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12 **UNITED STATES DISTRICT COURT**  
 13 **NORTHERN DISTRICT OF CALIFORNIA**

14 FEDERAL TRADE COMMISSION; STATE OF  
 15 ARIZONA; THE PEOPLE OF THE STATE OF  
 16 CALIFORNIA; ATTORNEY GENERAL OF  
 17 COLORADO; THE PEOPLE OF THE STATE  
 18 OF ILLINOIS; THE PEOPLE OF THE STATE  
 19 OF MICHIGAN; STATE OF NORTH  
 20 CAROLINA; STATE OF OKLAHOMA;  
 COMMONWEALTH OF PENNSYLVANIA;  
 STATE OF SOUTH CAROLINA; UTAH  
 DIVISION OF CONSUMER PROTECTION;  
 STATE OF WISCONSIN,

21 Plaintiffs,

22 v.

23 WALMART INC., a corporation;

24 Defendant.  
25  
26  
27  
28

Case No. 3:26-cv-1655

**COMPLAINT FOR PERMANENT  
 INJUNCTION, MONETARY JUDGMENT,  
 CIVIL PENALTY JUDGMENT, AND  
 OTHER RELIEF**

1 Plaintiffs, the Federal Trade Commission (the “Commission” or “FTC”); the Attorney  
2 General of the State of Arizona; the People of the State of California, by and through the District  
3 Attorney of Alameda County; Philip J. Weiser, Attorney General of Colorado; the People of the State  
4 of Illinois, by Kwame Raoul, Illinois Attorney General; the People of the State of Michigan; the  
5 Attorney General of the State of North Carolina; the Attorney General of the State of Oklahoma; the  
6 Commonwealth of Pennsylvania, by and through its Attorney General David W. Sunday, Jr.; the State  
7 of South Carolina; the Utah Division of Consumer Protection; and the State of Wisconsin  
8 (collectively, “Plaintiffs”), for their Complaint, allege:

9 1. The FTC brings this action for Defendant Walmart Inc.’s violations of Section 5(a) of  
10 the FTC Act, 15 U.S.C. § 45(a), and the Gramm-Leach-Bliley Act (“GLB Act”), 15 U.S.C. §§ 6801–  
11 6809, 6821–6827. For these violations, the FTC seeks relief, including a permanent injunction,  
12 monetary relief, and other relief, pursuant to Sections 13(b) and 19 of the FTC Act, 15 U.S.C.  
13 §§ 53(b), 57b, and pursuant to Section 522(a) of the GLB Act, 15 U.S.C. § 6822(a).

14 2. The State of Arizona *ex rel.* Kris Mayes, the Attorney General of Arizona, as part of  
15 the same case or controversy, also brings this action for Defendant’s violations of the Arizona  
16 Consumer Fraud Act, Arizona Revised Statutes (“A.R.S.”) §§ 44-1521–1534.

17 3. The People of the State of California, by and through the District Attorney for  
18 Alameda County, as part of the same case or controversy, also brings this action for Defendant’s  
19 violations of the California Unfair Competition Law (“UCL”) (California Business & Professions  
20 Code § 17200 *et seq.*) and the California False Advertising Law (“FAL”) (California Business &  
21 Professions Code § 17500 *et seq.*).

22 4. Philip J. Weiser, Attorney General of Colorado, as part of the same case or  
23 controversy, also brings this action for Defendant’s violations of the Colorado Consumer Protection  
24 Act (“CCPA”), Colo. Rev. Stat. §§ 6-1-101 *et seq.* For these violations, Philip J. Weiser, Attorney  
25 General of Colorado, seeks relief, including a permanent injunction, monetary relief, civil penalties,  
26 and other relief pursuant to Colo. Rev. Stat. §§ 6-1-110 and 112.

27 5. The People of the State of Illinois, as part of the same case or controversy, also brings  
28 this action for Defendant’s violations of the Illinois Consumer Fraud and Deceptive Business

1 Practices Act, 815 ILCS 505 (“Illinois Consumer Fraud Act”), and the Illinois Uniform Deceptive  
2 Trade Practices Act, 815 ILCS 510. The Attorney General of the State of Illinois brings this action  
3 under Section 7 of the Illinois Consumer Fraud and Deceptive Business Practices Act (815 ILCS  
4 505/7) to obtain a permanent injunction, restitution, and civil penalties against Defendant.

5 6. The People of the State of Michigan, by and through its Attorney General Dana Nessel,  
6 bring this action for violations of the Michigan Consumer Protection Act, Mich. Comp. Laws §  
7 445.901 *et seq.*

8 7. The State of North Carolina, by and through its Attorney General Jeff Jackson, as part  
9 of the same case or controversy, also brings this action pursuant to Chapters 75 and 114 of the North  
10 Carolina General Statutes. The State of North Carolina, by and through the Attorney General, is  
11 charged with, *inter alia*, enforcing North Carolina’s Unfair or Deceptive Trade Practices Act,  
12 N.C.G.S. §§ 75-1.1 *et seq.*, which is intended to protect members of the public from being harmed by  
13 unethical and unscrupulous business practices, including deceptive statements and conduct, carried  
14 out in commerce. North Carolina’s Unfair or Deceptive Trade Practices Act authorizes the State of  
15 North Carolina to seek temporary, preliminary, and permanent injunctive relief, rescission or  
16 reformation of contracts, restitution, the refund of monies paid, disgorgement of ill-gotten monies,  
17 civil penalties, attorneys’ fees, expenses, costs, and other monetary and equitable relief for  
18 Defendants’ acts or practices in violation of N.C.G.S. § 75-1.1.

19 8. The State of Oklahoma, by and through its Attorney General Gentner Drummond, as  
20 part of the same case or controversy, also brings this action pursuant to 15 O.S. § 756.1 for  
21 Defendant’s violations of the Oklahoma Consumer Protection Act, 15 O.S. §§ 751-763.

22 9. The Commonwealth of Pennsylvania, by and through its Attorney General, David W.  
23 Sunday, Jr., brings this action pursuant to Section 201-4 of the Pennsylvania Unfair Trade Practices  
24 and Consumer Protection Law to restrain, by temporary or permanent injunction, any unfair methods  
25 of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce  
26 declared unlawful by Section 201-2(4)(i) through (xxi) of the Pennsylvania Unfair Trade Practices  
27 and Consumer Protection Law and to obtain restitution and other relief, as this Court deems  
28 appropriate, pursuant to 73 P.S. § 201-1 *et seq.*



1           15. As to the pre-tips that it promises Drivers, Walmart has made misrepresentations about  
2 the amount Drivers can expect to receive in three recurring scenarios, all of which have been known  
3 problems within Walmart. First, when Walmart splits a Customer’s order among multiple Drivers  
4 (something not told to Drivers and which Drivers cannot ascertain themselves), Walmart frequently  
5 tells each Driver that they will receive the Customer’s full tip amount. After the Drivers complete  
6 the work, however, Walmart divides the tip among all the delivering Drivers, resulting in Drivers  
7 receiving significantly less than the tip amount that Walmart represented. Second, in instances where  
8 Walmart combines multiple orders that Drivers see as a single “batched” Offer, Walmart frequently  
9 tells Drivers that they will receive tips that, in fact, they do not receive because Walmart removes  
10 orders and associated tips from the accepted Offer, often without notifying the Drivers. Third, for  
11 years, Walmart told Drivers that they would be paid tips that, ultimately, Walmart failed to collect  
12 from Customers and did not pay to Drivers; only after the Drivers completed the deliveries did they  
13 learn that, in fact, they would receive no tip. In each of these scenarios, Walmart has represented to  
14 Drivers tip amounts that the Drivers never received.

15           16. In addition to misrepresenting the tips Drivers will receive, Walmart also  
16 misrepresents the base pay that will be provided to Drivers. For instance, when Walmart modifies or  
17 removes a delivery from a “batched” Offer, it modifies not only the tip amounts but also the base pay.  
18 However, Walmart either entirely fails to notify Drivers of their reduced base pay or tells Drivers  
19 about the reduced earnings only after they have accepted the original Offer. In either case, Walmart  
20 surprises Drivers by unilaterally reducing their base pay from what Walmart promised in its Offers.

21           17. Walmart also misrepresents extra earning opportunities that it provides to Drivers  
22 called “Incentives.” Incentives allow Drivers to earn additional money by completing certain tasks  
23 (e.g., refer a new Driver to Spark to earn an extra \$100, or complete ten trips in the next seven days  
24 to earn an extra \$30). But Walmart regularly misrepresents the conditions Drivers must satisfy to  
25 complete these Incentives and regularly fails to pay Drivers for Incentives they have completed.

26           18. Finally, Walmart makes misleading representations to its Customers regarding the tips  
27 they choose to leave for Drivers. Walmart tells its Customers that 100% of the tips will go to Drivers.  
28 However, in numerous instances, Walmart charges Customers for tips that Drivers do not receive.

1 19. All told, Walmart's practices have caused Drivers to lose millions of dollars that  
2 Walmart deceptively misrepresented Drivers would earn. Walmart's practices have also harmed its  
3 Customers by collecting tips that were intended for Drivers but ultimately never paid to them.

4 20. Walmart has long been aware of the harms caused by its deceptive practices, which  
5 have generated thousands of consumer complaints to Walmart, Spark support contacts, internal  
6 Walmart audits, and negative social media posts. Rather than address these well-known issues,  
7 however, Walmart has persisted in these practices and continues to attract and retain Drivers and  
8 Customers to Spark with false earning claims and misleading representations.

### 9 JURISDICTION AND VENUE

10 21. This Court has subject matter jurisdiction over the FTC's claims pursuant to 28 U.S.C.  
11 §§ 1331, 1337(a), and 1345, and this Court has supplemental jurisdiction over the state law claims  
12 pursuant to 28 U.S.C. § 1367(a).

13 22. Defendant has transacted business within the State of California and within the  
14 geographical boundaries of this District at all times relevant to this Complaint. Defendant's Global  
15 eCommerce Headquarters is located in San Bruno, California. Spark is part of Walmart's eCommerce  
16 division and numerous employees, including high-ranking directors and executives responsible for  
17 the Spark program, work in Walmart's San Bruno facilities. These employees are responsible for the  
18 design, operation, maintenance, and support of Spark, and manage the day-to-day operations of  
19 Spark. Nationwide decisions regarding Spark are made by employees located in this District and the  
20 state of California generally. These decisions include, for example, how Offers are presented to  
21 Drivers, how much and when Drivers should be paid for their work, and how to respond to Driver  
22 complaints and concerns. Additionally, Defendant operates over 300 stores within California and  
23 utilizes Spark to deliver goods from these stores to Customers throughout California and in this  
24 District specifically. Defendant is thus subject to both general and specific personal jurisdiction  
25 within the state of California and this District.

26 23. Venue is proper in this District under 28 U.S.C. §§ 1391(b)(1), (b)(2), (c)(2), and (d),  
27 1395(a), and 15 U.S.C. § 53(b).

28

**DIVISIONAL ASSIGNMENT**

24. Assignment to the San Francisco or Oakland Division is proper. This action arises in San Mateo County because a substantial part of the events giving rise to these claims occurred in San Mateo County, where Walmart’s Global eCommerce Headquarters is located.

**PLAINTIFFS**

25. The FTC is an agency of the United States Government created by the FTC Act, which authorizes the FTC to commence this district court civil action by its own attorneys. 15 U.S.C. §§ 41–58. The FTC enforces Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce. The FTC also enforces Section 521(a) of the GLB Act, 15 U.S.C. § 6821(a)(2), which prohibits “making a false, fictitious, or fraudulent statement or representation to a customer of a financial institution” “to obtain or attempt to obtain, or cause to be disclosed or attempt to cause to be disclosed to any person, customer information of a financial institution.”

26. The State of Arizona is authorized to bring this action pursuant to the Arizona Consumer Fraud Act, A.R.S. §§ 44-1521–1534, to obtain injunctive relief to permanently enjoin and prevent the unlawful acts and practices alleged in this Complaint, and to obtain other relief, including restitution, disgorgement of profits, gains, gross receipts, or other benefits, civil penalties, and costs and attorneys’ fees.

27. The People of the State of California, by and through the District Attorney of Alameda County, are authorized to enjoin repeated and persistent fraudulent, unlawful, deceptive, and misleading business conduct under the California Unfair Competition Law (California Business & Profession Code § 17200 *et seq.*) and the California False Advertising Law (Business & Professions Code § 17500 *et seq.*) to obtain equitable or other appropriate relief, including restitution, civil penalties, and an injunction as may be appropriate.

28. Philip J. Weiser, Attorney General of Colorado, brings this action by and through Attorney General Philip J. Weiser pursuant to the CCPA, Colo. Rev. Stat. §§ 6-1-101 *et seq.*, which prohibits unfair and deceptive trade practices in the course of a defendant’s business or occupation. The CCPA authorizes the Colorado Attorney General to seek, and the Court to grant, civil penalties,

1 injunctive relief, and such orders as may be necessary to prevent the use or employment of deceptive  
2 trade practices, to completely compensate or restore to the original position of any person injured, or  
3 to prevent any unjust enrichment. Colo. Rev. Stat. §§ 6-1-110, 112.

4 29. The State of Illinois is one of the fifty sovereign states of the United States. Attorney  
5 General Kwame Raoul is the duly elected and qualified Attorney General, acting for the Plaintiff  
6 State of Illinois, and brings this action in his official capacity for and on behalf of the People of the  
7 State of Illinois, pursuant to the provisions of the Illinois Consumer Fraud and Deceptive Business  
8 Practices Act, 815 ILCS 505/7, and his common law authority as Attorney General to represent the  
9 People of the State of Illinois. The Illinois Attorney General believes this action to be in the public  
10 interest of the citizens of the State of Illinois and brings this lawsuit pursuant to Section 7(a) of the  
11 Consumer Fraud Act, 815 ILCS 505/7(a).

12 30. The Michigan Attorney General, on behalf of the People of Michigan, is authorized to  
13 bring this action under Mich. Comp. Laws § 445.905 and § 445.910, and may obtain injunctive relief,  
14 actual damages, and other relief under the Michigan Consumer Protection Act, Mich. Comp. Laws §  
15 445.901 *et seq.*

16 31. The Attorney General of the State of North Carolina has the power and the duty,  
17 pursuant to N.C.G.S. § 75-9, to investigate the affairs of all corporations or persons doing business  
18 in the State of North Carolina and, pursuant to N.C.G.S. § 75-15, upon his ascertaining that the laws  
19 have been violated so as to render a corporation liable to prosecution in a civil action, to prosecute  
20 such action in the name of the State, and to prosecute all officers or agents or employees of such  
21 corporations, whenever in his opinion the interests of the public require it.

22 32. The State of Oklahoma is authorized to bring this action pursuant to the Oklahoma  
23 Consumer Protection Act, 15 O.S. § 756.1, to obtain injunctive relief to permanently enjoin and  
24 prevent the unlawful acts and practices alleged in this Complaint, and to obtain other relief, including  
25 actual damages of aggrieved consumers, civil penalties, and reasonable expenses and investigation  
26 fees.

27 33. The Commonwealth of Pennsylvania, through its Attorney General, is authorized to  
28 initiate proceedings in the public interest to restrain unfair methods of competition and unfair or

1 deceptive acts or practices in the conduct of any trade or commerce, seek restitution, and obtain any  
2 other relief, as this Court deems appropriate. 73 P.S. § 201-1 *et seq.*

3 34. The State of South Carolina brings this action, by and through its Attorney General,  
4 Alan Wilson, in its sovereign capacity in order to protect the interests of the State and its citizens.  
5 The Attorney General brings this action pursuant to his *parens patriae*, constitutional, statutory, and  
6 common law authority, including the authority granted to him by the South Carolina Unfair Trade  
7 Practices Act, S.C. Code Ann. §§ 39-5-20, 50, and 110.

8 35. The Utah Division of Consumer Protection is an agency of the State of Utah created  
9 by statute. Utah Code § 13-2-1(1). The Division administers and enforces the Utah Consumer Sales  
10 Practices Act, which prohibits deceptive acts and practices in connection with consumer transactions.

11 36. The Wisconsin Attorney General is vested with the authority to enforce the Wisconsin  
12 Deceptive Trade Practices Act. Wis. Stat. § 100.18(11)(d). The Wisconsin Attorney General is  
13 permitted to seek permanent injunctive relief and restitution to consumers. Wis. Stat.  
14 § 100.18(11)(d). Wisconsin law also authorizes the Attorney General to obtain civil forfeitures,  
15 consumer protection surcharges, supplemental forfeitures, attorneys' fees, expenses, and costs. Wis.  
16 Stats. §§ 100.26(4), 100.261, 100.263, and 100.264.

