JAFARI LAW GROUP®
A Professional Law Corporation

2020 Main Street
Suite 350
Irvine, CA 92614
Telephone: (949) 362-0100

Saul Acherman
Attorney at Law
sacherman@jafarilawgroup.com
www.jafarilawgroup.com

June 12, 2026

VIA ONLINE SUBMISSION
CALIFORNIA LABOR &
WORKFORCE DEVELOPMENT AGENCY
ATTN. PAGA ADMINISTRATOR
1515 CLAY STREET, STE. 801
OAKLAND, CA 94612

VIA CERTIFIED MAIL
PDS SAN DIEGO DENTAL SUPPORT, LLC
C/O: COGENCY GLOBAL INC.
1325 J STREET, STE. 1550
SACRAMENTO, CA 95814

VIA CERTIFIED MAIL
PACIFIC DENTAL SERVICES, LLC
dba PDS HEALTH
C/O: COGENCY GLOBAL INC.
1325 J STREET, STE. 1550
SACRAMENTO, CA 95814

VIA CERTIFIED MAIL
NETWORK OF CALIFORNIA DENTAL PROFESSIONALS, INC.
C/O: COGENCY GLOBAL INC.
1325 J STREET, STE. 1550
SACRAMENTO, CA 95814

RE: Notice Pursuant to California Labor Code § 2699.3
Employers: Pacific Dental Services, LLC dba PDS Health; PDS San Diego Dental Support, LLC; Network of California Dental Professionals, Inc.; Oceanside Dental Services
Employee: Marjan Rogers, D.M.D.

This office represents Marjan Rogers, D.M.D. (hereinafter, "Dr. Rogers" or "Employee"). Dr. Rogers is a former employee of Pacific Dental Services, LLC dba PDS Health and its affiliated entities: PDS San Diego Dental Support, LLC; Network of California Dental Professionals, Inc; and Oceanside Dental Services (hereinafter "Employers"). Dr. Rogers worked at Employers' Oceanside, California office located in San Diego County, California.

Please be advised that this Letter constitutes written notice required by Labor Code § 2699.3, subdivisions (a)(1)(A) and (c)(1)(A), and may lead to immediate action against Employer in a court of law and/or administrative proceedings, as well as the imposition of substantial penalties and other remedies against Employer. Concurrently with the online submission of this Letter, our office is providing electronic payment for the required fee pursuant to Labor Code § 2699.3, subdivisions (a)(1)(B) and (c)(1)(B).

This letter also serves as notice of Employee's demand for preservation and non-spoliation of evidence, requesting that all relevant documents and data be saved and that all electronic files and hard-copy documents related to Employee's employment and potential claims must be preserved, even without a court order. Spoliation of evidence may result in legal claims for damages and monetary and evidentiary sanctions, including "adverse inference" jury instructions.

We are investigating claims on behalf of Employee and on behalf of the State of California for violations against Employee and similarly aggrieved current and former employees of Employer in the State of California regarding the following violations: Failure to Pay All Wages Due and Owing under Labor Code §§ 201–203, 204, and 206; Unlawful Recoupment of Wages under Labor Code § 221; Failure to Pay Overtime Compensation under Labor Code §§ 510 and 1194; and Failure to Provide Accurate and Itemized Wage Statements under Labor Code §§ 226 and 226.2.

Dr. Rogers intends to seek penalties for violations of the Labor Code which are recoverable under Labor Code §§ 2698–2699.6. Employee is seeking penalties on behalf of the State of California, of which 65% will be kept by the State while 35% will be available to aggrieved employees. This Letter is sent in compliance with the reporting requirements of Labor Code § 2699.3.

Relevant Background

Dr. Rogers is a licensed dentist who was employed by Employers at their Oceanside, California dental office. Throughout her employment, Employers compensated Dr. Rogers through a production-based compensation model. Her pay records reflect that gross pay varied substantially from pay period to pay period, with no guaranteed, predetermined salary amount. Pay stubs issued from December 2022 through December 2023 identified the sole earnings line item as "Regular" compensation, with zero hours and zero rate listed, and with gross amounts ranging from as low as $2,000.00 to as high as $22,041.92 within the same period of employment. Beginning in late 2023 and continuing through the remainder of her employment, pay stubs began separately reflecting production-based line items labeled "Prod Based Comp – Advance" and "Prod Based Comp – Recon," though these line items likewise reflected zero hours and zero rates throughout. At no point during her employment did any wage statement issued to Dr. Rogers identify the number of production units earned, the applicable production rate, or hours worked.

