



May 02, 2025

VIA LWDA WEBSITE

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

Re: *Manuel de Jesus Lainez, Jr. v. Sweetwood Farm, Inc. et al.*

To Whom It May Concern:

Please be advised that this law firm represents Manuel de Jesus Lainez, Jr. (“Mr. Lainez”) in claims for Labor Code violations arising from his employment with Sweetwood Farm, Inc., a California Corporation, dba Red Rooster; and Does 1 through 100 (collectively referred to herein as “Employers”). Mr. Lainez is an “aggrieved employee” as defined by Labor Code Section 2698 *et seq.*, due to Employers’ 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.

For purposes of this letter, the “aggrieved employees” whom Mr. Lainez seeks to represent are the other non-exempt employees of Employers who performed work in California at any time during the one year preceding the date of this letter through the present.

Mr. Lainez started his employment with Employers approximately June, 2018, and remains employed by Employers on a seasonal basis, approximately June-November of each year, up to and including the present. Mr. Lainez works as a forklift operator. Employers are in the agricultural industry and grow the produce (primarily tomatoes) Mr. Lainez is tasked with placing on and off the trucks with his forklift. He generally works 6 days per week, Monday-Tuesday and Thursday-Sunday, from approximately 8:00 a.m. to 7:30 p.m. or later.

Throughout the duration of Mr. Lainez’s employment with Employers, Mr. Lainez and other aggrieved employees were not properly paid for all hours worked as Employers did not accurately keep track of all hours worked, and routinely shorted overtime pay. For example, during COVID all employees were required to get temperature checks prior to clocking in, such that this time was never recorded. Plaintiff and other non-exempt employees were also required to work six days in a workweek, but were not paid an

overtime rate of pay equal to one and one-half times their regular rates of pay for all hours worked in excess of 40 in any given week or in excess of 8 on any given day, and did not always receive double time pay when entitled to it. For example, Mr. Lainez' timesheet for October 20, 2024 through November 2, 2024 shows numerous days that he worked in excess of 12 hours, but shows only 4.1 hours of total double time credited. As a result, Defendants failed to ensure that Mr. Lainez and other non-exempt employees were being paid at least the minimum wage for all hours actually worked, and failed to ensure that he and other non-exempt employees received proper overtime wages for all overtime hours worked, in compliance with the Wage Orders.

Employers also routinely did not provide Mr. Lainez and other aggrieved employees with a legally compliant first meal period when they worked shifts in excess of 5.0 hours. Instead of clocking in and out after receiving a full and uninterrupted 30 minute meal period, on every shift, Mr. Lainez and other non-exempt employees would take a meal period if and when time permitted, as the demands and time restrictions of the trucks arrivals and departures required immediate attention and as a result complete, timely and uninterrupted 30-minute meal periods were generally impossible. Employers at times required Mr. Lainez and other aggrieved employees to clock out for a meal period before the end of the fifth hour, but then insisted they continue working. Moreover, Employers failed to authorize timely second meal periods when employees worked over 10.0 hours. Despite Employers' failure to authorize and permit Mr. Lainez and other non-exempt employees to take all lawful paid meal periods, due to their uniform and unlawful practices, Employers never provided Mr. Lainez and other non-exempt employees with an additional hour of pay at their regular rate for each meal period violation as required by Labor Code § 226.7. Upon information and belief, during at least a portion of the class period, Employers maintained no payroll code or another mechanism for the payment of meal period premiums in the event Mr. Lainez and other non-exempt employees were not authorized to take lawful meal periods.

Similar to the meal period violations noted above, Employers also did not authorize Mr. Lainez and other aggrieved employees to take all legally required rest periods. Specifically, Mr. Lainez and other non-exempt employees were often unable to take timely and compliant rest periods as the above-described exigencies also took precedent over timely and compliant rest periods. Despite Employers' failure to authorize and permit Mr. Lainez and other non-exempt employees to take all lawful paid rest periods, due to their uniform and unlawful practices, Employers never provided Mr. Lainez and other non-exempt employees with an additional 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 class period, Employers maintained no payroll code or another mechanism for the payment of rest period premiums in the event Mr. Lainez and other non-exempt employees were not authorized to take lawful rest periods.

Employers have maintained inaccurate payroll records, failed to timely pay all wages owed to non-exempt employees, and failed to timely and fully pay separating employees at the time of their separation, and issued inaccurate wage statements. This is

in part a result of Employers' failure to accurately track time worked and compensate Mr. Lainez and other aggrieved employees for all minimum and overtime wages, as well as the attendant failure to pay premium pay for failing to provide all required meal periods and authorize all rest periods.

Employers failed to issue to Mr. Lainez and other aggrieved employees accurate itemized statements 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 was 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 his or her 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, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

Furthermore, Mr. Lainez and other aggrieved employees worked overtime hours, but did not receive all overtime compensation equal to one and one-half times their regular rates of pay for all overtime hours worked. Employers maintained a policy/practice of not compensating Mr. Lainez and other aggrieved employees for all their overtime hours worked in the pay period. Employers maintained a policy/practice of shorting overtime pay calculations, even if the hours actually worked entitled Mr. Lainez and other aggrieved employees to time and one half pay or double-time pay. Employers also did not compensate Mr. Lainez and other aggrieved employees for their overtime worked off the clock. As a result, Employers failed to ensure that Mr. Lainez and other aggrieved employees were being paid at least the minimum wage for all hours worked, and failed to ensure that Mr. Lainez and other aggrieved employees received proper overtime wages for all overtime hours worked.