17 **DEFENDANT**

18 37. Defendant Walmart, Inc. is a Delaware corporation with its principal place of business  
19 at 702 S.W. 8th Street, Bentonville, Arkansas 72716.

20 38. Walmart's Global eCommerce corporate offices, which includes its Walmart.com and  
21 Walmart Marketplace platforms as well as Walmart's On Demand Delivery business unit and its last-  
22 mile delivery channel, the Spark platform, are located at 850 Cherry Avenue, San Bruno, CA 94066.

23 39. At all times relevant to this Complaint, Walmart transacts or has transacted business  
24 in this District, as well as throughout the United States.

25 **COMMERCE**

26 40. At all times relevant to this Complaint, Defendant has maintained a substantial course  
27 of trade in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C.  
28 § 44.

**DEFENDANT’S BUSINESS ACTIVITIES****I. The Spark Program and Platform**

41. In 2018, Walmart launched Spark to compete in the booming ecommerce and delivery market. The Spark program utilizes gig-economy workers as Drivers that fulfill deliveries for Walmart Customers by picking up products from nearby Walmart stores, or other retailers that contract with Walmart, and transporting the goods to the Customers’ desired location. Unlike other gig-economy apps such as DoorDash or Uber Eats, Customers do not order directly through the Spark app; instead, they order items from Walmart.com or other vendors online. Walmart then creates Offers to deliver those items, and distributes those Offers to Drivers via the Spark app.

42. Spark has grown exponentially since its inception and is currently one of the largest last-mile merchandise delivery services in the country. It operates in all fifty states and the District of Columbia, with more than a million unique Drivers having made 355 million deliveries from more than 4,200 Walmart stores across 17,000 unique pickup points.

43. In order to become a Driver for Spark, interested consumers must enroll on the Spark website.<sup>1</sup> Prospective Drivers must be at least 18 years of age, authorized to work as an independent contractor, pass a background check, own a compatible mobile device, have a valid driver’s license, and have their own automobile with proof of auto insurance coverage. Walmart then approves or denies the Driver application. For Drivers to receive their Spark earnings, Walmart requires Drivers to set up a “primary earnings account” by providing Walmart with their financial information—either bank account and routing numbers or digital wallet account information. Drivers are permitted to perform gig work for other platforms; according to Walmart’s studies, most Drivers regularly drive for multiple gig-economy platforms at once.

44. Spark Drivers can perform a variety of delivery jobs. The most common job is a “curbside pickup,” which requires a Driver to travel to a Walmart store, pick up merchandise collected by a Walmart store associate, and deliver the goods to Customers. Walmart also offers: “shopping and delivery” jobs, which require Drivers to collect items from Walmart store shelves

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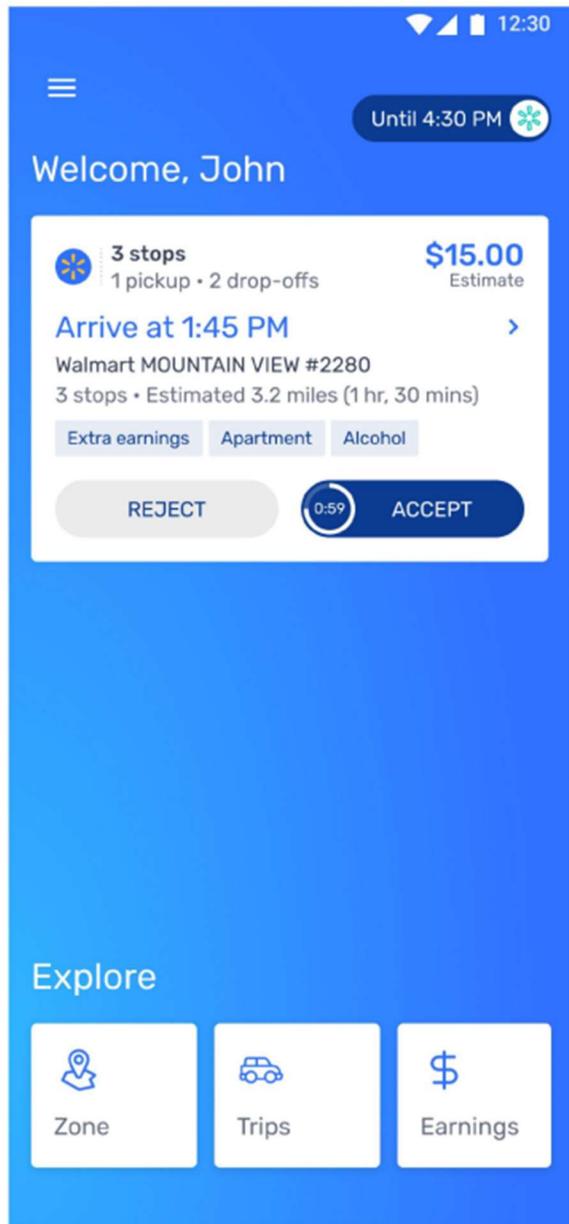
<sup>1</sup> <https://sparkdriverapp.com>. The Spark Website was previously, from at least 2021 to approximately October 2024, located at <https://drive4spark.walmart.com>.

1 themselves and deliver the merchandise to Customers; “return” jobs, which require Drivers to pick  
2 up items from Customers’ locations and deliver them back to Walmart retail stores; and “Walmart  
3 GoLocal” jobs, which require Drivers to perform delivery tasks for other retailers, such as Home  
4 Depot and 1-800-Flowers.

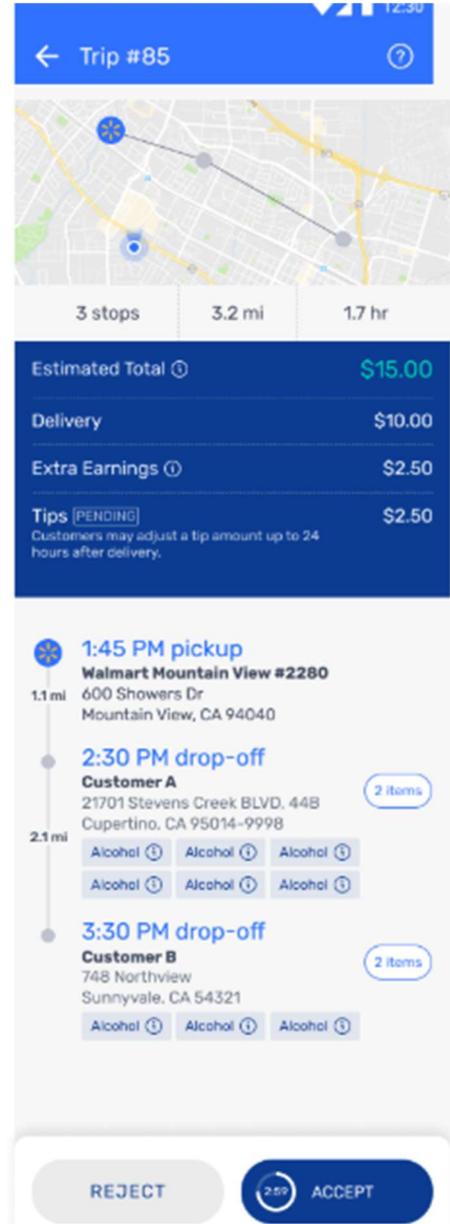
5 45. Walmart distributes Offers containing these delivery job types to approved Drivers  
6 through the app. To receive Offers, Drivers must open the app, tap the button labeled “Spark Now”  
7 that signals the Driver’s willingness to receive Offers, and set the time period during which the Driver  
8 is available to receive Offers.

9 46. Walmart presents Offers to Drivers as “Offer Cards,” which are comprised of two  
10 screens. For each Offer, Drivers are first shown a screen (the “Initial Offer Card”), as shown in Image  
11 1 below, that displays basic information including an estimate of the Driver’s total earnings, the  
12 number of stops, the estimated distance and time for the job, and the time by which the Driver must  
13 arrive at the store. The Driver can reject or accept the Offer by clicking the prominent corresponding  
14 buttons at the bottom of the Initial Offer Card. If, instead, a Driver clicks the blue arrow below the  
15 earnings amount on the Initial Offer Card, the Driver will be shown a second screen with more details  
16 (the “Trip Details Card”), as shown in Image 2 below. The Trip Details Card breaks down the job’s  
17 estimated earnings total into a promised base pay amount for the delivery and any pre-delivery tip  
18 amount selected by the Customer (“pre-tip”). A Driver can accept or reject an Offer from either the  
19 Initial Offer Card or the Trip Details Card. After delivery, Drivers can look back at the completed  
20 Offer Card to view their ultimate earnings, including any pre- or post-delivery tip left by a Customer.

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**Image 1: Example Initial Offer Card**



**Image 2: Example Trip Details Card**

47. Walmart advertises two distinct types of Offers. The first is the “Round Robin” Offer, which Walmart offers to only one Driver at a time; the Driver has a limited amount of time to accept, and a timer—normally a minute or two—counts down until the Offer expires. The second is the “First Come, First Serve” Offer, which Walmart purports to broadcast to all available Drivers in the relevant delivery zone; the job is awarded to the first Driver that accepts the Offer. In both cases, many Drivers have complained that they feel pressured to accept Offers quickly—because of the

1 timer, or because another Driver may take the Offer first—and thus often accept Offers based on the  
2 Initial Offer Card, without viewing the earnings breakdown provided only in the Trip Details Card.

3 48. The “Estimate” displayed on the Initial Offer Card, as shown in Image 1, is comprised  
4 of the base pay (paid by Walmart) and any pre-tip (left by the Customer at checkout), displayed as a  
5 single earnings amount. Those components are broken out on the Trip Details Card, as shown in  
6 Image 2; base pay is displayed as a “Delivery” amount and, when warranted, as “Extra Earnings” or  
7 “Surge Fee” amounts, while any pre-tip is displayed as a “Tips” amount. Drivers only see the Trip  
8 Details Card, prior to accepting the Offer, if they click the arrow on the Initial Offer Card.

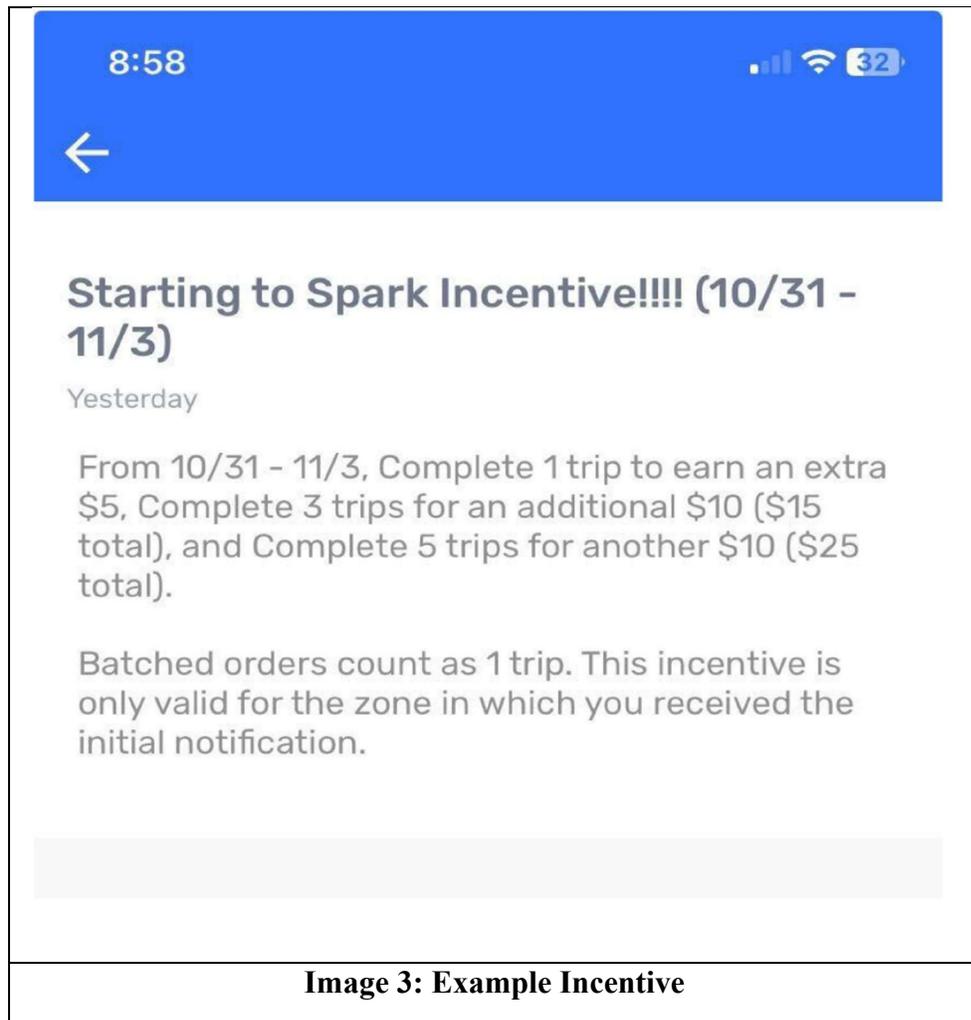
9 49. Base pay is the amount Walmart will pay a Driver for completing an Offer. Every  
10 Offer includes, as base pay, a “Delivery” payment, which Walmart calculates through an algorithm  
11 that incorporates several factors. Some Offers also include, as base pay, “Extra Earnings” for certain  
12 arduous factors—such as heavy items or stairs—which Walmart separately computes and displays.  
13 If Drivers do not accept an Offer, Walmart may increase the base pay by adding a “Surge Fee” to  
14 increase the likelihood the Offer is accepted. All components of base pay are promised to the Driver.

15 50. Tips are payments left by Customers for Drivers. When placing an order, Customers  
16 can leave a pre-tip, which Walmart displays to Drivers on both the Initial Offer Card and the Trip  
17 Details Card. The “Tips” displayed on the Trip Details Card are labeled as “pending” with the note  
18 that “Customers may adjust a tip amount up to 24 hours after delivery,” implying that the pre-tip will  
19 change only if the Customer affirmatively changes it. Customers do not need to affirmatively confirm  
20 the pre-tip following delivery; if they do not change it within 24 hours, Walmart charges the Customer  
21 for that amount. Customers can also choose to leave a tip after delivery. Through advertisements  
22 and representations on the Walmart and Spark websites, and on the app, Walmart consistently has  
23 represented to both Drivers and Customers that it will pass on 100% of “customer confirmed tips” to  
24 Drivers.

25 51. Walmart is aware that Drivers view earnings as the primary component of Offers.  
26 Walmart’s own research shows that earnings—e.g., base pay and tips—are preeminent in Driver’s  
27 minds when weighing whether to accept an Offer. In an October 2023 survey of Drivers who had  
28 been on the Spark platform for more than a year, Walmart found that the top two reasons Drivers

1 rejected Offers were “low offer base pay” and “low tips.” In a July 2022 internal audit, Walmart  
2 noted that “[t]ips are a crucial component to attracting drivers to deliver Walmart orders.” And in an  
3 April 2023 study, Walmart concluded that “Drivers heavily rely on tips when making decisions about  
4 what offers they accept” because “tips are a significant portion of expected earnings (~15%).”

5 52. In addition to earning money through tips and base pay, Drivers can also earn money  
6 through Spark’s extra earning promotions, called “Incentives.” Walmart offers both trip-based  
7 Incentives, where Drivers are paid for completing a certain number or type of deliveries, and  
8 activation-based Incentives, where Drivers are paid for referring others to drive for Spark. All  
9 Incentives involve a promise by Walmart to pay Drivers extra money in exchange for completing  
10 certain conditions, as seen in Image 3.



27 53. Walmart alerts Drivers of available Incentives through app notifications. Drivers do  
28 not have to take any affirmative steps to enroll in an Incentive, nor can they choose which Incentives

1 Walmart makes available to them. If a Driver performs the tasks described in an Incentive that applies  
2 to their account, they are entitled to receive the payment described in the Incentive without taking  
3 any further action.

4 **II. Walmart Advertises Pre-Tip Amounts Drivers Do Not Receive**

5 54. Walmart promises Drivers specific tip amounts in its Offers. Yet, in many instances,  
6 the earnings amounts Walmart displays are false and misleading. In at least three recurring scenarios,  
7 Walmart has deceived Drivers by displaying pre-tips that Walmart knew or should have known  
8 Drivers would not receive.

