



January 22, 2026

VIA LWDA WEBSITE

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

Re: ***Maria Rebeca Arroyo Diaz v. Cobblestone Farming, Inc.***

To Whom It May Concern:

Please be advised that this law firm represents Maria Rebeca Arroyo Diaz (“Ms. Diaz”) in claims for Labor Code violations arising from her employment with Cobblestone Farming, Inc. (“CFI”); and DOES 1 through 100 (collectively “Employers”). Ms. Diaz 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 Ms. Diaz seeks to represent are the other aggrieved employees of Employers who performed work for Employers in California at any time during the one year preceding the date of this letter through the present.

Ms. Diaz worked for Employers from approximately July 27, 2024 until May 28, 2025. For most of her career with Employers, Ms. Diaz worked as a production operator, setting up the production line. She would start her shifts at 3:30 a.m., and generally finished at 3:00p.m., but sometimes worked longer, occasionally until 7:00p.m. She was typically scheduled to work six days a week, from Monday-Saturday, but sometimes also worked on Sundays.

Throughout the duration of Ms. Diaz’s employment with Employers, Ms. Diaz and other non-exempt employees were not paid for all hours worked as Employers would not accurately keep track of their actual hours worked. Upon information and belief, the time records maintained by Employers were not reflective of the actual number of hours that Ms. Diaz and other non-exempt employees actually worked, in part because Plaintiff was routinely called before her clock-in time with instructions for the day, constituting off-the-clock work.

Furthermore, Ms. Diaz and other non-exempt employees worked overtime hours,

but did not receive the proper overtime compensation equal to one and one-half times their regular rates of pay for all overtime hours worked. When Ms. Diaz and other non-exempt employees worked overtime, they were not always compensated the correct amount. Upon information and belief, Employers systematically failed to properly pay overtime compensation due to miscalculations in their actual hours and overtime hours worked, which resulted in consistent underpayments of overtime wages.

Employers also did not always provide Ms. Diaz and other non-exempt employees with a legally compliant first meal period when they worked shifts in excess of 5.0 hours or a legally compliant second meal period when they worked shifts longer than 10 hours. Plaintiff and other non-exempt employees were not always able to take timely, uninterrupted meal periods due to work demands. Plaintiff and other non-exempt employees were often interrupted during their first meal periods with texts from managers concerning duties to be performed after lunch. Even though Plaintiff and other non-exempt employees routinely worked more than 10 hours each day, Defendants did not always provide Plaintiff and other non-exempt employees with a second meal period. Despite Employers' failure to provide Ms. Diaz and other non-exempt employees with all lawful meal periods due to their uniform and unlawful practices, Employers did not provide Ms. Diaz and other non-exempt employees with an 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 Ms. Diaz and other non-exempt employees were not authorized to take lawful meal periods.

Ms. Diaz and other non-exempt employees, for all the reasons stated above, were also not authorized to take all timely, legally required first, second and third rest periods. Plaintiff and other non-exempt employees were routinely interrupted by text messages during rest periods. Despite Employers' failure to authorize and permit Ms. Diaz and other non-exempt employees to take all lawful paid rest periods, due to their uniform and unlawful practices, Employers never provided Ms. Diaz and other non-exempt 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 class period, Employers maintained no payroll code or another mechanism for the payment of rest period premiums in the event Ms. Diaz and other non-exempt employees were not authorized to take lawful rest periods.

Employers also, in part due to inaccurate time records and Defendant's failure to pay all premiums owed, failed to timely provide Plaintiff and other non-exempt employees with timely, complete and correct final paychecks upon separation of employment, in violation of Labor Code 201.

Employers have maintained inaccurate payroll records, failed to timely pay all wages owed to employees, and failed to timely 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 compensate Ms. Diaz and other non-exempt employees

for all minimum and overtime wages, failure to properly calculate regular rates of pay, and failure to pay premium pay for failing to provide all required meal periods and authorize all rest periods.

