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**Electronically Filed
by Superior Court of CA,
County of Santa Clara,
on 8/18/2026 9:55 AM
Reviewed By: A. Floresca
Env. #24851341**

Case #26CV489848

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SANTA CLARA

CHRISTINA MEDINA, and individual, on
behalf of themselves and all others similarly
situated,

Plaintiff,

vs.

SHIPT, INC., a Delaware corporation;
TARGET CORPORATION, a Minnesota
corporation; and DOES 1 through 100,
inclusive,

Defendants.

Case No. 26CV489848

**FIRST AMENDED CLASS ACTION
COMPLAINT FOR:**

- (1) FAILURE TO REIMBURSE EXPENSES [LAB. CODE, § 2802];**
- (2) FAILURE TO PROVIDE ACCURATE WAGE STATEMENTS [LAB. CODE, § 226];**
- (3) FAILURE TO PAY OVERTIME [LAB. CODE, § 510];**
- (4) FAILURE TO PROVIDE MEAL PERIODS [LAB. CODE, § 226.7];**
- (5) FAILURE TO PROVIDE REST BREAKS [LAB. CODE, § 226.7];**
- (6) FAILURE TO PAY WAGES WHEN DUE [LAB. CODE, §§ 201-203];**
- (7) CIVIL PENALTIES UNDER THE PRIVATE ATTORNEY GENERAL ACT [LAB. CODE, § 2699, *ET SEQ.*]**
- (8) UNFAIR BUSINESS PRACTICES [BUS. & PROF. CODE, § 17200, *ET SEQ.*].**

DEMAND FOR JURY TRIAL

CHRISTINA MEDINA (“Plaintiff”) on behalf herself and all others similarly situated, brings this action against Defendants SHIPT, INC., a Delaware corporation (“Shipt”), TARGET CORPORATION, a Minnesota corporation (“Target”) (Shipt and Target are collectively referred to herein as “Defendants”), and DOES 1 through 100, inclusive, and allege on information and belief as follows:

INTRODUCTION

1. Defendant Shipt is a delivery services company that connects customers with “Drivers,” like Plaintiff, who fulfill and deliver grocery and retail orders from primarily Target.

2. Defendant Target is Shipt’s corporate parent and one of the largest general merchandise retailers in the United States. Target acquired Shipt in 2017 specifically to operate the last-mile delivery function of Target’s e-commerce business. As alleged in detail below, the overwhelming majority of deliveries performed by Shipt Drivers facilitate fulfillment of orders placed on Target’s e-commerce platforms. As Target’s last-mile delivery arm, the Drivers operate within the usual course of Target’s ecommerce business and are subject to extensive control by Target. Target is therefore an employer of Plaintiff and the Class with respect to their performance of Target ecommerce deliveries.

3. While California’s app-based driving laws codified under Prop. 22, funded and strongly backed by major app-based service providers, eliminate Labor Code and Wage Order liability for certain services that Shipt offers through its app, much of the work of Plaintiff and the putative class perform do not fall within Prop. 22 and instead remain subject to California’s usual employment rubric. Because these workers take large, batch orders, drive long distances, and use commercial vehicles like trucks to complete the work assigned to them, they are not shielded by Prop. 22 and instead are misclassified under California’s employment laws as “independent contractors” when they should be employees.

4. This action seeks to recover damages for Plaintiff and the putative class for not complying with California’s usual labor laws like reimbursement of business expenses, overtime, meal and rest breaks, piece rate earnings and non-productive time.

JURISDICTION & VENUE

5. This Court has subject matter jurisdiction to hear this case because the damages and penalties sought herein resulting from Defendants' conduct exceeds the jurisdictional minimum of this Superior Court.

6. Venue is proper pursuant to Code of Civil Procedure, sections 395 and 395.5, among other sections. Defendants employ workers, including Plaintiff, in this County. Furthermore, the obligation to comply with the Labor Code for the group of workers relevant to this case and the resulting liability for misclassifying and denying Labor Code/Wage Order benefits to those workers arose in this County, among others. Target also transacts substantial business in this County, including the operation of Target retail stores that serve as fulfillment hubs for Target ecommerce orders delivered by Shipt Drivers.

PARTIES

7. Plaintiff Christina Medina is and at all relevant times was a resident of California. She worked as a Driver for Defendants and was classified as an independent contractor. Recently, Defendants terminated Ms. Medina and cut off her access to the Shipt application. A substantial portion of the deliveries Plaintiff performed consisted of Target e-commerce orders.

8. Shipt, Inc. is a Delaware corporation with a principal business address 420 20th Street North, Suite 100, Birmingham, AL 35203. Shipt is registered with the U.S. Department of Transportation as an authorized broker, U.S. DOT #: 2908470.

9. Target Corporation is a Minnesota corporation with its principal business address at 1000 Nicollet Mall, Minneapolis, Minnesota 55403. Target is registered to do business in California and operates retail stores throughout California, in addition to its nationwide ecommerce platform accessible through Target.com and the Target mobile application. In 2017, Target acquired Shipt and Shipt has since operated as a wholly owned subsidiary of Target used largely to fulfill the last-mile of Target ecommerce orders.

10. Plaintiff does not know the true names and/or capacities, whether individual, partners, or corporate, of Defendants sued herein as DOES 1 through 100, inclusive, and for that reason sue Defendants under fictitious names. Plaintiff will seek leave to amend this Complaint when the true

1 names and capacities of these Defendants have been ascertained. Plaintiff is informed and believes
2 and thereon alleges that these Defendants are responsible in whole or in part for Plaintiff's alleged
3 damages.

4 11. At all times mentioned, Defendants were the agents, alter egos, servants, joint
5 venturers, joint employers, or employees for each other. Defendants acted with the consent of the
6 other Co-Defendants and acted within the course, purpose, and scope of their agency, service, or
7 employment. All conduct was ratified by Defendants, and each of them.