9 **A. Walmart Misrepresents Pre-Tips in Split Orders**

10 55. Walmart frequently breaks up a Customer's single order into multiple deliveries to be  
11 made by multiple Drivers, otherwise known as a "split order." For these split orders, Walmart  
12 advertises pre-tip amounts that Drivers will not receive: if the Customer has left a pre-tip, Walmart  
13 displays the full amount of the pre-tip to each Driver on their respective Offer Cards, despite the fact  
14 that each Driver will not receive that tip upon completion of that Driver's trip. After the delivery is  
15 complete, Walmart splits the tip amount among those Drivers who delivered a portion of the order.  
16 In some instances, Walmart splits the tip evenly among the Drivers. In others, Walmart unevenly  
17 splits the pre-tip or allocates the entire pre-tip to a single Driver.

18 56. Drivers do not know and cannot tell when Walmart will split a pre-tip amount  
19 displayed in an Offer Card. Walmart does not tell Drivers when an Offer includes part of a split  
20 order, and there is no way for Drivers to ascertain that fact. Offer Cards do not advise Drivers that  
21 pre-tips may be split among multiple Drivers; they inform Drivers only that pre-tip amounts may be  
22 subject to change at the Customer's discretion. Drivers thus have no way of knowing that the pre-tip  
23 amount Walmart states in an Offer is false. Even after the Driver completes their delivery and  
24 receives a smaller pre-tip than offered, Walmart does not inform the Driver that it reduced the pre-tip  
25 because the delivery was part of a split order.

26 57. Walmart, on the other hand, knows it will split pre-tips when it presents Drivers with  
27 Offers to deliver split orders. Walmart controls when it splits orders and how it presents split orders  
28 to Drivers. Yet, since it began displaying pre-tips in Offer Cards in 2021, Walmart has consistently

1 presented the Customer’s entire pre-tip amount to each Driver delivering a split order. The internal  
2 Walmart team workspace—a Wikipedia-like platform maintained and reviewed by Walmart  
3 employees and executives—is replete with references to split tips as a Driver earnings issue and a  
4 frequent source of Driver complaints. In December 2022, the workspace page for “T ipping” issues  
5 noted that, “[i]n order split cases, drivers are paid only 50% of the tip amount promised in the offer  
6 card at assignment” and marked this scenario as a “Problem” that related to “Promise Accuracy.” In  
7 January 2024, the workspace page regarding “Payment Processing” issues stated that “the tip is  
8 unevenly split when more than 1 driver is added to a trip and the offer card presents inaccurate tip  
9 information.” That same page indicated that there were “+2k instances per week of inaccurate tip  
10 earnings delivered,” reflecting Walmart’s matter-of-course splitting of advertised pre-tips, despite  
11 presenting the full pre-tip to each Driver. In October 2021, a Spark support agent summarized  
12 Drivers’ complaints regarding this issue: “[D]rivers are told they get to keep 100% of their tips and  
13 if it’s being split then that is no longer the case.”

14 58. Because Walmart knows when an Offer reflects a split order, it could have adjusted  
15 the pre-tip it displays to Drivers to accurately reflect that it will split the tip after completion of the  
16 delivery. Instead of doing so, Walmart has displayed higher pre-tips to Drivers in Offer Cards than  
17 the Drivers will ultimately receive, which has falsely inflated the displayed earnings and has made  
18 the Offer seem more attractive to Drivers than it is. These misrepresentations were not simply the  
19 result of a technological error; as a Manager of Spark’s Driver Experience division stated, this system  
20 has been “working as designed.”

21 **B. Walmart Misrepresents Pre-Tips in Batched Orders**

22 59. Since at least 2019, Walmart has used a system referred to internally as “batching.”  
23 Batching allows Walmart to present Drivers with multiple Customer orders as a single Offer with  
24 multiple stops. Walmart’s batching system allows Walmart to modify Offers—including through  
25 what Walmart refers to as “unbatching,” or removing orders from the batched Offer—before, during,  
26 and after they are offered to Drivers. Walmart thus removes or “unbatches” orders from Offers both  
27 pre- and post-Driver acceptance, but before Drivers physically receive the items for delivery.  
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1           60. Walmart’s batching system affects the tips that Drivers receive. When Walmart  
2 provides a “batched” Offer to Drivers, it combines the pre-tips associated with all the batched orders  
3 in the Offer into a single pre-tip figure, which Walmart incorporates into the estimated earnings  
4 advertised on the Initial Offer Card and displays as a separate line item on the Trip Details Card.  
5 Images 1 and 2, *supra*, depict an Initial Offer Card and Trip Details Card for a batched order. Thus,  
6 for example, when Walmart batches three orders into a single Offer, the Offer Card reflects a  
7 combined tip amount composed of any Customer pre-tips associated with those three orders. When  
8 Walmart unbatches an order from an Offer, Walmart also removes any pre-tip associated with that  
9 order; thus, if only one of three batched orders had a pre-tip and that order was removed from an  
10 Offer, the Driver would not receive any pre-tip after completing the Offer

11           61. Walmart’s use of batching and unbatching often results in Walmart misrepresenting  
12 in its Offers the estimated earnings Drivers will receive. In many instances, Walmart removes an  
13 order from a batch *before* offering that batch to a Driver, but fails to update the Initial Offer Card to  
14 reflect the reduced earnings estimate; the affected Driver is thus unaware that the Offer reflects a pre-  
15 tip that Walmart already removed and which the Driver will not receive. Other times, Walmart  
16 unbatches an order from an Offer *after* the Driver has accepted it, but fails to inform the Driver that  
17 the unbatched order had a pre-tip associated with it that the Driver will no longer receive; the affected  
18 Driver thus completes the remaining deliveries without knowing Walmart has reduced the pre-tip the  
19 Driver could receive. In both instances, the Driver undertakes their work—foregoing other gig  
20 opportunities, driving to the store, and performing the deliveries that were not unbatched from the  
21 Offer—without knowing their potential tips are less than Walmart advertised to them when they  
22 accepted the Offer.

23           62. When they do discover their pre-tips have been reduced, many Drivers erroneously  
24 believe that the Customers—not Walmart—are responsible for the reduction in pre-tips, or that the  
25 Drivers suffered from “tip-baiting” (when a Customer leaves a pre-tip amount but reduces it after  
26 delivery). A December 2023 Walmart internal investigation concluded that Customer “tip-baiting”  
27 occurs in just 0.4–0.9% of orders. However, because Walmart often tells Drivers that the tip amount  
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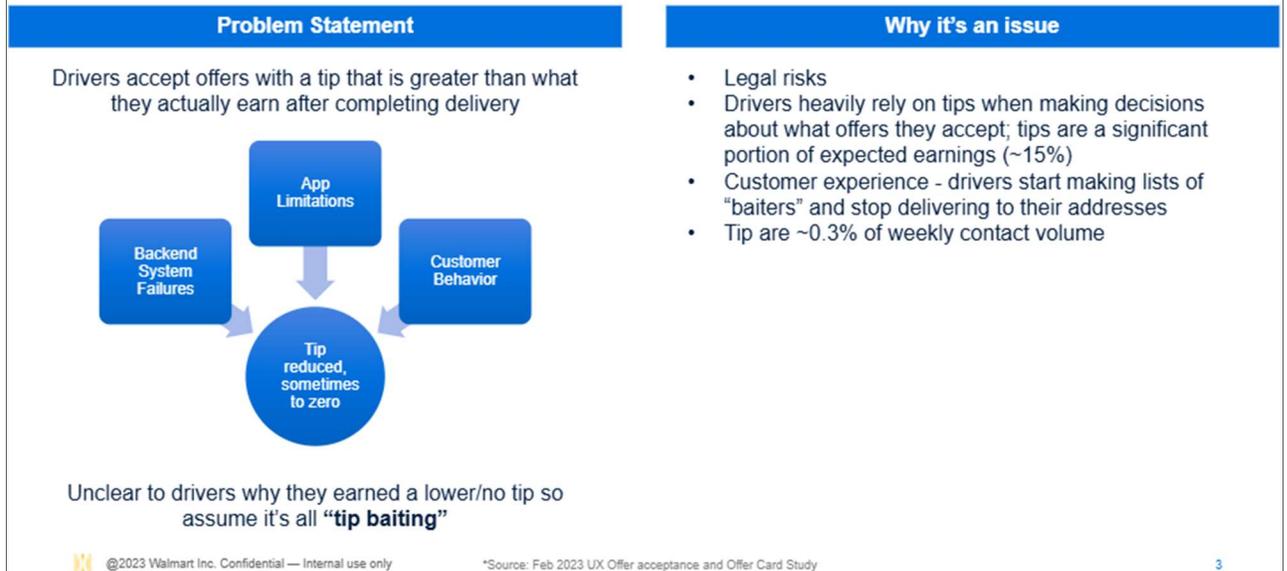
1 “was adjusted to reflect the confirmed customer payment,” Drivers blame the Customers for these  
2 reduction in their tip amounts.

3 63. In November 2022, Walmart documented in detail one example of how flaws in the  
4 Spark platform’s design led to Walmart making tip misrepresentations in its Offers to Drivers. A  
5 Manager of Spark’s Driver Experience division asked those employees to explain why the pay for an  
6 Offer changed after the deliveries were completed. That Offer reflected a batch of five orders that  
7 Walmart advertised as paying \$26.06 in pre-tips, which came from two of the five orders.  
8 Unbeknownst to the Drivers, between the time that this job was offered to Drivers and the time that  
9 a Driver accepted, Walmart unbatched the two orders that contained pre-tips from the Offer. Yet  
10 because Walmart’s internal systems failed to update the Initial Offer Card shown to Drivers, it still  
11 advertised the earnings from the original batched job—including the now-false pre-tip amounts—  
12 even though Walmart knew or should have known that the Driver would necessarily not receive those  
13 amounts in pre-tips after completing the delivery.

14 64. Such system communication issues have frequently caused Walmart to overstate pre-  
15 tip amounts on unbatched orders. This has been a known problem within Walmart; in an August  
16 2023 email to the Director of App Stability and Driver Success, a Walmart employee explained that  
17 the “tip from the unbatched orders remains in the offer card pricing” because “[o]rder cancellation  
18 data is not sent to downstream systems [...] this is nothing new. We have bugs on the same since  
19 2022.” As a Senior Manager of Spark Operations acknowledged in a March 2023 internal  
20 presentation, “App Limitations” and “Backend System Failures” continued to be reasons that  
21 “Drivers accept offers with a tip that is greater than what they actually earn after completing a  
22 delivery,” but Driver ignorance as to those issues led them to blame Customers for the tip reductions  
23 (see Image 4, below).

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## Current Issues with Tip Reductions



**Image 4: March 2023 Internal Presentation re: Tip Issues**

65. Despite Walmart's awareness of the issue, it has continued to make unbatching-related tip misrepresentations. For example, in August 2023, Walmart employees exchanged emails with the subject, "Unbatched orders are showing wrong tip amount to the drivers," in response to a missing pre-tip of \$10.01. One Walmart employee circulated a list of all the trips that had a tip amount associated with them which became unbatched. In response, the Director of Spark's App Stability and Driver Success noted that Walmart had shown false pre-tip amounts to approximately 560 Drivers over just a 48-hour period.

### C. Walmart Misrepresented Pre-Tips It Could Not Collect

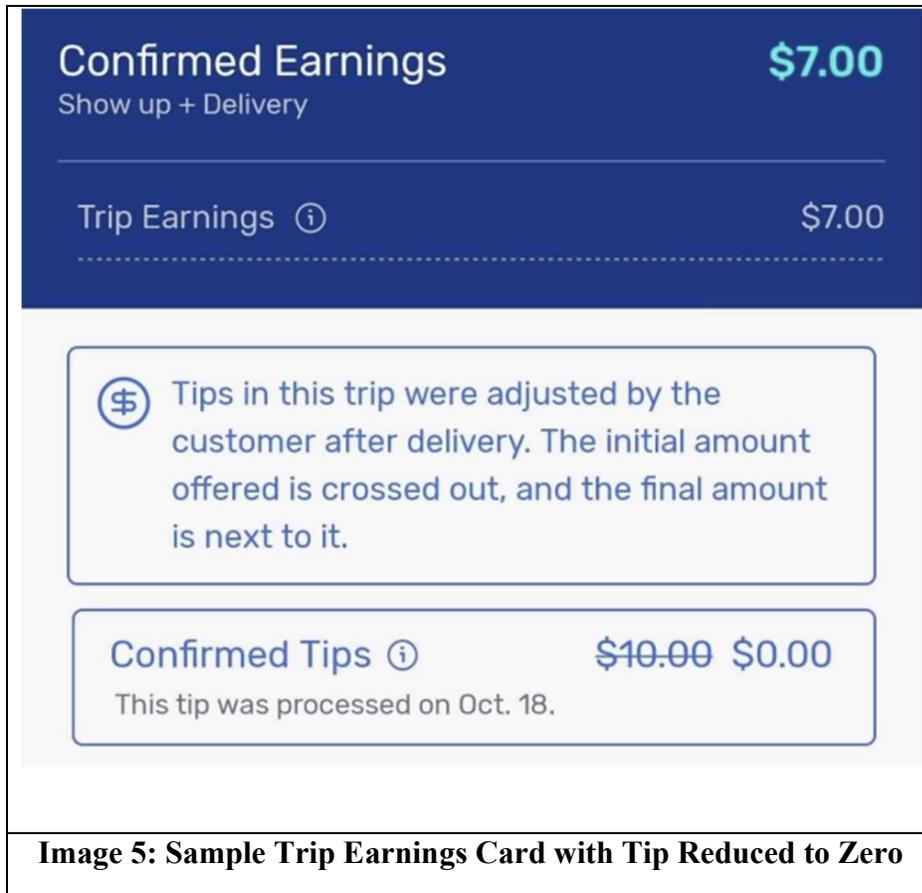
66. From at least July 2021 to January 2023, Walmart represented pre-tips in Offers to Drivers that it ultimately did not collect from Customers and which Drivers did not receive, despite completing the work. Walmart referred to these misrepresented and lost tips as "failed charges" or "tip failures" ("Tip Failures"). Throughout this period, Walmart was aware that Tip Failures were a widespread issue resulting in significant Driver harm. Walmart employees acknowledged that, "[s]ince the drivers see these tips as part[s] of the offer, they expected these to be received. But these tips failed due to authorization / network errors." Yet Walmart continued to falsely represent to

1 Drivers that they would receive the stated pre-tip amount unless—and only if—the Customer  
2 modified the tip, without mentioning that the stated tip might fail due to payment authorization issues.

3 67. Tip Failures occurred because, beginning in July 2021, Walmart chose to advertise  
4 pre-tip amounts to Drivers in Offers without taking any action to confirm that it could collect those  
5 pre-tips from Customers. During checkout, Walmart permitted Customers to leave a pre-tip for their  
6 Drivers by either selecting a default tip option or entering a custom amount. When a Customer would  
7 submit their delivery order, however, Walmart would “pre-authorize” only the Customer’s order  
8 amount (to be paid to Walmart), and not the Customer’s pre-tip amount (to be paid to Drivers).  
9 Preauthorization is the process by which a retailer confirms that a charge on the Customer’s provided  
10 payment method will be successful by issuing a temporary hold on the account. By design, Walmart  
11 would not process a Customer’s delivery order if it could not preauthorize the order amount; Walmart  
12 would, however, process the order without ensuring it could collect the pre-tip amount for the Driver.

13 68. Nevertheless, Walmart would still display the pre-tips on the Offer Card, as part of the  
14 earnings stated on the Initial Offer Card and as a separate line item on the Trip Details Card. If,  
15 following delivery, even if the Customer did not adjust the pre-tip amount within 24 hours after the  
16 delivery, Walmart could not successfully collect the pre-tip from the Customer, Walmart would  
17 simply not provide the Driver with the tip and a Tip Failure occurred. Walmart did not notify Drivers  
18 that a Tip Failure occurred; rather, as displayed below in Image 5, the Spark app only reflected that  
19 the pre-tip amount had been reduced to \$0—in exactly the same way that the app reflected Customer  
20 changes to pre-tips.

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15 69. Within weeks of enabling pre-tipping, Walmart was aware that thousands of Tip  
 16 Failures occurred each week, yet it continued to represent millions of dollars in uncollectible tips to  
 17 Drivers.

18 70. Walmart designed their system this way because Walmart did not want to “prevent  
 19 checkout in case customer [sic] has funds for the order but not the tip.” In other words, Walmart did  
 20 not wish to risk losing a sale if a Customer’s payment method could not cover both the order and tip  
 21 amounts, so it chose to secure its own funds while leaving Drivers to unknowingly bear the risk of  
 22 Tip Failures.