[redacted]

[redacted]

[redacted], Dr. Rogers spoke with Regional Partner [redacted] about [redacted] In connection with those discussions, [redacted] presented Dr. Rogers with a written offer letter dated February 9, 2026, conditioning the purchase of her partnership interest in Oceanside Dental Services on a "mutual termination" of her employment, and a full release of all claims against PDS Health and its affiliated entities and representatives, among other conditions. Although [redacted] also proposed that Dr. Rogers [redacted] to cash out a higher partnership value, Employer's conduct in conditioning Dr. Rogers's exit from the partnership on her agreement to those terms — while she was on approved medical leave — constituted a breach of the Partnership Agreement's provisions governing Terminating Events.

During her employment, the wage statements issued to Dr. Rogers identified the employer as "Ghazal, Rodgers and Watanabe Dental Corporation," an entity that is legally distinct from PDS San Diego Dental Support, LLC, the entity identified as Employer and Managing Partner in the operative Partnership Agreement and in Employer's own leave administration records maintained by Alight. Additionally, at no point did the wage statements issued to Dr. Rogers accurately itemize the components of her production-based compensation in the manner required by law.

Dr. Rogers's claims are as follows:

Failure to Pay All Wages Due and Owing

Under Labor Code §§ 201–203, when an employee separates from employment — including through constructive discharge — the employer must immediately pay all wages earned and unpaid at the time of separation. The willful failure to timely pay such wages subjects the employer to waiting time penalties equal to the employee's daily wages for each day of delay, up to a maximum of thirty (30) days. Labor Code § 206 additionally requires that undisputed wages be tendered immediately, even where a good-faith dispute exists as to other wage components. Under Labor Code § 208, wages must be paid at the place of employment upon termination.

As confirmed by Dr. Rogers's own pay records, her gross compensation varied dramatically from pay period to pay period throughout her employment, with no guaranteed, predetermined salary. This is the hallmark of a production-based compensation structure that does not satisfy California's salary basis test. In *Semprini v. Wedbush Securities, Inc.*, 57 Cal.App.5th 246 (2020), the Court of Appeal held that a compensation structure based solely on commissions with recoverable draws against future commissions does not satisfy the salary basis test under California law, and that a fluctuating, non-guaranteed compensation arrangement fails to meet that standard. Similarly, in *Negri v. Koning & Associates*, 216 Cal.App.4th 392 (2013), the court held that pay that varies without a guaranteed minimum does not constitute a "salary." In *Peabody v. Time Warner Cable, Inc.*, 59 Cal.4th 662 (2014), the California Supreme Court established that wage obligations must be satisfied on a pay-period-by-pay-period basis, and that "wages paid in one pay period cannot be reassigned to satisfy other pay periods' compensation requirements." Wage Order No. 4 obligates an employer to pay each employee no less than the applicable minimum wage for all hours worked in each payroll period.

Dr. Rogers's pay records reflect pay periods during which gross compensation fell as low as $2,000.00 for a semi-monthly period — amounts that, when measured against minimum wage obligations on a per-pay-period basis, warrant scrutiny as to whether applicable minimum wage requirements were satisfied for all hours worked. Because the compensation structure consisted of variable production advances and reconciliations rather than a guaranteed predetermined salary, Employer was obligated under California law to ensure that Dr. Rogers's total compensation in each pay period satisfied applicable minimum wage requirements for all hours worked in that period.

[redacted] Upon Dr. Rogers's separation from employment, Employer failed to immediately pay all wages earned and unpaid, including any outstanding production-based compensation, any amounts owed upon final reconciliation, and any compensation owed for work performed during her approved leave period. Employer's failure to immediately pay all wages upon Dr. Rogers's separation constitutes a violation of Labor Code §§ 201–203, 204, and 206.

Failure to Provide Accurate, Itemized Wage Statements

Labor Code § 226 requires employers to furnish each employee with an accurate, itemized wage statement at the time of each wage payment. Among the required items is the "name and address of the legal entity that is the employer." Cal. Labor Code § 226(a)(8). This requirement mandates that the legal name of the employing entity appear on each wage statement, not a trade name, an affiliated entity's name, or an inaccurate variant thereof. Labor Code § 226.2 imposes additional itemization requirements for employees compensated in whole or in part on a piece-rate or production basis, including the total production or piece-rate units earned and the applicable rate for each workday. An employee who suffers injury as a result of a knowing and intentional failure to comply with § 226 is entitled to recover the greater of actual damages or a $50 penalty for the initial pay period violation and $100 per employee per pay period for each subsequent violation, up to $4,000, in addition to PAGA civil penalties.

