that they actually performed work for UAS, which often exceeded 8 hours per day and should have been paid at an overtime rate of pay.

As stated, UAS failed to record employees' total hours worked each workday accurately. Rather, UAS would falsely only credit Mr. Cruz and other aggrieved employees for their prescheduled hours which did not in any way accurately reflect the times that employees began and ended each workday. While often Mr. Cruz and other aggrieved employees would begin their duties prior to the start of their scheduled shifts and after the end of their scheduled shifts, their time records would always reflect that they worked from exactly 7:00 a.m. until exactly 3:00 p.m., despite them in reality frequently starting and/or finishing their shifts prior to or after their time records (to the extent they were even maintained) reflected that they did. This occurred presumably because Mr. Cruz and other aggrieved employees' wage statements were based on time records that were falsely manipulated by UAS, which inaccurately listed Mr. Cruz and other aggrieved employees only worked exactly 8.0 hours per workday as part of UAS overt practice of failing to track their hours worked in any manner whatsoever. As a result, UAS failed to ensure that Mr. Cruz and other aggrieved employees were being paid at least the minimum wage for all hours actually worked, and failed to ensure that Mr. Cruz and other aggrieved employees received proper overtime wages for all overtime hours worked, in compliance with Wage Order 14.

Mr. Cruz and other aggrieved employees were not authorized to take all legally required rest periods. Mr. Cruz and the other employees would be made to work through the entirety of their shifts and forced to forego rest periods in order to meet the intense workloads imposed on them by UAS. Due to the overwhelming workload and the company culture, Mr. Cruz and the other aggrieved employees were generally not permitted to exercise any compliant duty-free rest periods. Despite UAS' failure to authorize and permit Mr. Cruz and other aggrieved employees to take all lawful paid rest periods, due to their uniform and unlawful practices, UAS never provided Mr. Cruz and other aggrieved employees with an hour of pay at their regular rate for each rest period violation as required by Labor Code § 226.7. Upon information and belief, during at least a portion of the relevant time period, UAS maintained no payroll code or other mechanism for the payment of rest period premiums in the event Mr. Cruz and other aggrieved employees were not authorized to take lawful rest periods.

UAS also frequently failed to provide Mr. Cruz and other aggrieved employees with legally compliant meal periods due to UAS' meal period policies and practices which fail to provide a timely 30-minute duty-free first meal period (i.e. a first meal period commencing before the end of the fifth hour of work). As an initial matter, Mr. Cruz and other aggrieved employees were not allowed to leave the premises for their meal periods, thus making them inherently non-compliant. Furthermore, during the vast majority of the shifts that Mr. Cruz and other aggrieved employees worked, their meal periods were either missed, shortened, late, and or interrupted, and they were often instructed to work through the entirety of their shifts without any breaks in an effort to meet the intense work demand placed upon them by UAS. On those occasions when Mr. Cruz and the other aggrieved employees were not provided with all legally compliant meal periods to which they were entitled, UAS failed to compensate them with the required meal period premiums, as mandated by Labor Code § 226.7.

UAS failed to adequately reimburse Mr. Cruz and other aggrieved employees for all reasonable and necessary work expenditures, including but not limited to, requiring Mr. Cruz and other aggrieved employees to purchase their own tools and protective gear for the performance of their job duties. Mr. Cruz and other aggrieved employees work required the use of scissors, shirts, shoes, gloves, hats, pants, jackets, sweaters, and face coverings. Despite being made to incur these expenditures necessary for the performance of the job, Mr. Cruz and other aggrieved employees were not ever provided any reimbursement for these necessary work expenditures.

UAS also maintained inaccurate payroll records and issued inaccurate and deficient wage statements, in part due to UAS' failure to pay all minimum wages, and meal and rest period premium wages. Additionally, upon information and belief, UAS wholly failed to conform to the requirements of Labor Code Section 226(a) which requires that employers issue accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of their social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer. Rather, UAS simply issued Mr. Cruz and other aggrieved employees personal checks which wholly failed to include the vast majority of the information mandated by the Labor Code.