23 71. Walmart knew that it was advertising unsubstantiated pre-tips to Drivers’ detriment.  
 24 For example, in an August 2022 email with the subject line “Tipping Trustbuster,” a Walmart Spark  
 25 manager identified an instance in which a Driver had complained about Walmart’s failure to pay the  
 26 Driver a promised \$15 pre-tip. The manager asked his subordinate to investigate why Walmart had  
 27 not paid the pre-tip to which the subordinate responded that Walmart did not pay the \$15 pre-tip  
 28 because “there was a failure when trying to charge for the tip.” These issues were recurrent: A July

1 2022 Walmart internal audit remarked that “[t]ips placed on [Spark orders] are not preauthorized  
2 which increases the risk of committed tips not being collected or passed on to driver,” and observed  
3 that “[t]he lack of pre-authorization for tips can negatively impact the Spark drivers’ experience due  
4 to not receiving tip payouts as expected.” The audit also noted that, because “Walmart does not pre-  
5 authorize pre-tip amounts placed at checkout” and “Walmart only authorizes the final amount  
6 committed by customers after the 24-hour pre-tip window,” it “increase[d] the risk of declined  
7 transactions as many credit card providers flag these small dollar secondary charges as fraudulent and  
8 automatically decline them.” It went on to say “[t]his is a known issue that was communicated to  
9 audit by [Spark’s] leadership during the audit.”

10 72. Walmart executives knew Drivers were not receiving the tips that Walmart advertised  
11 in their Offers, but for years refused to address the issue. In September 2022, Walmart’s Senior Vice  
12 President in charge of Spark informed Walmart’s CEO that Walmart was misrepresenting the pre-  
13 tips in Drivers’ Offer Cards by stating them without checking if the Customer could pay them: “All  
14 other platforms charge a pre-auth for the driver tip so that it doesn’t fail 24 hours later. Spark  
15 Driver/Walmart is the only one that doesn’t have a pre-auth tip for drivers. This means that due to  
16 any issues/technical difficulties if the tip payment doesn’t go through, then the driver’s tip is taken  
17 back.” She also acknowledged that, though Walmart employees were aware of the problem, they had  
18 taken no steps to fix it: “While a top problem for our drivers since the last 2 years, it wasn’t prioritized  
19 for last 4 quarters due to other priorities[.]”

20 73. As that Senior Vice President acknowledged, Tip Failures were a highly salient issue  
21 for Drivers. In January 2022, a Walmart employee proposed that Walmart notify Drivers when Tip  
22 Failures occurred: “I believe, it is the Driver’s right, to be notified, if Walmart failed to charge the  
23 customer; even if it’s a 3rd party processor issue.” But the Spark team rejected the idea, expressing  
24 concern that Drivers would quit Spark if they knew that Walmart did not substantiate the pre-tips it  
25 advertised in its Offers: “I don’t think we need to show them failure. It’s going to start a landslide of  
26 negative [...] And and [sic] drivers not wanting to accept orders anymore because of it.” That is, as  
27 documented in Image 4, Walmart knew that Drivers erroneously blamed Customers for all reductions  
28 in tips and chose to benefit from, rather than correct, that misconception.

1           74. As Tip Failures mounted, Walmart persisted in representing unsecured pre-tip  
2 amounts, resulting in Drivers losing out on millions of dollars. Internally, Walmart quantified Tip  
3 Failures as a multimillion-dollar problem that only grew in impact over time. In 2021, Walmart  
4 employees periodically circulated reports on the problem: by their accounting, one week in October  
5 saw around \$84,000 in Tip Failures, which grew to a weekly average of around \$90,000 in lost tips  
6 (from 13,000 Tip Failures) by January 2022. Those numbers continued to rise throughout 2022: A  
7 single week in February saw over \$114,000 in Tip Failures. In September, Walmart identified that,  
8 in the prior fiscal quarter, approximately 750,000 orders experienced a Tip Failure. Five weeks in  
9 September and October then saw a combined \$1.2 million in lost tips due to over 179,000 Tip  
10 Failures. The issue was of sufficient concern for Walmart to require employees to circulate a weekly  
11 audit of tipping issues; the audit circulated on December 22, 2022, indicated that, over just the prior  
12 four weeks, Walmart had misrepresented, and Drivers had lost out on, \$1.4 million in tips due to  
13 approximately 217,000 Tip Failures. Looking back at the problem in January 2023, Walmart  
14 summarized its scope: “On an average ~220K tips/ month with an average sum of \$1.5M/month  
15 failed.”

16           75. In January 2023, Walmart began to substantiate the pre-tips it advertised, and  
17 significantly reduced the occurrence of Tip Failures. It did so by expanding its use of preauthorization  
18 to cover pre-tips, and not just Customers’ order amounts, such that the risk that Customers’ pre-tip  
19 charges would fail was no longer being unwittingly borne by Drivers.

20           76. In sum, Walmart misrepresented millions of dollars of pre-tips that it did not collect  
21 from its Customers and which Drivers ultimately did not receive. Walmart engaged in this practice  
22 willfully and continued this unlawful practice for years despite knowledge of numerous Driver  
23 complaints. Indeed, Drivers continue to complain that they have not received their promised pre-tips  
24 as of the filing of this complaint.

### 25 **III. Walmart Misrepresents Base Pay in Offer Cards**

26           77. In addition to misrepresenting the tips Drivers will receive, Walmart also regularly  
27 misrepresents the base pay that it promises to Drivers.

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1 78. As discussed above, Walmart provides Offers to Drivers through Offer Cards. The  
2 Initial Offer Card includes the total estimated earnings the Driver can expect to receive after  
3 completing the delivery (see Image 1, *supra*). If a Driver clicks the blue arrow on the Initial Offer  
4 Card, they see a Trip Details Card that breaks down the offered earnings into a base pay amount paid  
5 by Walmart (see Image 2, *supra*) and any pre-tip that the Customer selected when placing their order.

6 79. Walmart calculates base payments using a variety of factors, including, for example,  
7 the number of orders in the delivery and the distance between the store pick-up location and the  
8 Customers' drop-off location(s). All else being equal, an Offer that includes more orders will pay a  
9 higher amount of base pay than a similar Offer containing fewer orders.

10 80. Walmart commits to paying, and Drivers understand that they will receive, at least the  
11 base pay amount (or more, if the Driver accrues wait-time fees while waiting for order fulfillment at  
12 a Walmart store) unless all orders in the Offer are cancelled (whereupon the Driver is paid a  
13 cancellation fee and, if applicable, a wait-time fee). In other words, unless an order is cancelled, the  
14 base pay Walmart offers Drivers should only increase, not decrease.

15 81. As explained above, however, Walmart sometimes consolidates multiple Customer  
16 orders into a single Offer through its batching system. Walmart's system of batching and unbatching  
17 orders can result in a Driver accepting an Offer with, for example, three Customer orders listed in the  
18 Offer Card. But, because Walmart retains the ability to unbatch orders at any time before the Driver  
19 picks up the merchandise, that Driver who accepts an Offer with a batch of three orders may  
20 ultimately be asked to only deliver two orders. In this scenario, Walmart will reduce the Driver's  
21 base pay to reflect that they are only delivering two orders instead of three. This change in the Offer  
22 and associated reduction in pay can occur before or after a Driver has accepted the Offer. However,  
23 in many of those instances, Walmart fails to update the Offer Card and thus fails to disclose the  
24 reduction in base pay—even to Drivers who have begun their work. In those instances, as a  
25 consequence of Walmart's misrepresentations, the Driver who accepts that Offer ultimately receives  
26 less pay in base pay than Walmart advertised.

27 82. Walmart's practice of displaying a higher base pay in Offers than what it ultimately  
28 pays Drivers has been a pervasive issue since at least 2021. This issue occurs so regularly that

1 Walmart, when tracking Driver complaints on the topic, has branded it with the broad monikers,  
2 “Driver Paid Less Than Accepted” and “Price Variance.” By November 2022, a Walmart employee  
3 went so far as to email others, including the Director of Driver Success for Spark, to say that  
4 Walmart’s misrepresentations regarding base pay were a “serious issue/legal risk” that resulted in  
5 “drivers [] perceiving that Walmart is paying drivers incorrectly.” In December 2022, Walmart’s  
6 Vice President responsible for Spark emailed other Directors and Senior Directors to ask if Walmart  
7 “ha[d] a plan on” how to address Driver complaints that their base pay was being misrepresented.

8 83. These issues continued to persist into 2023 and became a source of routine complaints  
9 by Drivers to Walmart employees. For example, in January 2023, a Manager of Driver Experience  
10 at Spark noted that Walmart was receiving approximately 2,000 Driver complaints every week  
11 regarding the reduction of Driver base pay due to unbatched orders, that this issue was creating  
12 “distrust,” and that “the drivers believe that [Walmart is] stealing money from them.”

13 84. In January 2023, that same Manager emailed the Director of Driver Success at Spark  
14 to propose a solution to the issue. The Manager noted that “Spark drivers are receiving offers where  
15 the total estimated price changes after accepting the offer [and] [t]here is not transparency to the  
16 drivers about the discrepancy.” The Manager recognized that when a Driver is “*paid less than*  
17 *accepted*,” it was a “frustrating experience” for Drivers that could “result in reports to the FTC/other  
18 agencies” and proposed that Walmart “pay the driver the initial offer price.” Walmart did not  
19 implement this proposed solution.

20 85. Base pay misrepresentations have become so pervasive that, in February 2023,  
21 Walmart employees performed an internal audit to see how frequently Walmart made “Offer Price  
22 Changes after [Offer] Acceptance.” Based on a partial review of Offers to Drivers using iPhones,  
23 they concluded that Walmart was, on average, overstating Driver base pay in over 16,000 accepted  
24 Offers daily. The employees noted that this calculation likely underestimated the true scope of harm.

25 86. After years of misleading Drivers and causing millions of dollars’ worth of injuries,  
26 Walmart employees attempted to address one aspect of these undisclosed reductions to base pay  
27 through an effort named “Project Blindside.” In the internal Walmart team workspace page on  
28

1 “Earnings Trust Issues,” one employee wrote the following “Problem Statement” that Project  
2 Blindsight was intended to solve:

3           Today, after an offer is published or accepted, if there is a change /  
4           cancellation in the order either by customer or store associate, we  
5           are not informing driver about the changes adequately leading into  
6           confusion about their earning changes[.]

7 As described by Spark’s Director of Driver Success, “Project Blindsight is a feature enhancement [to  
8 Spark] that was meant to address the concern that ... there are changes to an order and the [D]river  
9 may feel that it’s not very clear to them[.]” In particular, changes to a multi-stop batched order—  
10 where “there is an unbatching event, regardless of whether it was done by a [Walmart store associate]  
11 or the system unbatched it because of a customer cancellation”—would result in an undisclosed  
12 reduction in base pay from what Walmart advertised to Drivers in the Offer. That reduction would,  
13 as the Project’s name alluded to, blindsight Drivers when they realized they ultimately received less  
14 pay than Walmart advertised in the Offer. Following Project Blindsight, Walmart began notifying  
15 some Drivers of these reductions in base pay through an in-app pop-up notification

16           87. Yet despite Walmart’s awareness of this issue, Drivers have continued to complain  
17 about reductions in base pay. In June 2023, after “Project Blindsight” was conceived, Walmart  
18 estimated that 33,600 Drivers were still actively complaining about deceptive reductions in pay every  
19 week. Even Drivers who did receive pop-up order updates complained that they did not learn about  
20 Walmart’s modifications to their Offers until after they had accepted Walmart’s initial Offer and  
21 started driving to the store—or worse, while waiting at the store for Walmart associates to collect the  
22 merchandise—and foregone other gig work opportunities in reliance on Walmart’s earnings  
23 representations. In February 2024, a Walmart report regarding “Earnings Trust Issues” listed  
24 “[a]ccepted price is changing on app (after driver accepts offer)” as an “open issue” that was part of  
25 a “backlog” of issues still to be addressed. Other internal documents from February 2024 indicate  
26 that Walmart continues to “vary”—i.e., reduce—the base pay it ultimately pays Drivers from what  
27 Walmart stated in their accepted Offers, thus continuing to “blindsight” Drivers.

28           88. Drivers consider Walmart’s representations regarding base pay to be material, and act  
reasonably in believing Walmart’s representations regarding base earnings. Walmart’s own surveys

1 demonstrate the importance to Drivers of receiving accurate information regarding base pay: As  
2 early as September 2021, the head of the Spark program recognized the importance of earnings to  
3 Drivers when he advised his colleagues that “[e]arnings is a sensitive matter for drivers” and directed  
4 Walmart employees to take steps to “avoid as much as possible putting the blame on Walmart due  
5 to” earnings misrepresentations. In February 2023, Walmart employees conducted a survey of  
6 Drivers and asked them to provide feedback on Offer Cards specifically. In response, Drivers  
7 identified “Earnings Do Not Update if One Order (Batch) is Cancelled” and “Actual Earnings Differ  
8 from Estimated Earnings” as top concerns regarding the accuracy and reliability of Offer Cards.

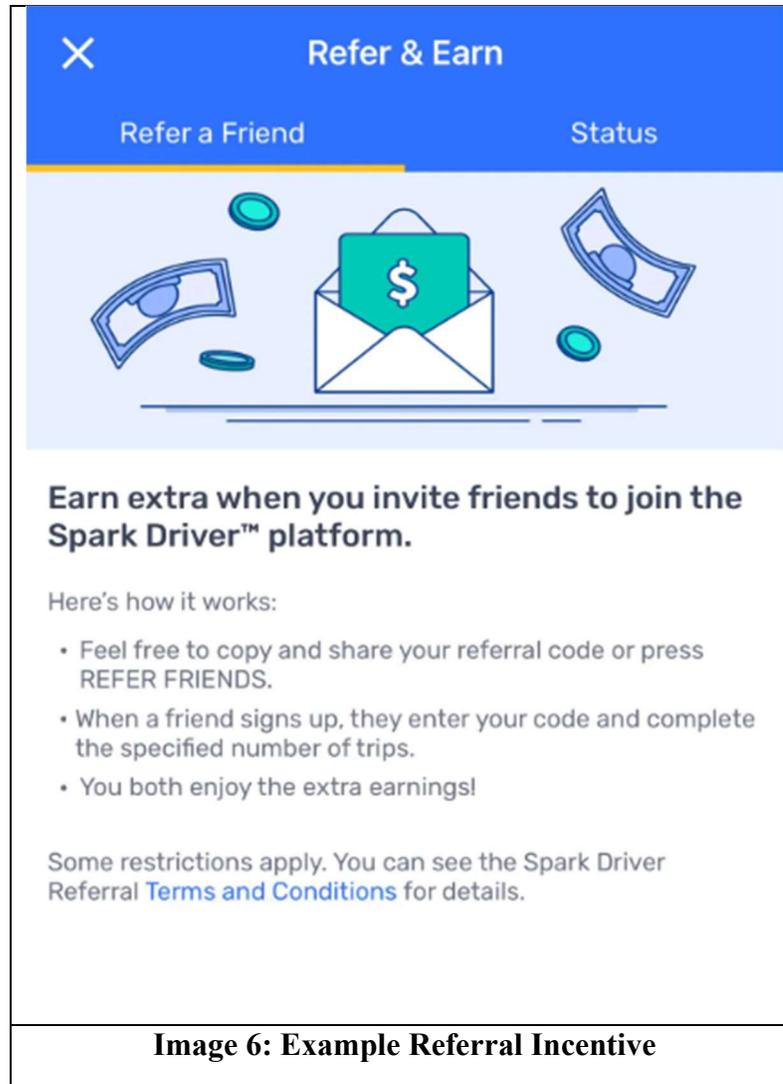
9 **IV. Walmart Misrepresents Incentive Requirements and Fails to Pay Drivers for Completed**  
10 **Incentives as Promised**

11 89. Walmart also misrepresents Incentive opportunities it offers to Drivers in at least two  
12 ways. Incentives are promises by Walmart to provide bonus payments to Drivers who complete  
13 certain tasks within a specified period of time (e.g., referring a new driver to the platform, completing  
14 a certain number of deliveries, or completing deliveries during a particular time period or in a  
15 particular area). Walmart uses Incentives as a way to increase active Driver supply to meet Spark’s  
16 delivery needs.

