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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF STANISLAUS
UNLIMITED JURISDICTION

ROMAN SLYUSARCHUK, a California
resident,

Plaintiff,

v.

NEWPORT LLC, a California limited
liability company, KALESTA
HEALTHCARE GROUP, LLC, a California
limited liability company, and HARRIS
LACHANCE, a California resident, and
DOES 1 through 20, inclusive,

Defendants.

Case No. CV-26-001568

**PLAINTIFF'S NOTICE OF MOTION AND
MOTION FOR APPROVAL OF
SETTLEMENT OF CLAIM FOR
PENALTIES PURSUANT TO THE LABOR
CODE PRIVATE ATTORNEYS GENERAL
ACT; MEMORANDUM OF POINTS AND
AUTHORITIES**

Date: November 13, 2026

Time: 8:30 a.m.

Dept.: 24

Judge: Hon. David Hood

Action Filed: October 27, 2025

Trial Date: None Set

TO ALL PARTIES AND THEIR COUNSEL OF RECORD:

PLEASE TAKE NOTICE THAT, on November 13, 2026, at 8:30 a.m., in Department 24 of the
Stanislaus Superior Court, 801 10th Street, Modesto, California, 95354, Plaintiff Roman Slyusarchuk

will, and hereby does, move for an order approving the parties' settlement of claims for civil penalties under the Labor Code Private Attorneys General Act (Lab. Code §§ 2698 *et seq.*; "PAGA").

This motion is made pursuant to California Labor Code sections 2698 *et seq.*, and in particular section 2699(s)(2) and on the ground that the terms of the parties' agreed-upon settlement are fair, reasonable, and adequate in light of PAGA's public-enforcement purposes. This motion is based on this Notice, the following Memorandum of Points and Authorities, the Declaration of Jeffrey S. Sloan in support thereof, all the pleadings, records and files in this action and such evidence as the Court may consider at hearing.

Dated: August 26, 2026

WORKPLACE LEGAL,
A PROFESSIONAL LAW CORPORATION

By: 
Cari A. Cohorn, Esq.

Attorneys for Plaintiff
ROMAN SLYUSARCHUK

MEMORANDUM OF POINTS AND AUTHORITIES

After months of adversarial, arm's-length negotiations and a substantial informal exchange of payroll, personnel, policy, and employee data, Plaintiff Roman Slyusarchuk ("Plaintiff") and Defendants Newport LLC and Kalesta Healthcare Group, LLC reached an agreement to settle Plaintiff's claim for civil penalties pursuant to the Labor Code Private Attorneys General Act ("PAGA") for a non-reversionary gross sum of \$100,000. The settlement resolves hotly disputed claims for approximately 477 allegedly-aggrieved employees who worked an estimated 9,911 pay periods during the period June 15, 2025 through August 19, 2026. (Sloan Decl., ¶¶ 15-27, Ex. B.)¹

The compromise reflects a well-reasoned assessment of the strengths and weaknesses of the parties' respective positions. Plaintiff developed and preserved substantial evidence, served a detailed claim notice to the Labor and Workforce Development Agency ("LWDA"), and analyzed Defendants' records and PAGA data. Defendants deny liability and dispute both the existence and amount of recoverable penalties. Both sides recognize the value of securing prompt, certain relief to the allegedly aggrieved employees and the State, while avoiding the risk, expense, and delay of further litigation. Accordingly, Plaintiff respectfully requests that the Court approve the parties' hard-fought settlement agreement.

II. FACTUAL AND PROCEDURAL BACKGROUND

A. Plaintiff's Notice and Claims

Plaintiff worked for Newport LLC from approximately December 2021 through December 2025 and contends Kalesta Healthcare Group, LLC also employed him. Defendants dispute Kalesta's alleged

¹ Exhibit B to the Sloan Declaration is the parties' executed settlement agreement, referred to herein as the "Settlement Agreement."

1 status. (Settlement Agreement, sec. 1.1.) On February 13, 2026, Plaintiff submitted a detailed PAGA
2 notice to the LWDA and served Defendants. The notice identified the facts and theories supporting
3 alleged violations of Labor Code sections 98.6, 201, 202, 203, 204, 210, 216, 225.5, 226, 256, 1102.5,
4 1174, 1198, 2699, 2802, and 558.1, among other provisions, and applicable Wage Orders. (Sloan Decl.,
5 ¶ 5, Ex. A.)

6
7 Plaintiff filed this action the same day. After the parties reached agreement, they stipulated to
8 permit amendment to add the representative PAGA cause of action. The Court granted leave on August
9 18, 2026, and Plaintiff submitted the amended pleading. (Sloan Decl., ¶ 29.)