UAS failed to meet its obligations to provide paid sick leave to Mr. Cruz and other aggrieved employees under Labor Code § 245.5(b) which requires that employers authorize and permit its employees who worked 30 or more days within a year to accrue paid sick leave, and to allow them to exercise paid sick leave on or after their 90th day of employment. Despite meeting all of the statutory requirements for being able to accrue and utilize paid sick leave, Mr. Cruz and other aggrieved employees were not provided paid sick leave on those occasions where they needed to take a "sick day" in violation of Labor Code § 245.5(b).

UAS also failed to pay all wages owed to Mr. Cruz and other aggrieved employees upon their separation of employment from UAS, in part due to UAS' failure to pay all minimum/overtime wages, and meal and rest period premiums.

Furthermore, UAS violated Labor Code § 204 by failing to pay Mr. Cruz and other aggrieved employees all wages earned at least twice during each calendar month.

Finally, UAS failed to conform to the requirements of Labor Code § 2810.5 by failing to provide Mr. Cruz and other aggrieved employees written notices, in the language normally used to communicate employment related information to the employees, containing information regarding their: i) rate(s) of pay and the basis thereof; ii) allowances claimed as part of the minimum wage; iii) regular payday designated by the employer; iv) the legal name of the employer; v) the address of the legal entity that is the

employer; vi) the telephone number of the employer; vii) identifying information for the employer's workers' compensation insurance carrier; and viii) information informing the employee of their right to accrue and use paid sick leave. Despite maintaining an obligation to provide these disclosures to Mr. Cruz and other aggrieved employees, UAS failed to do so in violation of Labor Code § 2810.5.

As described above, UAS committed the following violations of the Labor Code, and Industrial Welfare Commission Wage Order 14 ("Wage Order 14"):

Minimum Wage Violations

UAS was required to pay Mr. Cruz and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. See Labor Code §§ 1182.12, 1194; 1194.2, 1197; and Wage Order 14 § 4. As alleged above, UAS maintained and maintains timekeeping policies/practices that regularly, systematically, and impermissibly underreport the hours worked by Mr. Cruz and other aggrieved employee whether by rounding, time-shaving, or otherwise. As a result of these policies/practices, which fail to compensate for all hours worked, Mr. Cruz and other of all required minimum wages.

Overtime Wage Violations

UAS was required to pay Mr. Cruz and other aggrieved employees overtime wages for all overtime hours worked. See Labor Code §§ 1194(a) and 1198; Wage Order 14, § 3. Wage Order 14, § 3 requires an employer to pay overtime wages when an employee's hours worked cross certain thresholds or meet certain criteria set forth in the Wage Order. At all times relevant herein, UAS caused Mr. Cruz and other aggrieved employees to work overtime hours but did not compensate Mr. Cruz and other aggrieved employees at one and one-half times their regular rate of pay for such hours.

Meal Period Violations

As alleged above, UAS failed to provide Mr. Cruz and other aggrieved employees with all required and compliant meal periods due to UAS' meal period policies/practices that often fail to provide 30 minute off-duty first meal periods before the end of the fifth hour of work. See Labor Code §§ 226.7 and 512; Wage Order 14, § 11. As a result, Mr. Cruz and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. See Labor Code § 226.7 ("If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of the Industrial Welfare Commission ... the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.").

Rest Period Violations

As alleged above, UAS also failed to authorize and permit Mr. Cruz and other aggrieved employees to take all required paid rest periods. See Labor Code §§ 226.7 and 516; Wage Order 14, § 12. As a result, Mr. Cruz and other aggrieved employees are owed

an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required paid rest periods. See Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”)

Failure to Reimburse Necessary Business Expenses

UAS was subject to Labor Code § 2802, which states that “an employer shall indemnify his or her employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or obedience to the directions of the employer.” UAS was subject to Labor Code § 2804, which states that “any contract or agreement, express or implied, made by any employee to waive the benefits of this article or any part thereof, is null and void, and this article shall not deprive any employee or his personal representative of any right or remedy to which he is entitled under the laws of this State.” As alleged herein, due to UAS’s unlawful reimbursement practices, UAS failed to indemnify Mr. Cruz and other aggrieved employees for all necessary business expenses incurred, as described in detail above.