17 **A. Walmart Regularly Fails to Disclose the Conditions a Driver Needs to Meet in**  
18 **Order to be Paid for an Incentive**

19 90. First, in numerous instances, Walmart deceptively fails to disclose to Drivers all of the  
20 conditions necessary to complete an Incentive. Walmart then refuses to pay Drivers who complete  
21 the stated Incentive requirements but fail to satisfy Walmart’s undisclosed conditions.

22 91. As an example of this practice, Walmart has regularly advertised a “Referral  
23 Incentive” where Walmart promises to pay Drivers if they refer new Drivers to Spark. An example  
24 of such a Referral Incentive is shown below in Image 6.  
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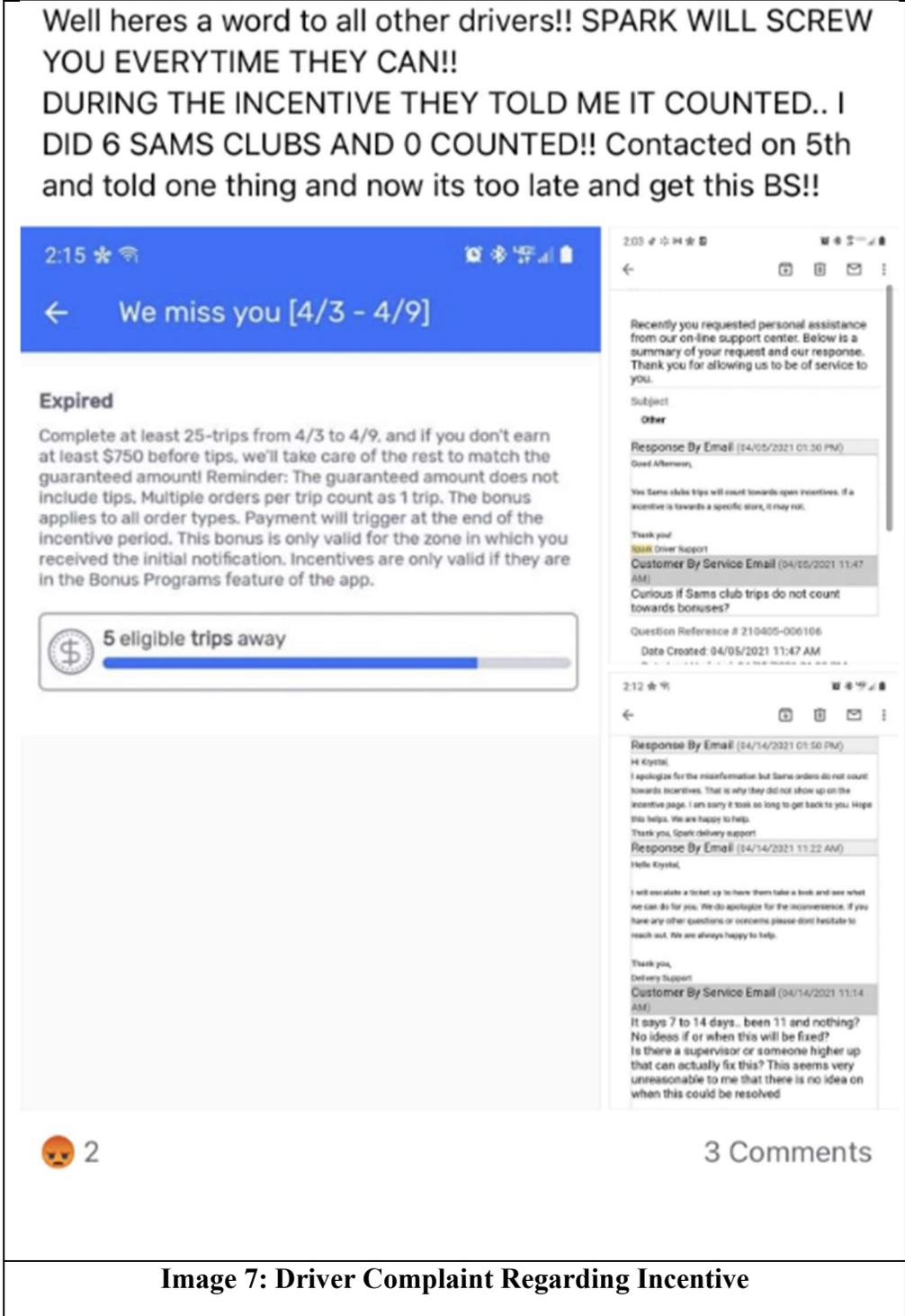
18 92. But in numerous instances where Walmart has offered a Referral Incentive, it has not  
 19 adequately disclosed that, in fact, Walmart would only pay the Referral Incentive if the newly  
 20 recruited Driver performed deliveries in a particular zone or for a particular store.

21 93. Nor is Walmart's failure to disclose all Incentive conditions limited to Referral  
 22 Incentives. For example, on September 21, 2022, Walmart sent an Incentive to Drivers in the Salem,  
 23 Oregon delivery zone promising to pay Drivers an extra \$5 for each trip they completed that day. But  
 24 Walmart failed to disclose that, it would actually only pay the Incentive for deliveries performed from  
 25 *one* of the Walmart stores located within the zone. Thus, Walmart did not pay Drivers who performed  
 26 deliveries from other Walmart stores within the Salem, Oregon zone, despite the plain text of the  
 27 Incentive. Following Driver complaints, Walmart added this Incentive to a list of dozens of other  
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1 Incentives that had similarly failed to disclose all conditions necessary for payment and had thereafter  
2 generated Driver complaints that they were deceived by the offered Incentives.

3 94. Another example of Walmart deceiving Drivers by failing to disclose all Incentive  
4 conditions is shown below in Image 7, which depicts a Driver complaint posted on Facebook that  
5 Walmart employees discussed internally. Here, Walmart promised that it would pay Drivers if they  
6 completed “at least 25-trips from 4/3 to 4/9.” Unbeknownst to Drivers and not disclosed in the  
7 Incentive, however, Walmart was not counting deliveries from Walmart’s Sam’s Club stores as trips  
8 eligible to satisfy that Incentive.

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24 95. Walmart itself has recognized that its Incentives have deceived Drivers. For example,  
 25 in 2021, when Drivers complained about Walmart’s failure to pay promised Referral Incentives, a  
 26 Walmart employee flagged these complaints for a Spark program manager and remarked that she  
 27 “agreed with drivers that this is super misleading.” The manager then escalated these complaints to  
 28 other Spark program managers who agreed that the Incentive language needed to be changed going

1 forward. However, nearly two years later, these same managers observed that the issue had still not  
2 been fixed and that Drivers were now complaining directly to Walmart's CEO regarding Walmart's  
3 failure to accurately disclose the conditions required for Incentive payments. In one manager's  
4 words, Referral Incentives continued to act as a "bait and switch to drivers" because Walmart  
5 promised to pay Drivers to recruit others to the Spark platform but failed to tell those Drivers that  
6 they would only be paid if the new Driver worked in a particular zone or took deliveries from a  
7 particular store. Drivers have also complained to Walmart's CEO regarding other Incentives that  
8 similarly failed to disclose all of the conditions required for payment.

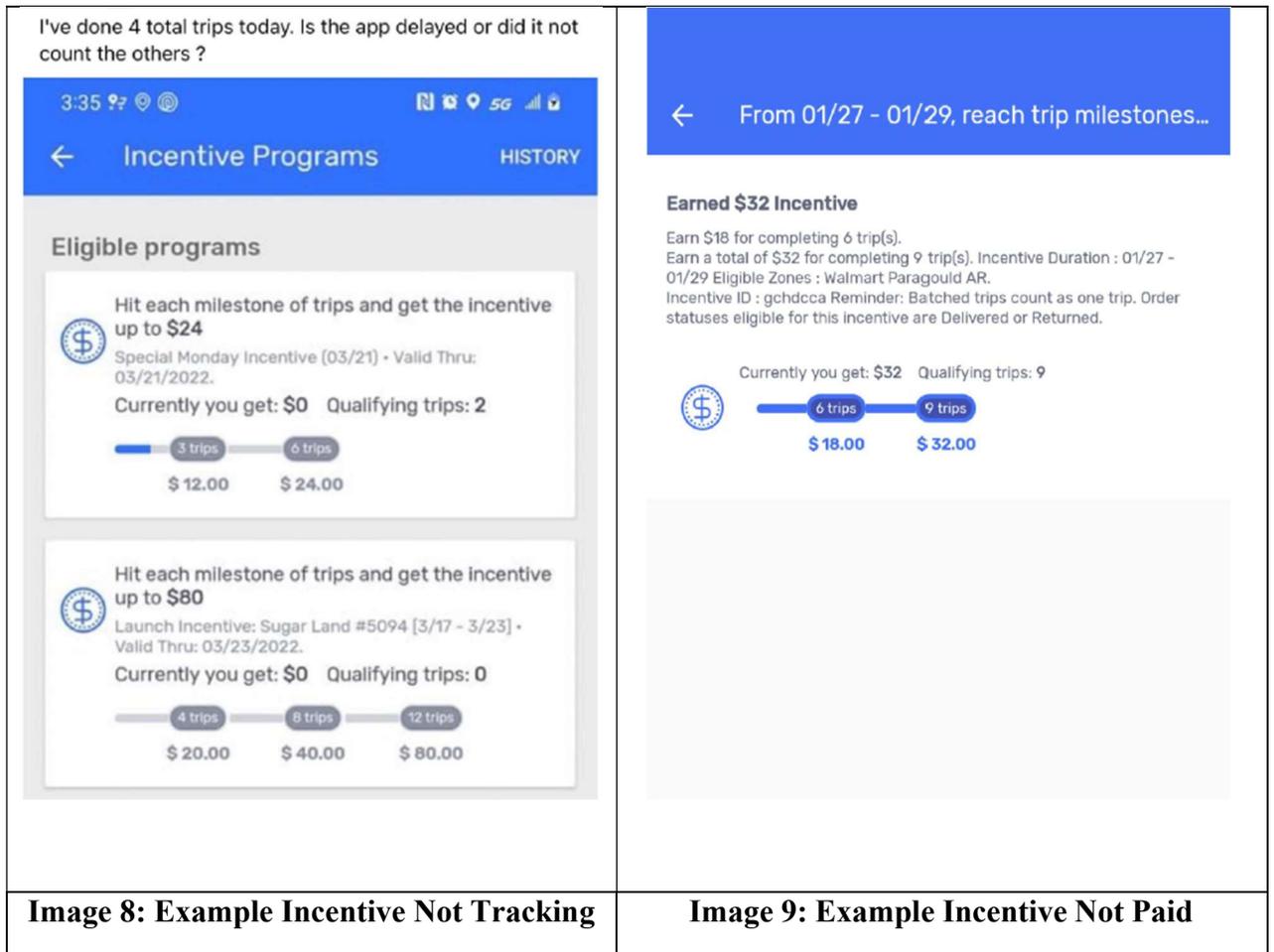
9 **B. Walmart Has Regularly Failed to Pay Drivers Even When They Meet All of an**  
10 **Incentive's Conditions**

11 96. Second, in addition to failing to disclose all of the necessary conditions to qualify for  
12 an Incentive, Walmart also frequently does not pay Drivers even if they successfully complete the  
13 Incentive. This occurs so often that Walmart has monitored it for most of Spark's existence, and  
14 refers to it internally as "Incentive Not Tracking." In other words, Walmart creates Incentives that  
15 are, according to Walmart internal documents, "misconfigured," meaning that the backend  
16 programming that dictates when a Driver qualifies for the Incentive is not set up properly to pay the  
17 Incentive once the Driver has completed the requirements.

18 97. As one example of the scope of this problem, in December 2022, Walmart recorded  
19 more than 25,000 complaints from Drivers that it classified as "Incentive Not Tracking." Walmart  
20 employees have described Incentives that failed to track correctly as a "train wreck" and an "increased  
21 legal risk" due to their failure to track and pay Drivers properly. In January 2023, a Senior Manager  
22 working on Spark collected twenty-two support tickets from Drivers "sent the past couple days"  
23 regarding Incentives that had simply failed to track the Driver's progress and forwarded them to an  
24 employee responsible for investigating these issues. These support tickets included instances in  
25 which Walmart support agents confirmed that the Driver had completed the requirements (e.g., that  
26 the Driver had completed a certain number of qualifying trips or certain types of deliveries), yet  
27 Walmart had nevertheless failed to pay the Incentive.

28

1 98. Examples of Walmart’s practice of not paying Drivers for completed Incentives are  
 2 shown below in Images 8 and 9. In Image 8, in March 2022, a Driver completed four trips in pursuit  
 3 of an Incentive, but those trips were not reflected in the Driver’s Incentive tracker on the app.  
 4 Walmart’s Director in charge of Incentives internally looked into this specific complaint, and opined  
 5 that he “checked target behavior, comms etc.” but found “everything is in line from what I can tell.”  
 6 There was no explanation for why this Driver’s trips did not track towards this Incentive. In Image  
 7 9, in February 2024, a Driver complained that, though their Incentive tracker captured that they  
 8 successfully completed the Incentive requirements, they did not receive the Incentive payment  
 9 Walmart promised.



25 99. Walmart’s representations regarding Incentives are material to Drivers. Indeed, in  
 26 2022, an executive working on Walmart Spark described the failure to pay over 1,000 Drivers for a  
 27 completed Incentive as a “big miss” that would “destroy ... Driver Trust.” In a 2023 survey  
 28 conducted by Walmart, one Driver commented that Incentives “serve[] as a motivating tool” while

1 another Driver shared that Incentives “make her do more deliveries.” In a different survey that same  
2 year, Walmart employees noted that the failure to correctly pay Drivers for completed Incentives  
3 constituted an important concern among Drivers. Indeed, “Incentives Not Paid” consistently ranks  
4 in the top five issues that Drivers contact Walmart’s Spark support agents about.

5 100. Drivers reasonably expect to be paid for the Incentives they complete. Accordingly,  
6 when Walmart fails to pay out a completed Incentive, support agents routinely receive an influx of  
7 calls and contacts from Drivers whose expectations were thwarted. For example, in 2023, support  
8 contacts rose by 39% after Walmart did not pay Drivers who completed three Incentives. After  
9 Walmart failed to pay one Incentive, a Driver complained to Walmart on February 13, 2023, “this is  
10 fraud and shouldn’t be allowed,” and asked “[w]hy can’t Spark live up to the bonus programs they  
11 offer the employee? There’s no reason we should have to contact Spark customer service everyday  
12 [sic] to get our bonuses.” In another example, in December 2022, one Driver reported having “called,  
13 cha[tt]ed, emailed over 25 times” without any resolution about Walmart’s failure to pay a particular  
14 Incentive worth \$145. It was not until the Driver emailed Walmart’s CEO directly that their report  
15 was addressed.

16 101. Walmart’s deceptive misrepresentations regarding Incentives have impacted  
17 thousands of Drivers and resulted in millions of dollars in missing or reduced payments. Multiple  
18 metrics from 2023 alone demonstrate the pervasiveness of this problem. In February 2023, a Walmart  
19 employee reported that, in a single week, over 2,000 Drivers contacted Spark support because  
20 Walmart either failed to track the Driver’s progress toward an Incentive correctly or failed to pay an  
21 Incentive out correctly. In May 2023, a Walmart employee estimated that Incentives were failing to  
22 automatically pay out at least \$600,000 correctly every month. And, in June 2023, another Walmart  
23 employee estimated that at least 24,899 Drivers did not receive the correct Incentive payments in a  
24 single week.