Every wage statement issued to Dr. Rogers throughout her employment — from the pay period beginning December 16, 2022 through the last pay period reflected in her pay records — identified the employer as "Ghazal, Rodgers and Watanabe Dental Corporation." This is a professional corporation that is legally distinct from PDS San Diego Dental Support, LLC, the entity identified as Employer and Managing Partner in the operative Partnership Agreement and referenced throughout Employer's own leave administration records. Not a single wage statement issued during her employment identified PDS San Diego Dental Support, LLC or PDS Health as the employer. Listing an incorrect or legally distinct entity as the employer on wage statements violates Labor Code § 226(a)(8) and prevents employees from readily identifying the correct legal entity responsible for their wages, which is precisely the harm the statute is designed to prevent. See *Donohue v. AMN Services, LLC*, 11 Cal. 5th 58 (2021). This defect is particularly significant in the dental support organization context, where California courts analyze whether the actual employing entity — not merely the nominal professional corporation — bears responsibility for wage and hour compliance. See *Henderson v. Equilon Enterprises, LLC*, 40 Cal.App.5th 1111 (2019) (defining "Employer" broadly to include any entity that "directly or indirectly, or through an agent or any other person, employs or exercises control over the wages, hours, or working conditions of any person"); *St. Myers v. Dignity Health*, 44 Cal.App.5th 301 (2019) (listing multi-factor joint employer analysis with no single factor dispositive). Where PDS San Diego Dental Support, LLC exercised operational control over Dr. Rogers's employment conditions, it is the entity that must appear on her wage statements as required by law.

Dr. Rogers's pay records reveal two distinct phases of wage statement deficiency with respect to her production-based compensation. During the first phase — spanning pay periods from December 2022 through December 2023 — the wage statements identified her compensation solely under the generic label "Regular," with zero hours and zero rate listed, despite the fact that her gross pay fluctuated significantly from period to period. The wage statements provided no mechanism for Dr. Rogers to understand how her compensation was calculated in any given pay period. During the second phase — beginning with a reconciliation check covering December 2023 and continuing through the end of her employment — the wage statements began separately reflecting line items labeled "Prod Based Comp – Advance" and "Prod Based Comp – Recon," but continued throughout to list zero hours and zero rate, with only total dollar amounts appearing. At no point did any wage statement identify the number of production units earned, the applicable production rate per workday, or any other metric by which Dr. Rogers could verify the accuracy of her compensation. The failure to provide this information violates Labor Code § 226.2, which imposes affirmative itemization requirements for employees compensated on a production basis. A production-based draw-and-reconciliation model with variable, fluctuating amounts does not satisfy the salary basis test and therefore triggers the full itemization obligations of § 226.2. See *Semprini v. Wedbush Securities, Inc.*, 57 Cal.App.5th 246 (2020); Cal. Code Regs. tit. 8, § 11040. As a result, the wage statements received by Dr. Rogers were inaccurate and incomplete in multiple respects throughout the entirety of her employment, all in violation of California law.

Unlawful Recoupment of Wages

Labor Code § 221 prohibits any employer from collecting or receiving from an employee any part of wages previously paid to that employee. This prohibition applies with equal force to indirect recoupment schemes in which previously paid advances are offset against wages earned in subsequent pay periods. Where an employer structures a compensation system such that advances paid in one period are recovered through reduced reconciliation payments in later periods, the net effect is an unlawful taking-back of wages already paid in violation of § 221.

Dr. Rogers's pay records reflect a production-based advance-and-reconciliation structure in which a fixed advance was issued each semi-monthly pay period under the line item "Prod Based Comp – Advance," and a reconciliation amount was periodically issued under the line item "Prod Based Comp – Recon." As reflected in the year-to-date figures across Dr. Rogers's pay stubs, the cumulative Advance amounts paid in prior periods consistently exceeded the cumulative Recon amounts credited in the same periods, indicating that the reconciliation mechanism was used, at least in part, to offset and recover prior advance payments from subsequently earned production wages. This draw-and-recoup structure constitutes an unlawful recoupment of wages previously paid to Dr. Rogers in violation of Labor Code § 221. As the

Court of Appeal confirmed in *Semprini v. Wedbush Securities, Inc.*, 57 Cal.App.5th 246 (2020), a compensation structure based on commissions with a recoverable draw against future commissions is unlawful under California law, and the recoupment of such draws from earned wages violates the protections afforded by § 221. The same advance-and-reconciliation structure was applied uniformly to Dr. Rogers throughout the period for which pay records are available, and, on information and belief, was applied to similarly situated employees at Employer's California locations.