Wage Statement Violations

UAS was required to furnish Mr. Cruz and other aggrieved employees with complete and accurate itemized wage statements that showed, among other things, their rates of pay, corresponding number of hours worked at each rate of pay, total gross wages earned, and total net wages earned. See Labor Code §§ 226(a) and 1174(d); Wage Order 14, § 7. As a result of UAS’s failure to pay all overtime wages, minimum wages, and failure to pay all required meal and rest period premium wages, UAS maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Cruz and other aggrieved employees in violation of Labor Code § 226.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. UAS failed to timely pay Mr. Cruz and other aggrieved employees all of their final wages at the time of separation, which included all overtime and minimum wages, and all meal and rest period premium wages at the time of aggrieved employees’ separation of employment. Pursuant to Labor Code § 203, UAS’s failure to pay all final wages due to Mr. Cruz and other aggrieved employees was willful and, consequently, entitles Mr. Cruz and other aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day UAS failed to pay their final wages after their separation from employment, up to a maximum of thirty days.

As an “aggrieved employee,” Mr. Cruz will initiate a civil action on behalf of himself and other aggrieved employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Cruz’s own investigation, and on information and belief, UAS committed and continue to commit the following Labor Code violations:

- a. UAS violated Labor Code §§ 551-552, 558, 1182.12, 1194, 1194.2, 1197, and 1198 by failing to pay Mr. Cruz and other aggrieved employees the statutory minimum wage for all hours worked;
- b. UAS violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Cruz and other aggrieved employees all overtime compensation earned;
- c. UAS violated Labor Code §§ 226.7, 512, and 1198 by failing to provide meal periods as required by law and failing to pay meal period premiums to Mr. Cruz and other aggrieved employees at these employees' respective regular rates of compensation for meal period violations;
- d. UAS violated Labor Code §§ 226.7, 516, and 558 by failing to authorize and permit Mr. Cruz and other aggrieved employees from taking all required paid rest periods, and/or failing to pay all rest period premiums to Mr. Cruz and other aggrieved employees at their respective regular rates of compensation;
- e. UAS violated Labor Code §§ 2802 and 2804 by failing to reimburse Mr. Cruz and other aggrieved employees for all work-related expenses incurred;
- f. UAS violated Labor Code § 226 by failing to furnish Mr. Cruz and other aggrieved employees with accurate and compliant itemized wage statements;
- g. UAS violated Labor Code §§ 201, 202 and 203 by failing to timely pay all final wages due upon separation of employment to Mr. Cruz and other aggrieved employees;
- h. UAS violated Labor Code § 204 by failing to pay Mr. Cruz and other aggrieved employees all wages earned at least twice during each calendar month; and
- i. UAS violated Labor Code § 245.5 by failing to permit and authorize Mr. Cruz and other aggrieved employees to exercise the use of their accrued paid sick leave days.
- j. UAS violated Labor Code §§ 1174 and 1198 by failing to maintain accurate records on behalf of Mr. Cruz and other aggrieved employees; and
- k. UAS violated Labor Code § 2810.5 by failing to provide legally mandated disclosures and/or written notices regarding the terms of employment of Mr. Cruz and other aggrieved employees.

Pursuant to Labor Code Section § 2699.3(a)(2)(A), please notify us and UAS if the LWDA intends to investigate the alleged violations of the Labor Code stated herein. Please contact me should you require additional information.

LWDA
March 10, 2025
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Sincerely,
STANSBURY BROWN LAW, PC

A handwritten signature in black ink, appearing to read 'E. Surls', with a stylized flourish at the end.

Ethan C. Surls

cc: United AG Source, Inc. (via certified mail)