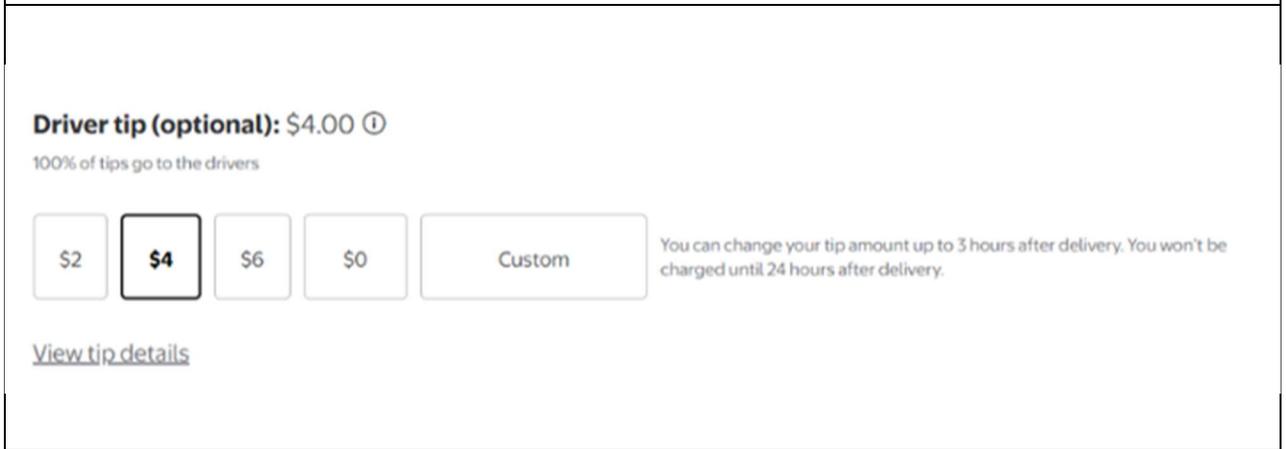
25 **V. Walmart Deceives Customers with Misrepresentations About Driver Tips**

26 102. Apart from representations to Drivers, Walmart also deceptively assures Customers  
27 who place a delivery order that “100% of tips go to the driver.” In fact, Walmart does not always  
28 convey collected tips to the Driver, and on some occasions retains those tips.

1 103. Since Spark’s inception, Walmart has promised that 100% of Customer tips will go to  
 2 the Driver. This representation is widespread, including on Walmart.com’s help section for  
 3 Customers (Image 10), as well as on the delivery order checkout page itself (Image 11).



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11 **Image 10: Walmart.com Customer FAQ**



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19 **Image 11: Example Walmart.com Delivery Order Checkout Page**

20 104. Unfortunately, Walmart has broken that promise. Tips that Customers leave do not  
 21 always go to their Drivers.

22 105. In August 2021, in response to multiple Driver complaints on social media regarding  
 23 an unusual number of tips going missing, the head of Spark’s Delivery Experience team requested  
 24 greater visibility into tipping issues. Accordingly, Walmart began to generate a “Tipping Status  
 25 Report” documenting several ongoing issues. As part of this investigation, Walmart determined that  
 26 there was a \$159,000 “delta” over the last six months between tips Walmart had authorized and  
 27 captured from Customers and what it had paid out to Drivers. Two months later, in October, a  
 28 Walmart “deep dive” into problems related to tipping and payouts—in an email chain titled “Spark

1 Pre-Tipping 911”—found that \$199,000 of tips were “invoiced but not paid” in just the last week of  
2 September. In response, the Director of Insights and Analytics for Spark summarized the issue for  
3 her colleagues: “[n]et net is that we are still having the occurrence of customers placing & charged  
4 for tips and drivers are not paid.”

5 106. These issues have persisted in various forms throughout the operation of Spark. For  
6 example, in May 2023, Walmart tested having Walmart employees deliver certain orders. Walmart’s  
7 employees were not permitted to earn money driving for Spark, including Customer tips; however,  
8 Walmart still charged Customers for their tips, despite their Drivers not receiving these tip amounts.  
9 Thus, in its internal team workspace, Walmart acknowledged that it ran “a net positive tip balance  
10 [...] which puts Walmart into the legal risk.” Similarly, in August 2023, the head of Spark’s Driver  
11 Experience team was informed that Customers were being charged before Walmart’s internal systems  
12 recognized that the order had been delivered, resulting in tips being collected but not “paid out  
13 systematically” to Drivers. In fact, when a Senior Manager for Spark’s Operations and Driver  
14 Experience team collected and organized a list of the 25 biggest defects affecting Spark on January  
15 31, 2024, the issue of “Customer charged tips that driver did not receive, did [n]ot refund to customer  
16 either” made the list, with an estimated support volume of 700 tickets opened every week in response  
17 to complaints.

18 107. Accordingly, despite their representation that tips go entirely to the Drivers, Walmart  
19 has charged Customers for tips they left for Drivers but failed to deliver these tips to the Drivers.

20 **VI. Walmart Uses False Representations to Obtain Drivers’ Financial Information and to**  
21 **Cause Drivers to Disclose Their Financial Information**

22 108. Walmart uses the false representations to Drivers set forth above to obtain or attempt  
23 to obtain, or cause to be disclosed or attempt to cause to be disclosed, their financial information.

24 109. When it advertises the opportunity to become a Spark Driver, Walmart tells potential  
25 Drivers that “[y]ou get to keep 100% of customer confirmed tips.” It tells them that “[e]ach offer  
26 will list the estimated amount you will receive for making the delivery.” And it advertises to potential  
27 Drivers that they can “boost your earnings by meeting the incentive program qualifications, such as  
28 completing a certain number of trips in a specific time period.” Walmart makes these representations

1 on its website and in promotional materials and targeted notices that it uses to entice Drivers to sign  
2 up for Spark. As discussed above, in numerous instances, these representations about the tips, base  
3 pay, and Incentives Drivers will earn are false: Drivers often do not keep 100% of customer-  
4 confirmed tips; Offers often advertise earnings Walmart knows Drivers will never receive; and  
5 Drivers often do not receive promised Incentive payments despite meeting program qualifications  
6 represented to them.

7 110. When consumers sign up to become Spark Drivers, Walmart requires them to provide  
8 their financial information, either by setting up direct deposit (by providing their individual bank  
9 account numbers and routing numbers) or by connecting certain digital wallet accounts. In each of  
10 these cases, consumers must provide Walmart with their customer information of a financial  
11 institution to work for Spark as Drivers.

12 \*\*\*

13 111. Based on the facts and violations of law alleged in this Complaint, the FTC has reason  
14 to believe that Defendant is violating or is about to violate laws enforced by the Commission.  
15 Defendant engaged in these unlawful acts and practices repeatedly over a period of several years.  
16 Defendant earned significant revenues and/or saved significant costs by participating in these  
17 unlawful acts and practices. And Defendant continued its unlawful acts or practices despite  
18 knowledge of thousands of complaints from Drivers regarding these issues.

19 **VIOLATIONS OF THE FTC ACT**

20 112. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits “unfair or deceptive acts or  
21 practices in or affecting commerce.”

22 113. Misrepresentations or deceptive omissions of material fact constitute deceptive acts or  
23 practices prohibited by Section 5(a) of the FTC Act.

24 **Count I (by Plaintiff FTC)**

25 **(Misrepresentations to Drivers Regarding Tips)**

26 114. In numerous instances in connection with the advertising, marketing, promotion, or  
27 operation of Spark, Defendant represents and has represented, directly or indirectly, expressly or by  
28

1 implication, that Defendant will disburse to Drivers the pre-tip amount shown in the Offer Card if the  
2 Driver completes the delivery and the Customer does not affirmatively change the pre-tip.

3 115. In fact, in numerous instances in which Defendant makes this representation,  
4 Defendant does not disburse the tip amount shown in the Offer Card, even though the Driver  
5 completes the delivery and the Customer does not affirmatively change the pre-tip.

6 116. Therefore, Defendant's representations are false or misleading and constitute a  
7 deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

8 **Count II (by Plaintiff FTC)**

9 **(Misrepresentations to Drivers Regarding Base Pay)**

10 117. In numerous instances in connection with the advertising, marketing, promotion, or  
11 operation of Spark, Defendant represents and has represented, directly or indirectly, expressly or by  
12 implication, that Defendant will pay Drivers the base pay amount shown in the Offer Card.

13 118. In fact, in numerous instances in which Defendant makes this representation,  
14 Defendant fails to pay Drivers the base pay amount shown in the Offer Card.

15 119. Therefore, Defendant's representations are false or misleading and constitute a  
16 deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

17 **Count III (by Plaintiff FTC)**

18 **(Misrepresentations to Drivers Regarding Incentives)**

19 120. In numerous instances in connection with the advertising, marketing, promotion, or  
20 operation of Spark, Defendant represents and has represented, directly or indirectly, expressly or by  
21 implication, that Defendant will provide a Driver who fulfills an Incentive's stated program  
22 qualifications the stated Incentive payment.

23 121. In fact, in numerous instances in which Defendant makes this representation,  
24 Defendant does not pay a Driver the stated Incentive payment after the Driver fulfills the Incentive's  
25 stated program qualifications.

26 122. Therefore, Defendant's representations are false or misleading and constitute a  
27 deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

28

**Count IV (by Plaintiff FTC)****(Misrepresentations to Customers Regarding Tips)**

123. In numerous instances in connection with the advertising, marketing, promotion, of operation of Spark, Defendant represents and has represented, directly or indirectly, expressly or by implication, that Drivers will receive 100% of the tips left by Customers.

124. In fact, in numerous instances in which Defendant makes this representation, Defendant charges Customers for tips but fails to provide those tips to Drivers.

125. Therefore, Defendant's representations are false or misleading and constitute a deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

**VIOLATIONS OF THE GRAMM-LEACH-BLILEY ACT**

126. Section 521 of the GLB Act, 15 U.S.C. § 6821, became effective on November 12, 1999, and remains in full force and effect. Section 521(a)(2) of the GLB Act, 15 U.S.C. § 6821(a), prohibits any person from "obtain[ing] or attempt[ing] to obtain, or caus[ing] to be disclosed or attempt[ing] to cause to be disclosed to any person, customer information of a financial institution relating to another person . . . by making a false, fictitious, or fraudulent statement or representation to a customer of a financial institution."

127. The GLB Act defines "customer" to mean, "with respect to a financial institution, any person (or authorized representative of a person) to whom the financial institution provides a product or service, including that of acting as a fiduciary." 15 U.S.C. § 6827(1). The GLB Act defines "customer information of a financial institution" as "any information maintained by or for a financial institution which is derived from the relationship between the financial institution and a customer of a financial institution and is identified with the customer." *Id.* § 6827(2). The GLB Act defines a "financial institution" as "any institution engaged in the business of providing financial services to customers who maintain a credit, deposit, trust, or other financial account or relationship with the institution." *Id.* § 6827(4)(A).

128. Section 522(a) of the GLB Act, *id.* § 6822(a), empowers the FTC to enforce Section 521 of the GLB Act "in the same manner and with the same power and authority as the [FTC] has under the Fair Debt Collection Practices Act [FDCPA] . . . to enforce compliance with such Act."

1 Pursuant to Section 814(a) of the FDCPA, *id.* § 1692l(a), a violation of the FDCPA is deemed an  
2 unfair or deceptive act or practice in violation of the FTC Act. Section 814(a) of the FDCPA further  
3 provides that all of the functions and powers of the FTC under the FTC Act are available to the FTC  
4 to enforce compliance by any person with the FDCPA, including the power to enforce provisions of  
5 the FDCPA in the same manner as if the violation had been a violation of an FTC trade regulation  
6 rule. Thus, pursuant to Section 522(a) of the GLB Act, the FTC may enforce Section 521 of the GLB  
7 Act in the same manner as if a violation of the GLB Act were a violation of an FTC trade regulation  
8 rule.

9 129. Section 19 of the FTC Act, *id.* § 57b, authorizes this Court to grant such relief as the  
10 Court finds necessary to redress injury to consumers resulting from Defendant's violations of the  
11 GLB Act, including, but not limited, to the rescission or reformation of contracts, and the refund of  
12 money or return of property.

13 **Count V (by Plaintiff FTC)**

14 **(Use of False, Fictitious, or Fraudulent Statements to Obtain or Attempt to Obtain, or Cause**  
15 **to Be Disclosed or Attempt to Cause to Be Disclosed, Customer Information of a Financial**  
16 **Institution)**

17 130. In numerous instances in connection with the advertising, marketing, promotion, or  
18 operation of Spark, Defendant makes and has made false, fictitious, or fraudulent statements or  
19 representations to customers of financial institutions to obtain or attempt to obtain, or to cause to be  
20 disclosed or attempt to cause to be disclosed, customer information of a financial institution, such as  
21 bank account numbers, including by representing, directly or indirectly, expressly or by implication,  
22 that Drivers:

- 23 A. Will be paid 100% of the Customer-confirmed tips;  
24 B. Will be paid the earnings that Defendant displays in Offer Cards; and  
25 C. Will be paid Incentive earnings upon meeting the Incentive's requirements.

26 131. Therefore, Defendant's acts or practices set forth above violate Section 521 of the  
27 GLB Act, 15 U.S.C. § 6821, and constitute deceptive acts or practices in violation of Section 5(a) of  
28 the FTC Act, 15 U.S.C. § 45(a).

**VIOLATIONS OF ARIZONA STATE LAW**

**Count VI (by Plaintiff State of Arizona)**

**Violations of the Arizona Consumer Fraud Act**

132. The conduct described in the preceding paragraphs of this Complaint constitutes deception, deceptive or unfair acts or practices, fraud, false pretenses, false promises, misrepresentations, or concealment, suppression or omission of material facts with intent that others rely on such concealment, suppression or omission, in connection with the sale or advertisement of merchandise in violation of A.R.S. §§ 44-1521–1534, including, but not limited to:

- A. Defendant engaged in deceptive and unfair acts and practices by representing to Arizona consumers, directly or indirectly, expressly or by implication, that it will disburse to Drivers the pre-tip amount shown in the Offer Card if the Drivers complete the delivery and the Customer does not affirmatively change the pre-tip. In fact, in numerous instances, Defendant does not disburse to Drivers the pre-tip amount shown in the Offer Card if the Drivers complete the delivery even when the Customer does not affirmatively change the pre-tip;
- B. Defendant engaged in deceptive and unfair acts and practices by representing to Arizona consumers, directly or indirectly, expressly or by implication, that it will pay Drivers the base pay amount shown in the Offer Card. In fact, in numerous instances, Defendant does not pay Drivers the base pay amount shown in the Offer Card;
- C. Defendant engaged in deceptive and unfair acts and practices by representing to Arizona consumers, directly or indirectly, expressly or by implication, that it will provide a Driver who fulfills an Incentive’s stated requirements the stated Incentive payment. In fact, in numerous instances, Defendant does not pay Drivers the Incentive payment after they fulfill the Incentive’s stated requirements;
- D. Defendant engaged in deceptive and unfair acts and practices by representing to Arizona consumers, directly or indirectly, expressly or by implication, that

1 Drivers will receive 100% of the tips left by Customers; Defendant, in  
2 numerous instances, has charged Customers for tips but failed to provide those  
3 tips to Drivers.

4 133. While engaging in the acts and practices alleged in this Complaint, Defendant knew  
5 or should have known that its conduct was of the nature prohibited by A.R.S. § 44-1522, subjecting  
6 itself to enforcement and penalties as provided in A.R.S. § 44-1531(A).

7 134. With respect to the concealments, suppressions, or omissions of material fact  
8 described above, Defendant did so with intent that others rely on such concealments, suppressions,  
9 or omissions.

10 **VIOLATIONS OF CALIFORNIA STATE LAW**

11 **Count VII (by Plaintiff Alameda County District Attorney on behalf of the People of the State**  
12 **of California)**

13 **Violations of California Business and Professions Code Sections 17500 *et seq.***

14 135. In numerous instances in connection with the advertising, marketing, promotion, or  
15 operation of Spark, Defendant has represented, directly or indirectly, expressly or by implication,  
16 that:

- 17 A. Defendant will disburse to Drivers the pre-tip amount shown in the Offer Card  
18 if the Drivers complete the delivery and the Customer does not affirmatively  
19 change the pre-tip;
- 20 B. Defendant will pay Drivers the base pay amount shown in the Offer Card;
- 21 C. Defendant will provide a Driver who fulfills an Incentive's stated requirements  
22 the stated Incentive payment; and
- 23 D. Drivers will receive 100% of the tips left by Customers.

24 136. In fact, in numerous instances when Defendant makes these representations:

- 25 A. Defendant does not disburse to Drivers the pre-tip amount shown in the Offer  
26 Card if the Drivers complete the delivery even when the Customer does not  
27 affirmatively change the pre-tip;
- 28 B. Defendant does not pay Drivers the base pay amount shown in the Offer Card;

1 C. Defendant does not pay Drivers the promised Incentive payment after they  
2 fulfill the Incentive’s stated requirements; and

3 D. Defendant has charged Customers for tips but failed to provide those tips to  
4 Drivers.

5 137. Therefore, within three years preceding the filing of this Complaint, Defendant made  
6 untrue and/or misleading statements to the public in violation of California Business and Professions  
7 Code § 17500.