Furthermore, Employers failed to adequately reimburse Mr. Lainez and other aggrieved employees for all reasonable and necessary work expenditures, including but not limited to requiring Mr. Lainez to use his personal cellular phone for work purposes. Mr. Lainez was not ever provided any reimbursement for this necessary use.

Defendants also failed to meet their obligations to provide paid sick leave to Plaintiff and other non-exempt employees under Labor Code § 246(b) which requires that employers authorize and permit their employees who worked 30 or more days within a year to accrue paid 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. Lainez and other non-exempt employees were not always provided paid sick leave on occasions where they needed to take a "sick day" in violation of Labor Code § 246(b), and no sick leave balance appears on Mr. Lainez' pay stubs.

Finally, Employers failed to conform to the requirements of Labor Code § 2810.5 by failing to provide Mr. Lainez 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. Lainez and other aggrieved employees, Employers failed to do so, in violation of Labor Code § 2810.5.

As described above, Employers committed the following violations of the Labor Code, and Industrial Welfare Commission Wage Orders ("IWC Wage Orders"):

Minimum Wage Violations

Employers were required to pay Mr. Lainez 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 relevant IWC Wage Orders. As alleged above, Employers maintained and maintain timekeeping policies/practices that regularly, systematically, and impermissibly underreport the hours worked by Mr. Lainez and other aggrieved employees. As a result of these policies/practices, which fail to compensate for all hours worked, Mr. Lainez and other aggrieved employees were deprived of all required minimum wages.

Overtime Wage Violations

Employers were required to pay Mr. Lainez and other aggrieved employees overtime wages for all overtime hours worked. See Labor Code §§ 1194(a) and 1198; and relevant IWC Wage Orders, which require 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, Employers caused Mr. Lainez and other aggrieved employees to work overtime hours but did not compensate Mr. Lainez and other aggrieved employees at one and one-half times their regular rate of pay for such hours.

Meal Period Violations

As alleged above, Employers failed to provide Mr. Lainez and other aggrieved employees with all required and compliant meal periods due to Employers' meal period policies/practices that often fail to provide full, 30 minute off-duty first meal periods before the end of the fifth hour of work or a second meal period for shifts worked in excess of ten (10) hours. See Labor Code §§ 226.7 and 512; and relevant IWC Wage Orders. As a result, Mr. Lainez 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, Employers also failed to authorize and permit Mr. Lainez and other aggrieved employees to take all required paid rest periods. *See* Labor Code §§ 226.7 and 516; and relevant IWC Wage Orders. As a result, Mr. Lainez 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.”)

Wage Statement Violations

As described above, Employers were required to furnish Mr. Lainez 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 13, § 7. As a result of Employers’ failure to pay all overtime wages, minimum wages, and failure to pay all required meal and rest period premium wages, Employers maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Lainez 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. Employers routinely did not and do not pay seasonal employees immediately following their last day of work, and have persisted in doing so each season Plaintiff has worked for them. This failure to timely pay Mr. Lainez and other aggrieved employees all of their final wages at the time of separation includes an obligation to pay 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, Employers’ failure to pay all final wages due to Mr. Lainez and other aggrieved employees was willful and, consequently, entitles Mr. Lainez and other aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Employers failed to pay their final wages after their separation from employment, up to a maximum of thirty days.

Failure to Reimburse Necessary Business Expense

Employers were 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 her obedience to the directions of the employer.” Employers were 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 Employers’ unlawful reimbursement practices, Employers failed to indemnify Mr. Lainez and other aggrieved employees for all necessary business expenses incurred, including, utilization of personal cell phones for necessary business purposes and driving their personal vehicles between work locations. Mr. Lainez and other aggrieved employees were not ever provided any reimbursement for these necessary business expenses.

As an “aggrieved employee,” Mr. Lainez 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. Lainez own investigation, and on information and belief, Employers committed and continue to commit the following Labor Code violations:

- a. Employers violated Labor Code §§ 1182.12, 1194, 1194.2, 1197, and 1198 by failing to pay Mr. Lainez and other aggrieved employees the statutory minimum wage for all hours worked;
- b. Employers violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Lainez and other aggrieved employees all overtime compensation earned;
- c. Employers 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. Lainez and other aggrieved employees at these employees’ respective regular rates of compensation for meal period violations;
- d. Employers violated Labor Code §§ 226.7, 516, and 558 by failing to authorize and permit Mr. Lainez and other aggrieved employees to take all required paid rest periods, and/or failing to pay all rest period premiums to Mr. Lainez and other aggrieved employees at their respective regular rates of compensation;
- e. Employers violated Labor Code § 226 by failing to furnish Mr. Lainez and other aggrieved employees with accurate and compliant itemized wage statements;

- f. Employers violated Labor Code §§ 201, 202 and 203 by failing to timely pay all final wages due upon separation of employment to Mr. Lainez and other aggrieved employees;
- g. Employers violated Labor Code §§ 2802 and 2804 by failing to reimburse Mr. Lainez and other aggrieved employees for all work-related expenses incurred.
- h. Employers violated Labor Code § 245.5 by failing to permit and authorize Mr. Lainez and other aggrieved employees to exercise the use of their accrued paid sick leave days;
- i. Employers violated Labor Code §§ 1174 and 1198 by failing to maintain accurate records on behalf of Mr. Lainez and other aggrieved employees; and
- j. Employers violated Labor Code § 2810.5 by failing to provide legally mandated disclosures and/or written notices regarding the terms of employment of Mr. Lainez and other aggrieved employees.

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

Very truly yours,

STANSBURY BROWN LAW, PC



Kathleen J. Becket