10 **B. Investigation and Arm's-Length Negotiations**

11
12 The settlement followed a serious investigation and sustained adversarial negotiations. Before
13 suit, Plaintiff's counsel requested Plaintiff's personnel and payroll records and sent a 15-page demand
14 letter supported by documents, photographs, emails, and other evidence. (Sloan Decl., paras. 2-4.)
15 Beginning in April 2026, counsel obtained from their respective clients and/or exchanged documents
16 and information, including payroll and personnel records, employee handbooks and written policies,
17 employee communications, and spreadsheet data identifying active and former employees and their
18 workweeks and pay periods. (*Id.* at ¶¶ 12-18.)

19
20 Counsel conducted repeated substantive negotiations concerning the scope and value of the
21 PAGA claim, employee counts, pay-period data, liability defenses, and potential penalties. Plaintiff
22 revised his demands as the information developed; Defendants likewise responded. The parties reached
23 agreement on July 28, 2026, after roughly three months of substantive back-and-forth negotiations.
24 (Sloan Decl., ¶¶ 19-27.)
25
26
27
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C. Material Settlement Terms

Defendants have agreed to pay a non-reversionary Gross Settlement Amount of \$100,000. No member of the PAGA pool will be required to submit a claim form to receive a share of the award. From the gross fund, with Court approval, the settlement administrator will deduct administration expenses not exceeding \$5,000, attorneys' fees of \$30,000, and litigation costs of \$250. The resulting net payment is presently estimated at \$64,750. Sixty-five percent (\$42,087.50) will be paid to the LWDA, and 35 percent (\$22,662.50) will be distributed to the allegedly aggrieved employees, pro rata based on the number of pay periods worked during the relevant time period. Any unused administration reserve, or any amounts requested for attorneys' fees and/or litigation costs not approved by the court, will increase the amount paid to the employees. (Settlement Agreement, §§ 2.4-2.5, 2.13, 2.17, 2.19-2.20, 2.24, 3.1-3.2.)

The Administrator will calculate each payment using Defendants' employee data, update addresses, mail checks, perform required tax reporting, and transmit uncashed amounts as the Agreement directs. Defendants must provide employee data within 15 days after final approval and fund the settlement within 30 days after final approval; distributions follow within 10 days after funding. (Settlement Agreement, §§ 4.1-4.3.) An escalation clause protects the settlement if the final pay-period count exceeds the 9,911 estimate by more than ten percent. (*Id.* at § 7.)

The release is limited to claims for PAGA civil penalties for those alleged violations during the PAGA period, based on the facts and theories alleged in the PAGA claim notice and operative complaint. The settlement agreement does not purport to release any individual claims employees other than Plaintiff may have against Defendants, or either of them. Plaintiff's separate individual settlement is not funded or administered from the Gross Settlement Amount. (Settlement Agreement, §§ 2.15, 2.31, 5.1.)

III. LEGAL STANDARD

A court must review and approve every settlement of a PAGA civil action, and the proposed settlement must be submitted to the LWDA when submitted to the Court. (Lab. Code § 2699(s)(2).) Courts evaluate whether a PAGA settlement is fair, adequate, and reasonable, as well as meaningful and consistent with PAGA's purposes of enforcing the Labor Code and deterring violations. (*Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 77.)

Relevant considerations include the strength of the claims; the risk, expense, complexity, and likely duration of further litigation; the amount offered; the extent of investigation and discovery; counsel's experience and views; the presence of governmental participation; and the reaction of affected employees. (*Moniz*, 72 Cal.App.5th at 77-79.) Because a PAGA plaintiff acts as the State's proxy, the Court also considers whether the release and allocation protect the State's and employees' interests. (*Id.* at 80-82; *Arias v. Superior Court* (2009) 46 Cal.4th 969, 986.)

IV. THE SETTLEMENT IS FAIR, ADEQUATE, REASONABLE, AND CONSISTENT WITH PAGA

A. The Settlement Reflects a Substantial Recovery in Light of Litigation Risk

The \$100,000 gross settlement equals approximately \$10.09 for each of the estimated 9,911 PAGA pay periods. After the requested fees, costs, and maximum administration expense, the estimated \$64,750 PAGA Payment equals approximately \$6.53 per pay period. This result is meaningful when measured against the significant uncertainty in proving each noticed violation and obtaining maximum penalties.

Plaintiff would have to prove the predicate Labor Code violations and their scope. Defendants maintain that employees were properly compensated, that their policies complied with the law, and that Plaintiff cannot establish the asserted violations across the PAGA population. Those disputes create

genuine risk as to liability, the number of affected employees and periods, and the penalty rate. See *Cardenas v. McLane Foodservices, Inc.* (C.D.Cal. 2011) 796 F.Supp.2d 1246, 1260 (PAGA recovery requires proof of a Labor Code violation as to the employees for whom penalties are sought).