8 **Count VIII (by Plaintiff Alameda County District Attorney on behalf of the People of the**  
9 **State of California)**

10 **Violations of California Business and Professions Code Sections 17200 et seq.**

11 138. Within four years preceding the filing of this Complaint, Defendant violated  
12 California Business and Professions Code § 17200 by engaging in business acts or practices that were  
13 unlawful, unfair, deceptive, or misleading, including, but not limited to, the following acts or  
14 practices:

- 15 A. Violating California Business and Professions Code § 17500;
- 16 B. Violating Section 5 of the FTC Act, 15 U.S.C. § 45(a); and
- 17 C. Violating Section 521 of the GLB Act, 15 U.S.C. § 6821.

18 **VIOLATIONS OF COLORADO STATE LAW**

19 139. The CCPA prohibits unfair or deceptive trade practices. Col. Rev. Stat. § 6-1-105. The  
20 Attorney General is authorized to enforce the CCPA under Colo. Rev. Stat. § 6-1-103.

21 **Count IX (by Plaintiff Attorney General of Colorado )**

22 **Violations of the CCPA – False or Misleading Statements of Fact**

23 140. In numerous instances in connection with the advertising, marketing, promotion, or  
24 operation of Spark, Defendant has represented, directly or indirectly, expressly or by implication,  
25 that:

- 26 A. Defendant will disburse to Drivers the pre-tip amount shown in the Offer Card  
27 if the Drivers complete the delivery and the Customer does not affirmatively  
28 change the pre-tip;

- 1 B. Defendant will pay Drivers the base pay amount shown in the Offer Card;
- 2 C. Defendant will provide a Driver who fulfills an Incentive’s stated requirements
- 3 the stated Incentive payment; and
- 4 D. Drivers will receive 100% of the tips left by Customers.

5 141. In fact, in numerous instances when Defendant makes these representations:

- 6 A. Defendant does not disburse to Drivers the pre-tip amount shown in the Offer
- 7 Card if the Drivers complete the delivery even when the Customer does not
- 8 affirmatively change the pre-tip;
- 9 B. Defendant does not pay Drivers the base pay amount shown in the Offer Card;
- 10 C. Defendant does not pay Drivers the promised Incentive payment after they
- 11 fulfill the Incentive’s stated requirements; and
- 12 D. Defendant has charged Customers for tips but failed to provide those tips to
- 13 Drivers.

14 142. These representations are knowingly or recklessly false or misleading and are thus a

15 violation of the CCPA, Colo. Rev. Stat. § 6-1-105(1)(l).

16 **Count X (by Plaintiff Attorney General of Colorado)**

17 **Violations of the CCPA – Engaging in an Unfair, Unconscionable, or Deceptive Practice**

18 143. In numerous instances in connection with the advertising, marketing, promotion, or

19 operation of Spark, Defendant has represented, directly or indirectly, expressly or by implication,

20 that:

- 21 A. Defendant will disburse to Drivers the pre-tip amount shown in the Offer Card
- 22 if the Drivers complete the delivery and the Customer does not affirmatively
- 23 change the pre-tip;
- 24 B. Defendant will pay Drivers the base pay amount shown in the Offer Card;
- 25 C. Defendant will provide a Driver who fulfills an Incentive’s stated requirements
- 26 the stated Incentive payment; and
- 27 D. Drivers will receive 100% of the tips left by Customers.

28 144. In fact, in numerous instances when Defendant makes these representations:

- 1 A. Defendant does not disburse to Drivers the pre-tip amount shown in the Offer
- 2 Card if the Drivers complete the delivery even when the Customer does not
- 3 affirmatively change the pre-tip;
- 4 B. Defendant does not pay Drivers the base pay amount shown in the Offer Card;
- 5 C. Defendant does not pay Drivers the promised Incentive payment after they
- 6 fulfill the Incentive’s stated requirements; and
- 7 D. Defendant has charged Customers for tips but failed to provide those tips to
- 8 Drivers.

9 145. Defendant’s business practice of misrepresenting base pay, tips, and incentives is  
10 knowingly or recklessly unfair, unconscionable, and deceptive and violates the CCPA, Colo. Rev.  
11 Stat. § 6-1-105(1)(rrr).

12 **VIOLATIONS OF ILLINOIS STATE LAW**

13 **The Illinois Consumer Fraud Act**

14 146. Section 2 of the Illinois Consumer Fraud Act provides the following:

15 Unfair methods of competition and unfair or deceptive acts or practices,  
16 including but not limited to the use or employment of any deception  
17 fraud, false pretense, false promise, misrepresentation or the  
18 concealment, suppression or omission of any material fact, with intent  
19 that others rely upon the concealment, suppression or omission of such  
20 material fact, or the use or employment of any practice described in  
21 Section 2 of the ‘Uniform Deceptive Trade Practices Act’, approved  
22 August, 5, 1965 [815 ILCS 510/2], in the conduct of any trade or  
commerce are hereby declared unlawful whether any person has in fact  
been misled, deceived or damaged thereby. In construing this section  
consideration shall be given to the interpretations of the Federal Trade  
Commission and the federal courts relating to Section 5(a) of the  
Federal Trade Commission Act.

23 815 ILCS 505/2

24 147. Section 7 of the Illinois Consumer Fraud Act provides:

25 (a) Whenever the Attorney General has reason to believe that any  
26 person is using, has used, or is about to use any method, act or practice  
27 declared by the Act to be unlawful, and that proceedings would be in  
28 the public interest, he may bring an action in the name of the State  
against such person to restrain by preliminary or permanent injunction  
the use of such method, act or practice. The Court, in its discretion, may  
exercise all powers necessary, including by not limited to: injunction,

1 revocation, forfeiture or suspension of any license, charger, franchise,  
2 certificate or other evidence of authority of any person to do business in  
3 this State; appointment of a receiver, dissolution of domestic  
4 corporations or association suspension or termination of the right of  
foreign corporation or associations to do business in this State; and  
restitution.

5 (b) In addition to the remedies provided herein, the Attorney General  
6 may request and this Court may impose a civil penalty in a sum not to  
7 exceed \$50,000 against any person found by the Court to have engaged  
8 in any method, act or practice declared unlawful under this Act. In the  
9 event the court finds the method, act or practice to have been entered  
into with the intent to defraud, the court has the authority to impose a  
civil penalty in a sum not to exceed \$50,000 per violation.

10 (c) In addition to any other civil penalty provided in this Section, if a  
11 person is found by the court to have engaged in any method, act, or  
12 practice declared unlawful under this Act, and the violation was  
committed against a person 65 years of age or older, the court may  
impose an additional civil penalty not to exceed \$10,000 for each  
violation.

13 815 ILCS 505/7.

14 148. Section 10 of the Illinois Consumer Fraud Act provides, "In any action brought under  
15 the provisions of this Act, the Attorney General is entitled to recover costs for the use of this State."

16 815 ILCS 505/10.

17 **Illinois Uniform Deceptive Trade Practices Act**

18 149. Section 2 of the Illinois Uniform Deceptive Trade Practices Act provides, in relevant  
19 part, the following:

20 A person engages in a deceptive trade practice when, in the course of  
21 his or her business, vocation, or occupation, the person: \* \* \* (2) causes  
22 likelihood of confusion or of misunderstanding as to the source,  
23 sponsorship, approval, or certification of good or services; (3) causes  
24 likelihood of confusion or of misunderstanding as to affiliation,  
25 connection, or association with or certification by another; \* \* \* (5)  
26 represents that goods or services have sponsorship, approval,  
27 characteristics, ingredients, uses, benefits, or quantities that they do not  
have or that a person has a sponsorship, approval, status, affiliation, or  
connection that he or she does not have; \* \* \* (11) makes false or  
misleading statements of fact concerning the reasons for, existence of,  
or amounts of price reductions; (12) engages in any other conduct  
which similarly creates a likelihood of confusion or misunderstanding.

28 815 ILCS 510/2(a)

1 In order to prevail in an action under this Act, a plaintiff need not prove  
2 competition between the parties or actual confusion or  
misunderstanding.

3 815 ILCS 510/2(b).

4 **Count XI (by Plaintiff State of Illinois)**

5 **Violations of the Illinois Consumer Fraud Act**

6 150. The Illinois Attorney General re-alleges and incorporates by reference each and every  
7 allegation set forth in the foregoing paragraphs.

8 151. Defendant, in the course of trade or commerce, has in numerous instances engaged in  
9 conduct which constitutes unfair and deceptive acts or practices declared unlawful under section 2 of  
10 the Illinois Consumer Fraud Act, 815 ILCS 505/2, by:

- 11 A. Misrepresenting directly or indirectly, expressly or by implication, the tips  
12 Drivers would earn for completing a given delivery;
- 13 B. Misrepresenting directly or indirectly, expressly or by implication, the base  
14 pay Drivers would earn for completing a given delivery;
- 15 C. Misrepresenting directly or indirectly, expressly or by implication, the  
16 Incentives Drivers could earn by fulfilling a requirement or set of  
17 requirements;
- 18 D. Misrepresenting directly or indirectly, expressly or by implication, Drivers'  
19 potential total earnings by advertising certain amounts to Drivers and then  
20 failing to pay those amounts;
- 21 E. Misrepresenting directly or indirectly, expressly or by implication, through  
22 advertisements, marketing, and offers for delivery to Customers in Illinois that  
23 100% of a Customer's tips will be paid to the Driver.

24 **Count XII (by Plaintiff State of Illinois)**

25 **Violations of the Illinois Uniform Deceptive Trade Practices Act**

26 152. Defendant, in the course of a business, vocation, or occupation, has in numerous  
27 instances engaged in deceptive trade practices in violation of Section 2 of the Illinois Uniform  
28 Deceptive Trade Practices Act, 815 ILCS 510/2, by:

- 1 A. Advertising tips to Drivers that Walmart knew or should have known it would  
2 not provide, causing a likelihood of confusion or misunderstanding among  
3 Illinois Drivers, in violation of 815 ILCS 510/2(a)(12).
- 4 B. Advertising base pay to Drivers that Walmart knew or should have known it  
5 would not pay, causing a likelihood of confusion or misunderstanding among  
6 Illinois Drivers, in violation of 815 ILCS 510/2(a)(12).
- 7 C. Advertising Incentives to Drivers that Walmart knew or should have known it  
8 would not pay, causing a likelihood of confusion or misunderstanding among  
9 Illinois Drivers, in violation of 815 ILCS 510/2(a)(12).
- 10 D. Representing to consumers that Walmart will pay 100% of their tip to the  
11 Driver who delivers their order, causing a likelihood of confusion or  
12 misunderstanding as to the affiliation, connection, association with or  
13 certification by the Driver, in violation of 815 ILCS 510/2(a)(3).
- 14 E. Representing to consumers that Walmart will pay 100% of their tip to the  
15 Driver who delivers their order, causing a likelihood of confusion or  
16 misunderstanding among Illinois Customers who place orders that are  
17 delivered through Spark, in violation of 815 ILCS 510/2(a)(12).

18 **VIOLATIONS OF MICHIGAN STATE LAW**

19 **Count XIII (by Plaintiff People of Michigan)**

20 **Violations of the Michigan Consumer Protection Act**

21 153. The Michigan Attorney General is authorized to bring this claim under Mich. Comp.  
22 Laws §§ 445.905 and 445.910. The Attorney General may obtain injunctive relief, actual damages,  
23 and other appropriate relief under the Michigan Consumer Protection Act, Mich. Comp. Laws §  
24 445.901 *et seq.*

25 154. As described in this Complaint, Defendant has engaged in the following unfair,  
26 unconscionable, and deceptive trade practices that are made unlawful under the Michigan Consumer  
27 Protection Act, Mich. Comp. Laws § 445.903(1):  
28

1 (g) Advertising or representing goods or services with intent not to dispose of those  
2 goods or services as advertised or represented;

3 (s) Failing to reveal a material fact, the omission of which tends to mislead or deceive  
4 the consumer, and which fact could not reasonably be known by the consumer;

5 (bb) Making a representation of fact or statement of fact material to the transaction  
6 such that a person reasonably believes the represented or suggested state of affairs to  
7 be other than it actually is; and

8 (cc) Failing to reveal facts that are material to the transaction in light of representations  
9 of fact made in a positive manner.

10 155. In numerous instances in connection with the advertising, marketing, promotion, or  
11 operation of Spark, Defendant has represented, directly or indirectly, expressly or by implication,  
12 that:

13 A. Defendant will disburse to Drivers the pre-tip amount shown in the Offer Card  
14 if the Drivers complete the delivery and the Customer does not affirmatively  
15 change the pre-tip;

16 B. Defendant will pay Drivers the base pay amount shown in the Offer Card;

17 C. Defendant will provide a Driver who fulfills an Incentive's stated requirements  
18 the stated Incentive payment; and

19 D. Drivers will receive 100% of the tips left by Customers.

20 156. In truth and in fact, in numerous instances when Defendant makes these  
21 representations:

22 A. Defendant does not disburse to Drivers the pre-tip amount shown in the Offer  
23 Card if the Drivers complete the delivery even when the Customer does not  
24 affirmatively change the pre-tip;

25 B. Defendant does not pay Drivers the base pay amount shown in the Offer Card;

26 C. Defendant does not pay Drivers the promised Incentive payment after they  
27 fulfill the Incentive's stated requirements; and  
28

1 D. Defendant has charged Customers for tips but failed to provide those tips to  
2 Drivers.

3 157. Therefore, these representations and practices as set forth above are unfair,  
4 unconscionable, and deceptive trade practices that are made unlawful under the Michigan Consumer  
5 Protection Act, Mich. Comp. Laws § 445.903(1).

6 **VIOLATIONS OF NORTH CAROLINA STATE LAW**

7 158. N.C.G.S. § 75-1.1 prohibits “unfair or deceptive acts or practices in or affecting  
8 commerce.”

9 159. Misrepresentations or deceptive omissions of material fact constitute deceptive acts or  
10 practices prohibited by N.C.G.S. § 75-1.1.

11 160. Acts or practices are unfair under N.C.G.S. § 75-1.1 when they offend established  
12 public policy, as well as when the practice is immoral, unethical, oppressive, unscrupulous, or  
13 substantially injurious to consumers.

14 **Count XIV (by Plaintiff State of North Carolina)**

15 **Violations of North Carolina Unfair or Deceptive Trade Practices Act**

16 161. In numerous instances in connection with the advertising, marketing, promotion, or  
17 operation of Spark, Defendant has represented, directly or indirectly, expressly or by implication,  
18 that:

19 A. Defendant will disburse to Drivers the pre-tip amount shown in the Offer Card  
20 if the Drivers complete the delivery and the Customer does not affirmatively  
21 change the pre-tip;

22 B. Defendant will pay Drivers the base pay amount shown in the Offer Card;

23 C. Defendant will provide a Driver who fulfills an Incentive’s stated requirements  
24 the stated Incentive payment; and

25 D. Drivers will receive 100% of the tips left by Customers.

26 162. In truth and in fact, in numerous instances when Defendant makes these  
27 representations:  
28

- 1 A. Defendant does not disburse to Drivers the pre-tip amount shown in the Offer
- 2 Card if the Drivers complete the delivery even when the Customer does not
- 3 affirmatively change the pre-tip;
- 4 B. Defendant does not pay Drivers the base pay amount shown in the Offer Card;
- 5 C. Defendant does not pay Drivers the promised Incentive payment after they
- 6 fulfill the Incentive’s stated requirements; and
- 7 D. Defendant has charged Customers for tips but failed to provide those tips to
- 8 Drivers.

9 163. Therefore, Defendant’s representations are false or misleading and constitute unfair  
10 or deceptive trade practices, are prohibited by N.C.G.S. § 75-1.1, and are in violation of North  
11 Carolina’s Unfair or Deceptive Trade Practices Act.

12 **VIOLATIONS OF OKLAHOMA STATE LAW**

13 **Count XV (by Plaintiff State of Oklahoma)**

14 **Violations of Oklahoma Consumer Protection Act - Deception**

15 164. The Oklahoma Consumer Protection Act prohibits businesses from engaging in any  
16 “deceptive trade practice[s],” which are defined as any “misrepresentation, omission or other practice  
17 that has deceived or could reasonably be expected to deceive or mislead a person to the detriment of  
18 that person.” 15 O.S. § 752(13).

19 165. Defendant has engaged and continues to engage in “consumer transactions” as that  
20 term is defined in the Oklahoma Consumer Protection Act with tens of thousands of Oklahomans.

21 166. As described in this Complaint, Defendant has repeatedly deceived consumers through  
22 its words, conduct, silence, and action—in violation of the Oklahoma Consumer Protection Act.

23 167. By making express and implied material misrepresentations about tips, base pay, and  
24 incentives, Defendant has engaged in deceptive trade practices that are prohibited by the Oklahoma  
25 Consumer Protection Act.