Employers failed to issue to Ms. Diaz and other non-exempt 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 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 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.

In addition, sick pay balances are not properly depicted on Plaintiff's wage statements, and reflect only a 24-hour allotment rather than the requisite 40 hours, in violation of Labor Code § 248.2. Plaintiff maintains this is a widespread practice affecting many other non-exempt employees also.

Finally, Employers failed to conform to the requirements of Labor Code § 2810.5 by failing to provide Ms. Diaz 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 Ms. Diaz 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 the Industrial Welfare Commission Wage Orders:

Minimum Wage Violations

Employers were required to pay Ms. Diaz 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 the Industrial Welfare Commission Wage Orders. As alleged above, Employers maintained and maintain timekeeping policies/practices that regularly, systematically, and impermissibly underreport the hours worked by Ms. Diaz and other aggrieved employees. As a result of these policies/practices, which fail to

compensate for all hours worked, Ms. Diaz and other aggrieved employees were deprived of all required minimum wages.

Overtime Wage Violations

Employers were required to pay Ms. Diaz and other aggrieved employees overtime wages for all overtime hours worked. *See* Labor Code §§ 1194(a) and 1198; and the Industrial Welfare Commission Wage Orders. The Industrial Welfare Commission Wage Orders require an employer to pay overtime wages when an employee's hours worked cross certain thresholds or meet certain criteria set forth in the Industrial Welfare Commission Wage Orders. At all times relevant herein, Employers caused Ms. Diaz and other aggrieved employees to work overtime hours but did not compensate Ms. Diaz 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 Ms. Diaz 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; the Industrial Welfare Commission Wage Orders. As a result, Ms. Diaz 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 Ms. Diaz and other aggrieved employees to take all required paid rest periods. *See* Labor Code §§ 226.7 and 516; the Industrial Welfare Commission Wage Orders. As a result, Ms. Diaz 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 Ms. Diaz 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); the Industrial Welfare Commission Wage Orders. 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 Ms. Diaz 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 failed to timely pay Ms. Diaz 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, Employers' failure to pay all final wages due to Ms. Diaz and other aggrieved employees was willful and, consequently, entitles Ms. Diaz 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.

As an "aggrieved employee," Ms. Diaz will initiate a civil action on behalf of herself and other aggrieved employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein. Based on the investigations of Ms. Diaz and on information and belief, Employers committed and continue to commit the following Labor Code violations:

- a. Employers violated Labor Code §§ 551-552, 558, 1182.12, 1194, 1194.2, 1197, and 1198 by failing to pay Ms. Diaz 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 Ms. Diaz 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 Ms. Diaz 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 Ms. Diaz and other aggrieved employees to take all required paid rest periods, and/or failing to pay all rest period premiums to Ms. Diaz and other aggrieved employees at their respective regular rates of compensation;
- e. Employers violated Labor Code § 226 by failing to furnish Ms. Diaz 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 Ms. Diaz and other aggrieved employees;
- g. Employers violated Labor Code § 204 by failing to pay Ms. Diaz and other aggrieved employees all wages earned at least twice during each calendar month;
- h. Employers violated Labor Code §§ 245.5, 246, & 248.5 et seq by failing to permit and authorize Ms. Diaz and other aggrieved employees to exercise the use of their accrued paid sick leave days or pay sick leave pay at the proper regular rate of pay;
- i. Employers violated Labor Code §§ 1174 and 1198 by failing to maintain accurate records on behalf of Ms. Diaz and other aggrieved employees;
- j. Employers violated Labor Code § 2810.5 by failing to provide legally mandated disclosures and/or written notices regarding the terms of employment of Ms. Diaz and other aggrieved employees; and
- k. Employers violated Labor Code §§ 204 and 221-223 by failing to pay Ms. Diaz and other aggrieved employees all agreed-upon wages including bonus wages accrued.

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, Esq.

cc: Cobblestone Farming, Inc.