

September 15, 2026

VIA ONLINE SUBMISSION (LWDA FILING PORTAL)

Labor and Workforce Development Agency
Attn: PAGA Unit
800 Capitol Mall, Suite 5000 (MIC-55)
Sacramento, California 95814

VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Gruma Corporation
c/o CSC – Lawyers Incorporating Service
Registered Agent for Service of Process
2710 Gateway Oaks Drive, Suite 150N
Sacramento, California 95833-3505

Re: Re: Notice of Labor Code Violations Pursuant to Labor Code § 2699.3
Claimant: Brian Bennett
Employer: Gruma Corporation

To Whom It May Concern:

Optimum Employment Lawyers, PC represents Brian Bennett (“Mr. Bennett” or “Claimant”). This correspondence constitutes written notice under California Labor Code section 2699.3 of claims asserted on behalf of Claimant and other similarly aggrieved employees against Gruma Corporation (“Gruma” or “Company”), which conducts business as Mission Foods.

BACKGROUND

Claimant performed Store Door distribution services for Gruma in California beginning in or about November 2024. Gruma classified Claimant and other Store Door Distributors as independent contractors rather than employees.

Store Door Distributors perform ordering, loading, delivering, stocking, rotating, merchandising, displaying, promoting, inventory management, retailer service, and related administrative work involving Gruma products. Gruma uses standardized distributor agreements, centralized settlement and scan-based trading systems, management communications, service-monitoring systems, audits, and account-control processes in connection with this distribution model.

Gruma’s classification of Store Door Distributors as independent contractors did not reflect the actual relationship. The facts and theories supporting this assertion include Gruma’s standardized distributor agreements, Company-administered settlement systems, management practices, product

and display expectations, service requirements, credits, settlement adjustments, audits, service notices, and account-control practices.

These practices were reflected in Claimant's Store Door distribution relationship and were examples of common practices used in Gruma's Store Door distribution model, including management communications concerning retailer service, product and display expectations, weekly settlement statements containing credits, fees, and adjustments, audits, service notices, and account-control processes.

AGGRIEVED EMPLOYEES

This notice is submitted on behalf of Claimant and other current and former individuals who, during the applicable statutory period, directly or through an LLC or other business entity, performed Store Door distribution services for Gruma in California while Gruma classified them as independent contractors ("Aggrieved Employees").

Aggrieved Employees include California Store Door distributors, owner-operators, delivery workers, and other individuals who performed ordering, loading, delivering, stocking, rotating, merchandising, displaying, promoting, inventory management, retailer service, and related distribution work for Gruma through standardized agreements and Company-administered systems.

Gruma subjected Claimant and other Aggrieved Employees to the common practices described below through its standardized agreements, settlement systems, management communications, service requirements, audit practices, service notices, and account-control processes. Claimant personally suffered the Labor Code violations alleged in this notice. On information and belief, other Aggrieved Employees were subjected to the same or substantially similar practices and suffered one or more of the violations alleged in this notice. The full identities of Aggrieved Employees, agreement versions, territories, account assignments, settlement data, and related records are within Gruma's possession and control.

LABOR CODE VIOLATIONS

1. Willful Misclassification (Labor Code §§ 226.8, 2775 & 2776)

Gruma willfully misclassified Claimant and other Aggrieved Employees as independent contractors in violation of Labor Code section 226.8. The actual relationship supports employee status under Labor Code section 2775 and applicable California law, and the facts and circumstances of the relationship do not satisfy Labor Code section 2776's business-to-business exception.

The facts and theories supporting these violations include Gruma's use of standardized Store Door distributor agreements, Company-administered settlement systems, management communications, product and display expectations, service requirements, audits, service notices, and account-control processes. Store Door Distributors did not meaningfully negotiate core rates, margins, settlement

terms, promotional charges, or other economic terms; were not free from Gruma's control in fact; and, in many instances, were not customarily engaged in independently established businesses of the same nature or did not maintain comparable clientele independent of the Gruma distribution model.

2. Failure to Reimburse Necessary Business Expenditures and Losses; Unlawful Deductions (Labor Code §§ 221, 223, 226.8(a)(2) & 2802)

Gruma failed to reimburse Claimant and other Aggrieved Employees for necessary expenditures and losses incurred in direct consequence of performing Store Door distribution work.