Even if Plaintiff proved liability, the Court may award less than the maximum where a greater award would be unjust, arbitrary and oppressive, or confiscatory. (Lab. Code § 2699(e)(2).) The current statute also caps penalties in specified circumstances where an employer took all reasonable steps toward compliance before or promptly after notice, reduces penalties for certain isolated or wage-statement violations, prevents stacking of certain derivative penalties, and recognizes cure. (*Id.*, subds. (f)-(j).) Defendants contend that these provisions and their compliance efforts materially reduce potential exposure; Plaintiff disputes that contention. The uncertainty itself supports compromise.

Courts have exercised their discretion to award substantially reduced PAGA penalties even after liability was established. (See *Carrington v. Starbucks Corp.* (2018) 30 Cal.App.5th 504, 528-529 [affirming \$5 per employee per pay period]; *Fleming v. Covidien Inc.* (C.D.Cal. Aug. 12, 2011, No. ED CV 10-01487 RGK (OPx)) 2011 U.S.Dist.LEXIS 154590, *12-*14 [reducing penalties to avoid an unjust result].) The settlement in this action is significantly more favorable to the employees – despite the fact that the alleged violations resulting in the hugest penalties likely would have been available to few employees other than Plaintiff (see PAGA claim notice).

B. The Settlement Followed Adequate Investigation and Informed Negotiations

The parties had sufficient information to assess the case. Plaintiff preserved extensive evidence, served a factually detailed LWDA notice, reviewed policy and payroll materials, and received employee and pay-period data that defense counsel's analysis team verified. The negotiations were lengthy, adversarial, and conducted by experienced counsel, without collusion, who concluded that the settlement

1 is fair, reasonable, and adequate. (Sloan Decl., ¶¶ 2-27, 30.) These circumstances support a presumption
2 that the compromise reflects informed judgment rather than a premature discount.

3
4 **C. The Allocation, Distribution Process, and Release Protect the State and PAGA Members**

5 The settlement follows the Legislature's required 65/35 distribution: 65 percent of recovered civil
6 penalties to the LWDA and 35 percent to aggrieved employees. (Lab. Code § 2699(m).) Every PAGA
7 Member receives a payment automatically, with each share tied to the number of pay periods worked.
8 This objective allocation treats similarly situated employees consistently and directs greater shares to
9 those with longer exposure.

10
11 The settlement is non-reversionary, includes address updating and skip tracing, and returns any
12 unused administration reserve to the PAGA Payment. Its escalation mechanism protects against a
13 materially understated pay-period count. And critically, the release is tethered to the PAGA notice,
14 operative complaint, PAGA Period, and civil-penalty claims; it does not extinguish absent employees'
15 individual Labor Code claims. These safeguards further PAGA's enforcement and deterrence purposes.

16
17 **D. The Requested Attorneys' Fees and Costs Are Reasonable**

18 Plaintiff requests \$30,000 in attorneys' fees, or 30 percent of the Gross Settlement Amount. That
19 request is below a one-third contingent fee and represents a discount from counsel's lodestar for PAGA-
20 specific work, which exceeds \$50,000 at Jeffrey Sloan's \$825 hourly rate and Cari Cohorn's \$740 hourly
21 rate. (Sloan Decl., ¶¶ 31-36.) Counsel investigated the claims, prepared the LWDA notice, analyzed
22 records and data, negotiated the settlement, obtained leave to amend, coordinated administration, and
23 prepared the approval papers. The requested fee is reasonable under both a percentage and lodestar
24 cross-check.
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27

The requested \$250 in litigation costs is modest and limited to PAGA-specific expenses, including the LWDA filing fee, filing fees associated with the stipulation and amended complaint, and expenses of this Motion. (Sloan Decl., ¶ 37.) Both requests should be approved.

E. Administration Expenses Are Reasonable

Phoenix Class Action Administration Solutions will receive no more than \$5,000 to administer approximately 477 payments, update addresses, perform tax reporting, transmit the LWDA share, and report completion. Any savings increase the PAGA Payment rather than reverting to Defendants. The capped expense is reasonable for the work required.

F. The Settlement Has Been Submitted to the LWDA

Plaintiff is submitting the Settlement Agreement and this Motion to the LWDA through its online portal concurrently with filing, as Labor Code section 2699, subdivision (s)(2), requires. (Sloan Decl., ¶ 27.) This provides LWDA with an opportunity to object if it views the parties' settlement as somehow unfair or inadequate. Plaintiff will also submit the Court's approval order and judgment within 10 days after entry. (Lab. Code § 2699(s)(3).)

V. CONCLUSION

Plaintiff respectfully requests that the Court grant the Motion, approve the PAGA Settlement Agreement and its \$100,000 Gross Settlement Amount, approve administration expenses up to \$5,000, approve \$30,000 in attorneys' fees and \$250 in costs, direct the 65/35 statutory allocation and pro rata employee distributions, and enter the concurrently submitted proposed order.

Dated: August 26, 2026

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By:  _____