Failure to Pay Overtime Compensation

Labor Code § 510 requires that non-exempt employees receive overtime compensation at one and one-half times their regular rate of pay for all hours worked in excess of eight (8) in a workday or forty (40) in a workweek, and at double the regular rate for hours worked in excess of twelve (12) in a workday. Labor Code § 1194 provides a private right of action for employees denied lawfully required overtime compensation. Wage Order No. 4 (8 CCR § 11040) imposes these same overtime obligations on employers in professional, technical, clerical, and similar occupations.

As set forth above, Dr. Rogers's production-based draw-and-reconciliation compensation model does not satisfy California's salary basis test and therefore did not qualify her for the professional exemption from overtime under Wage Order No. 4. See *Semprini v. Wedbush Securities, Inc.*, 57 Cal.App.5th 246 (2020); *Negri v. Koning & Associates*, 216 Cal.App.4th 392 (2013). Accordingly, Dr. Rogers was a non-exempt employee entitled to overtime pay throughout her employment. Employer, however, failed to track or record Dr. Rogers's hours worked — as evidenced by the fact that every wage statement issued to her throughout her employment reflected zero hours in the hours column, with no daily or weekly hours recorded at any point during her employment. Because Employer failed to maintain legally required records of hours worked, Employer is unable to demonstrate compliance with its overtime obligations, and any overtime hours worked by Dr. Rogers during her employment were not identified, tracked, or compensated. Employer's failure to pay required overtime compensation violates Labor Code §§ 510 and 1194 and Wage Order No. 4.

***

This notice is hereby given to Employer and any and all related and/or alter ego companies, corporations, partnerships, and/or business entities, as well as against any and all officers, owners, directors, managers, managing agents, or entities who are or may be liable under California law for any of the violations alleged herein as to any locations or employees who worked at any time in the State of California.

This notice is made on behalf of all persons who are, were, or will be employees of Employer, or any related or alter-ego company, corporation, partnership, and/or business entity at any time on or after a date four years prior to the date of this Letter in the State of California.

This notice shall be construed as extending without limitation to any past, present, future, or continuing violation of the Labor Code, the applicable IWC Wage Order, or any applicable regulation which might be discovered as a result of a reasonable and diligent investigation made pursuant to this notice.

This notice shall further represent Employee's reasonable attempt to settle her dispute with Employer prior to litigation. Pursuant to *Graham v. DaimlerChrysler Corp.*, 34 Cal. 4th 553 (2004), this notice serves to apprise Employer of Employee's aforementioned grievances and the proposed remedies as detailed below, while affording Employer reasonable opportunity to meet Employee's demands.

Demand is hereby made that Employer shall agree, in writing received at this office no later than 30 calendar days from the postmark date of this notice, as follows:

1. Employer shall pay Employee all unpaid wages, including all outstanding production-based compensation due upon final reconciliation, any compensation owed for work performed during her approved medical leave period, any amounts unlawfully recouped from Employee through the advance-and-reconciliation structure in violation of Labor Code § 221, any overtime compensation owed for hours worked in excess of eight (8) in a workday or forty (40) in a workweek that was not paid due to Employer's failure to track and compensate overtime hours, and any amounts necessary to ensure that compensation in each pay period satisfied applicable minimum wage requirements for all hours worked, plus accrued interest at the rate of ten percent per annum on all unpaid wages.
2. Employer shall pay waiting time penalties, equal to a maximum of thirty (30) days of pay, to Employee pursuant to Labor Code § 203.
3. Employer shall ensure that all wage statements issued to employees accurately identify the correct legal name and address of the employing entity as required by Labor Code § 226(a)(8).
4. Employer shall ensure that all wage statements issued to employees compensated on a production or piece-rate basis accurately and separately itemize the total production units earned and the applicable rate for each workday, as required by Labor Code § 226.2.
5. Employer shall conduct a survey or interview all current and former employees in California during the past four years to obtain information regarding violations of the kind described herein, to be completed within 60 days.
6. Employer shall pay all penalties arising from the violations of the Labor Code referenced above and pursuant to PAGA, Labor Code § 2698 et seq., including but not limited to penalties under Labor Code §§ 201, 202, 203, 204, 206, 208, 221, 226, 226.2, 510, and 1194.

If the Labor and Workforce Development Agency intends to investigate the allegations set forth herein, please notify this office of that decision by certified mail addressed to **JAFARI LAW GROUP, INC. AT 2020 MAIN ST., SUITE 350, IRVINE, CALIFORNIA 92614**. Additionally, please advise us if the Agency or Employer require additional information regarding Employee's complaints.

Thank you for your prompt attention to this matter.

JAFARI LAW GROUP, INC.

____

Saul Acherman
David V. Jafari
Trevor Brendlin
Attorneys for Marjan Rogers, D.M.D.