The facts and theories supporting these violations include that Claimant and other Aggrieved Employees incurred or bore costs and losses associated with performing Store Door distribution work, including vehicle-related costs, equipment or device charges, facility or administrative charges, credits, promotions, stale or unsaleable products, shrink, and other Company-administered settlement charges or adjustments.

These expenses and losses were incurred in connection with work performed for Gruma and were affected by Gruma's product, inventory, display, promotion, retailer-service, settlement, and account-control practices.

Gruma's settlement practices resulted in unlawful deductions or offsets from compensation owed to Claimant and other Aggrieved Employees, including through Company-administered charges, credits, settlement adjustments, stale or unsaleable product losses, promotion-related costs, and other unreimbursed expenses or losses associated with performing Store Door distribution work. These practices also constituted unlawful fees or deductions from compensation in connection with Gruma's willful misclassification of Claimant and other Aggrieved Employees, in violation of Labor Code section 226.8, subdivision (a)(2).

3. Failure to Pay Minimum and Overtime Wages (Labor Code §§ 510, 1197 & 1197.1)

Gruma failed to pay Claimant and other Aggrieved Employees all minimum wages and overtime wages owed.

The facts and theories supporting these violations include that Claimant and other Aggrieved Employees performed compensable work for Gruma, including loading, driving, delivery, stocking, product rotation, merchandising, display and promotion work, inventory management, retailer service, communications, and related administrative work.

Gruma paid Claimant and other Aggrieved Employees through centralized settlement statements based on sales, margins, credits, deductions, and adjustments, without tracking and compensating all hours worked as required for employees. As a result of Gruma's classification and settlement practices, Gruma failed to pay minimum wages for all hours worked and overtime premiums when

Claimant and other Aggrieved Employees worked more than eight hours in a day, forty hours in a workweek, or otherwise worked overtime hours under California law.

4. Failure to Provide Compliant Meal and Rest Periods or Pay Premiums (Labor Code §§ 226.7 & 512 and applicable Wage Order provisions)

Gruma failed to provide Claimant and other Aggrieved Employees compliant meal periods, rest periods, or premium pay when compliant meal or rest periods were not provided.

Claimant and other Aggrieved Employees worked delivery and service days exceeding five hours, and workdays exceeding three and one-half hours, while subject to retailer receiving windows, account-service expectations, product and display requirements, field constraints, service-monitoring practices, and Company communications.

Claimant personally experienced delivery and service days involving multiple retail accounts and field work under receiving-window and service constraints, during which he did not take compliant meal periods and was not authorized or permitted to take compliant, duty-free rest periods.

These practices interfered with Claimant's and other Aggrieved Employees' ability to take compliant, duty-free meal and rest periods. Gruma did not pay required premiums when compliant meal or rest periods were not provided to Aggrieved Employees who worked the applicable hours.

5. Failure to Furnish Accurate Itemized Wage Statements and Maintain Required Records (Labor Code §§ 226, 226.3, 1174, subdivisions (c) & (d), and 1174.5)

Gruma failed to furnish Claimant and other Aggrieved Employees accurate itemized wage statements and failed to maintain required payroll and employment records.

The facts and theories supporting these violations include that Gruma issued standardized weekly settlement statements to Claimant and other Aggrieved Employees rather than itemized wage statements reflecting required wage-statement information, including total hours worked, applicable rates of pay, and corresponding hours.

Claimant and other Aggrieved Employees were employees entitled to compliant itemized wage statements, and Gruma was required to maintain payroll and employment records under Labor Code section 1174, subdivisions (c) and (d). Gruma failed to provide such wage statements and maintain such records because it classified Claimant and other Aggrieved Employees as independent contractors.

Gruma is also subject to civil penalties under Labor Code sections 226.3 and 1174.5 for failing to furnish compliant itemized wage statements, failing to keep required wage-statement records, and failing to maintain the records required by Labor Code section 1174, subdivisions (c) and (d).

CONCLUSION

This notice is submitted pursuant to Labor Code section 2699.3. Claimant is submitting this notice to the LWDA through its online filing portal and serving Gruma by certified mail, return receipt requested.

If the LWDA does not provide timely notice that it intends to investigate the alleged violations, Claimant intends to pursue available civil penalties under PAGA on behalf of himself and other Aggrieved Employees.

Please direct communications regarding this notice to the undersigned.

Sincerely,

OPTIMUM EMPLOYMENT LAWYERS, PC



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