26 168. Each instance of Defendant’s deceptive practices constitutes a separate violation of  
27 the Oklahoma Consumer Protection Act.

28

1 **Count XVI (by Plaintiff State of Oklahoma)**

2 **Violations of Oklahoma Consumer Protection Act - Unfairness**

3 169. The Oklahoma Consumer Protection Act prohibits businesses from knowingly  
4 engaging in “unfair” trade practices, which are defined as any practice “which offends established  
5 public policy” or is “immoral, unethical, oppressive, unscrupulous or substantially injurious to  
6 consumers.” 15 O.S. § 752(14).

7 170. Defendant has engaged and continues to engage in “consumer transactions” as that  
8 term is defined in the Oklahoma Consumer Protection Act with tens of thousands of Oklahomans.

9 171. By failing to pay promised tips, base pay, and incentives, Defendant has engaged in  
10 unfair trade practices prohibited by the Oklahoma Consumer Protection Act.

11 172. Through their conduct, Defendant has injured tens of thousands of Oklahomans.

12 173. Each instance of Defendant’s unfair practices constitutes a separate violation of the  
13 Oklahoma Consumer Protection Act.

14 174. Insofar as there are positive benefits associated with Defendant’s conduct, those  
15 benefits do not outweigh the harm arising out of Defendant’s conduct.

16 **VIOLATIONS OF PENNSYLVANIA STATE LAW**

17 175. Section 201-2(3) of the Pennsylvania Unfair Trade Practices and Consumer Protection  
18 Law defines “trade” and “commerce” to mean the “advertising, offering for sale, sale or distribution  
19 of any services and any property, tangible or intangible, real, personal or mixed, and any other article,  
20 commodity, or thing of value wherever situate, and includes any trade or commerce directly or  
21 indirectly affecting the people of this Commonwealth.”

22 176. Defendant has engaged in trade and commerce in the Commonwealth of Pennsylvania  
23 by marketing and operating the Spark platform within the Commonwealth of Pennsylvania and using  
24 the Spark platform to sell and deliver goods to Pennsylvania consumers.

25 177. Unfair methods of competition and unfair or deceptive acts or practices in the conduct  
26 of any trade or commerce as defined by subclauses (i) through (xxi) of Section 201-2(4) of the  
27 Pennsylvania Unfair Trade Practices and Consumer Protection Law are declared unlawful, and  
28 whenever the Attorney General has reason to believe that any person is using or is about to use any

1 method, act, or practice declared unlawful, Section 201-4 of the Pennsylvania Unfair Trade Practices  
2 and Consumer Protection Law authorizes the Attorney General to bring an action against such person  
3 to restrain these methods, acts, or practices.

4 178. The acts and practices described below constitute unfair methods of competition or  
5 unfair or deceptive acts or practices, as prohibited by Section 201-3 of the Pennsylvania Unfair Trade  
6 Practices and Consumer Protection Law as defined by subclauses (v), (xi), (xii), and (xxi) of Section  
7 201-2(4) as follows:

- 8 A. Representing that goods or services have sponsorship, approval,  
9 characteristics, ingredients, uses, benefits, or quantities that they do not have  
10 or that a person has a sponsorship, approval, status, affiliation or connection  
11 that he does not have, 73 P.S. § 201-2(4)(v);
- 12 B. Making false or misleading statements of fact concerning the reasons for,  
13 existence of, or amounts of price reductions, 73 P.S. § 201-2(4)(xi);
- 14 C. Promising or offering prior to time of sale to pay, credit or allow to any buyer,  
15 any compensation or reward for the procurement of a contract for purchase of  
16 goods or services with another or others, or for the referral of the name or  
17 names of another or others for the purpose of attempting to procure or  
18 procuring such a contract of purchase with such other person or persons when  
19 such payment, credit, compensation or reward is contingent upon the  
20 occurrence of an event subsequent to the time of the signing of a contract to  
21 purchase, 73 P.S. § 201-2(4)(xii); and
- 22 D. Engaging in any other fraudulent or deceptive conduct which creates a  
23 likelihood of confusion or of misunderstanding, 73 P.S. § 201-2(4)(xxi).

24 **Count XVII (by Plaintiff Commonwealth of Pennsylvania)**

25 **Violations of the Pennsylvania Unfair Trade Practices and Consumer Protection Law**

26 179. In numerous instances in connection with the advertising, marketing, promotion, or  
27 operation of Spark, Defendant has represented, directly or indirectly, expressly or by implication,  
28 that:

- 1 A. Defendant will disburse to Drivers the pre-tip amount shown in the Offer Card
- 2 if the Drivers complete the delivery and the Customer does not affirmatively
- 3 change the pre-tip;
- 4 B. Defendant will pay Drivers the base pay amount shown in the Offer Card;
- 5 C. Defendant will provide a Driver who fulfills an Incentive’s stated requirements
- 6 the stated Incentive payment; and
- 7 D. Drivers will receive 100% of the tips left by Customers.

8 180. In truth and in fact, in numerous instances when Defendant makes these  
9 representations:

- 10 A. Defendant does not disburse to Drivers the pre-tip amount shown in the Offer
- 11 Card if the Drivers complete the delivery even when the Customer does not
- 12 affirmatively change the pre-tip;
- 13 B. Defendant does not pay Drivers the base pay amount shown in the Offer Card;
- 14 C. Defendant does not pay Drivers the promised Incentive payment after they
- 15 fulfill the Incentive’s stated requirements; and
- 16 D. Defendant has charged Customers for tips but failed to provide those tips to
- 17 Drivers.

18 181. Defendant has therefore engaged in unfair or deceptive acts or practices in violation  
19 of 73 P.S. § 201-3 and defined by at least 73 P.S. § 201-2(4)(v), (xi), (xii), and (xxi).

20 **VIOLATIONS OF SOUTH CAROLINA STATE LAW**

21 **Count XVIII (by Plaintiff State of South Carolina)**

22 **Violations of the South Carolina Unfair Trade Practices Act**

23 182. By engaging in the acts and practices alleged herein, Defendant made or caused to be  
24 made to South Carolina consumers, directly or indirectly, explicitly or by implication,  
25 misrepresentations that, reasonably interpreted, are material, false, and likely to mislead.

26 183. Specifically, in numerous instances in connection with the advertising, marketing,  
27 promotion, or operation of Spark, Defendant has represented, directly or indirectly, expressly or by  
28 implication, that:

- 1 A. Defendant will disburse to Drivers the pre-tip amount shown in the Offer Card
- 2 if the Drivers complete the delivery and the Customer does not affirmatively
- 3 change the pre-tip;
- 4 B. Defendant will pay Drivers the base pay amount shown in the Offer Card;
- 5 C. Defendant will provide a Driver who fulfills an Incentive's stated requirements
- 6 the stated Incentive payment; and
- 7 D. Drivers will receive 100% of the tips left by Customers.

8 184. In truth and in fact, in numerous instances when Defendant makes these  
9 representations:

- 10 A. Defendant does not disburse to Drivers the pre-tip amount shown in the Offer
- 11 Card if the Drivers complete the delivery even when the Customer does not
- 12 affirmatively change the pre-tip;
- 13 B. Defendant does not pay Drivers the base pay amount shown in the Offer Card;
- 14 C. Defendant does not pay Drivers the promised Incentive payment after they
- 15 fulfill the Incentive's stated requirements; and
- 16 D. Defendant has charged Customers for tips but failed to provide those tips to
- 17 Drivers.

18 185. Defendant's acts and practices regarding South Carolina consumers as alleged in this  
19 Complaint are offensive to established public policy, immoral, and unethical.

20 186. These acts and practices have resulted in a substantial injury to South Carolina  
21 consumers that is not outweighed by any countervailing benefits to consumers or competition.

22 187. At the time it made or disseminated its false or misleading statements or caused those  
23 statements to be made or disseminated, Defendant knew or should have known that the statements  
24 were false or misleading and therefore likely to deceive the public.

25 188. Defendant's acts and practices regarding South Carolina consumers as alleged herein  
26 are capable of repetition and affect the public interest.

27 189. Defendant's acts and practices regarding South Carolina consumers as alleged herein  
28 occurred in the conduct of trade and/or commerce.

1 190. Every deceptive, unfair, and/or misrepresentative act by Defendant constitutes a  
2 separate and distinct violation of S.C. Code § 39-5-20.

3 191. Defendant’s acts and practices regarding South Carolina consumers as alleged herein  
4 are willful under S.C. Code § 39-5-110, subjecting the Defendant to a civil penalty of up to \$5,000  
5 per violation of S.C. Code § 39-5-20.

6 **VIOLATIONS OF UTAH STATE LAW**

7 192. The Utah Consumer Sales Practices Act prohibits suppliers from committing  
8 deceptive and unconscionable acts or practices in connection with a consumer transaction, whether  
9 the act occurs before, during, or after the transaction. Utah Code §§ 13-11-4(1); 13-11-5(1).

10 193. Defendant engages in “consumer transaction[s]” by marketing and/or selling to  
11 “person[s]” products and services that are primarily for personal, family, or household purposes, or  
12 for purposes that relate to a business opportunity. Utah Code § 13-11-3(2).

13 194. Defendant is a “supplier” because they regularly solicit, engage in, or enforce  
14 consumer transactions whether or not they deal directly with consumers. Utah Code § 13-11-3(5).

15 195. As set forth below, Defendant has violated the Utah Consumer Sales Practices Act by  
16 engaging in deceptive and unconscionable acts and practices in connection with the marketing and  
17 sale of its Spark Driver program.

18 **Count XIX (by Plaintiff Utah Division of Consumer Protection)**

19 **Violations of the Utah Consumer Sales Practices Act**

20 196. In numerous instances in connection with the advertising, marketing, promotion, or  
21 operation of Spark, Defendant has represented, directly or indirectly, expressly or by implication,  
22 that:

- 23 A. Defendant will disburse to Drivers the pre-tip amount shown in the Offer Card  
24 if the Drivers complete the delivery and the Customer does not affirmatively  
25 change the pre-tip;
- 26 B. Defendant will pay Drivers the base pay amount shown in the Offer Card;
- 27 C. Defendant will provide a Driver who fulfills an Incentive’s stated requirements  
28 the stated Incentive payment; and

1 D. Drivers will receive 100% of the tips left by Customers.

2 197. In truth and in fact, in numerous instances when Defendant makes these  
3 representations:

4 A. Defendant does not disburse to Drivers the pre-tip amount shown in the Offer  
5 Card if the Drivers complete the delivery even when the Customer does not  
6 affirmatively change the pre-tip;

7 B. Defendant does not pay Drivers the base pay amount shown in the Offer Card;

8 C. Defendant does not pay Drivers the promised Incentive payment after they  
9 fulfill the Incentive's stated requirements; and

10 D. Defendant has charged Customers for tips but failed to provide those tips to  
11 Drivers.

12 198. Therefore, Defendant's representations as set forth above are false and misleading and  
13 constitute deceptive acts or practices in violation of the Utah Consumer Sales Practices Act, Utah  
14 Code § 13-11-4(1).

15 **VIOLATIONS OF WISCONSIN STATE LAW**

16 199. Wisconsin's Deceptive Trade Practices Act, Wis. Stat. § 100.18(1), generally prohibits  
17 untrue, deceptive, or misleading representations. Specifically, as related to this action, Wis. Stat. §  
18 100.18(1) provides that no person may, for the purpose of increasing the consumption of employment,  
19 make, publish, disseminate, circulate, or place before the public, or cause, directly or indirectly, to be  
20 made, published, disseminated, circulated, or placed before the public, any statement or  
21 representation that is untrue, deceptive, or misleading.

22 **Count XX (by Plaintiff State of Wisconsin)**

23 **Violations of Wisconsin Deceptive Trade Practices Act**

24 200. In numerous instances in connection with the advertising, marketing, promotion, or  
25 operation of Spark, Defendant has represented, directly or indirectly, that:

26 A. Defendant will disburse to Drivers the pre-tip amount shown in the Offer Card  
27 if the Drivers complete the delivery and the Customer does not affirmatively  
28 change the pre-tip;

- 1 B. Defendant will pay Drivers the base pay amount shown in the Offer Card;
- 2 C. Defendant will provide a Driver who fulfills an Incentive’s stated requirements
- 3 the stated Incentive payment; and
- 4 D. Drivers will receive 100% of the tips left by Customers.

5 201. In truth and in fact, in numerous instances when Defendant makes these  
6 representations:

- 7 A. Defendant does not disburse to Drivers the pre-tip amount shown in the Offer
- 8 Card if the Drivers complete the delivery even when the Customer does not
- 9 affirmatively change the pre-tip;
- 10 B. Defendant does not pay Drivers the base pay amount shown in the Offer Card;
- 11 C. Defendant does not pay Drivers the promised Incentive payment after they
- 12 fulfill the Incentive’s stated requirements; and
- 13 D. Defendant has charged Customers for tips but failed to provide those tips to
- 14 Drivers.

15 202. Therefore, Defendant’s representations are untrue, deceptive, or misleading, and are  
16 in violation of Wisconsin’s Deceptive Trade Practices Act.

17 **CONSUMER INJURY**

18 203. Consumers are suffering, have suffered, and will continue to suffer substantial injury  
19 as a result of Defendant’s violations of the FTC Act, the GLB Act, the Arizona Consumer Fraud Act,  
20 the California False Advertising Law, the California Unfair Competition Law, the Colorado  
21 Consumer Protection Act, the Illinois Uniform Deceptive Trade Practices Act, the Illinois Consumer  
22 Fraud Act, the Michigan Consumer Protection Act, the North Carolina Unfair or Deceptive Trade  
23 Practices Act, the Oklahoma Consumer Protection Act, the Pennsylvania Unfair Trade Practices and  
24 Consumer Protection Law, the South Carolina Unfair Trade Practices Act, the Utah Consumer Sales  
25 Practices Act, and the Wisconsin Deceptive Trade Practices Act. Absent injunctive relief by this  
26 Court, Defendant is likely to continue to injure consumers and harm the public interest.

27 **PRAYER FOR RELIEF**

28 Wherefore, Plaintiffs request that the Court:

1 A. Enter a permanent injunction to prevent future violations of the FTC Act, the GLB  
2 Act, the Arizona Consumer Fraud Act, the California False Advertising Law, the California Unfair  
3 Competition Law, the Colorado Consumer Protection Act, the Illinois Consumer Fraud Act, the  
4 Illinois Uniform Deceptive Trade Practices Act, the Michigan Consumer Protection Act, the North  
5 Carolina Unfair or Deceptive Trade Practices Act, the Pennsylvania Unfair Trade Practices and  
6 Consumer Protection Law, the Oklahoma Consumer Protection Act, the South Carolina Unfair Trade  
7 Practices Act, the Utah Consumer Sales Practices Act, and the Wisconsin Deceptive Trade Practices  
8 Act;

9 B. Grant preliminary injunctive and ancillary relief to avert the likelihood of consumer  
10 injury during the pendency of this action and to preserve the possibility of effective final relief;

11 C. Award monetary and other relief within the Court's power to grant;

12 D. Award Plaintiffs the costs of bringing this action, attorneys' fees, and such other and  
13 additional relief as the Court may determine to be just and proper; and

14 E. Award Plaintiff States civil penalties and/or forfeitures for each violation of their  
15 respective state laws, attorneys' fees, and expenses as provided under state law.

16 Dated: February 26, 2026

Respectfully submitted,

17 **FOR PLAINTIFF THE FEDERAL TRADE**  
18 **COMMISSION:**

19 /s/ Aaron M. Schue

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**FOR PLAINTIFF THE STATE OF ARIZONA:**

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**FOR PLAINTIFF THE PEOPLE OF THE  
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**FOR PLAINTIFF ATTORNEY GENERAL  
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**FOR PLAINTIFF THE PEOPLE OF THE  
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**FOR PLAINTIFF THE PEOPLE OF THE  
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**FOR PLAINTIFF THE STATE OF NORTH CAROLINA:**

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**FOR PLAINTIFF THE STATE OF  
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**FOR PLAINTIFF COMMONWEALTH OF PENNSYLVANIA:**

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**FOR PLAINTIFF THE STATE OF SOUTH CAROLINA:**

ALAN M. WILSON  
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**FOR PLAINTIFF STATE OF WISCONSIN:**

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**ATTESTATION**

I, Aaron M. Schue, am the ECF user whose user ID and password authorized the filing of this document. Under Civil Local Rule 5-1(i)(3), I attest that all signatories to this document have concurred in this filing.

Dated: February 26, 2026

/s/ Aaron M. Schue  
Aaron M. Schue