8 **GENERAL ALLEGATIONS**

9 **A. Defendants' Business Model.**

10 12. Shipt operates a mobile application through which customers can request a "Driver,"
11 like Plaintiff, to shop for and deliver goods from a number of retailers. But the primary purpose of
12 that application, and the reason Target acquired Shipt, is to serve as the dedicated last-mile delivery
13 mechanism for e-commerce transactions placed with Target.

14 13. Founded in 2014, Shipt was acquired in 2017 by Target Corporation ("Target") for
15 \$550 million. Following this acquisition, Shipt was integrated into Target's national supply chain
16 architecture, evolving from a localized grocery-shopping application into the critical terminal node
17 of Target's interstate fulfillment network. This integration allowed Target to compete with e-
18 commerce, online retail companies like Amazon that fulfill orders right to a consumer's home or
19 business on an expedited basis.

20 14. Today, the overwhelming majority of the deliveries performed by Shipt "Drivers",
21 including Plaintiff, consist of e-commerce orders placed by customers on Target.com and fulfilled
22 through Target's physical real estate footprint.

23 15. Target is one of the largest general merchandise retailers in the United States,
24 operating nearly 2,000 stores nationwide alongside its Target.com and mobile application platforms.
25 Like other major retailers, Target has adopted an "omnichannel" strategy that gives customers access
26 to the same merchandise whether they shop in a store or order online.

27 16. Customers increasingly expect to shop online rather than in person, and Target has
28 changed its business to meet that expectation: Target's own digital sales have grown roughly three-

1 fold in recent years. (Target, “On Target: Inside Our Stores-as-Hubs Strategy” (video), Sept. 2023.)
2 Once a customer shops online, speed of delivery becomes a further point of competition. To compete
3 with Amazon and other online retailers that offer fast home delivery, Target has built its e-commerce
4 operations around getting orders to customers as quickly as possible.

5 17. To meet that demand for fast home delivery, Target has reworked its supply chain
6 around this “Stores-as-a-Hub” business model. Rather than relying solely on distant, centralized
7 warehouses to fulfill online orders, Target has invested billions of dollars to convert its nearly 2,000
8 retail store locations into active e-commerce fulfillment centers, maintaining a single “omnichannel”
9 inventory at each store that is used to fill both in-person and online orders. As Target’s own Chief
10 Operating Officer put it, this allows “our stores to play a dual role, serving as an inspiring shopping
11 destination and as the primary source for fulfilling online orders.” (Michael Fiddelke, Chief
12 Operating Officer, Target Q1 FY2025 Earnings Call Tr., May 21, 2025.) Target’s supply chain
13 leadership describes the same strategy in similar terms: “We get products to where they need to be,
14 when they need to be there — whether that’s stores for in-person shopping or same-day fulfillment,
15 or sortation centers and distribution centers for delivery to guests. Our supply chain is the backbone
16 of Target’s increasing speed and convenience.” (Target Newsroom, “Evolving Stores-as-Hubs,”
17 Sept. 16, 2025) (quoting Gretchen McCarthy, Executive Vice President and Chief Supply Chain &
18 Logistics Officer).

19 18. Prepositioning goods at its stores places them close to the customers who will order
20 them online, shortening the last mile of delivery compared to fulfillment from a more distant
21 warehouse. Target has said that delivering an order from a store costs roughly 40% less than
22 delivering it from a warehouse farther away, given the store’s proximity to the customer. (Target,
23 “On Target: Inside Our Stores-as-Hubs Strategy” (video), Sept. 2023.) Target’s stores are located
24 within 10 miles of 75% of the U.S. population. (*Id.*)

25 19. Under the Store-as-a-Hub logistics model, retail goods originating from out-of-state
26 manufacturers and global distributors cross state lines and enter Target’s centralized fulfillment
27
28

1 network.¹ Thus, while the goods make their way to Target retail stores, their intended destination is
2 a customer's doorstep via delivery through Shipt. Until they reach the customer, these goods remain
3 in a continuous, unbroken stream of interstate commerce, temporarily pausing in dedicated
4 backrooms at Target's physical store locations or distribution facilities before being actively routed
5 to the final consumer who ordered them online.

6 20. Shipt Drivers are the primary mechanism by which these interstate goods complete
7 their journey to the final destination. Target utilizes its Shipt subsidiary to execute its overarching
8 last-mile-delivery operations, and has publicly branded this entire delivery function, performed by
9 Shipt Drivers, as "Target Last Mile Delivery" (TLMD).

10 21. As another means for executing the TLMD model, Target continues to integrate its
11 stores into this last-mile strategy through a growing network of "sortation centers" and "TLMD
12 extension facilities." Operating downstream from the retail stores, Target trucks retrieve packaged
13 e-commerce orders from the backrooms of dozens of local Target stores daily and transport them to
14 these centralized hubs for batched delivery to customers in local markets. Target has also changed
15 the physical design of many stores to support this fulfillment role, building larger backrooms with
16 dedicated "pack stations" where a team member packs an order for shipment after it has been picked
17 from the shelves.

18 22. Shipt Drivers, like Plaintiff, are engaged to arrive at these sortation centers, TLMD
19 extensions, or directly at the fulfillment staging areas located in the backrooms of Target stores, to
20 retrieve these pre-packaged, pre-routed batches of goods.

21 23. Once a customer places an order for delivery, Target's fulfillment technology selects
22 the store or facility best suited to fill it. As Target has explained, "real-time signals tell us which
23 building we fulfill [an order] from," accounting for factors like inventory location and staffing, and
24 Target's routing technology "recommends the most efficient delivery routes." (Target Newsroom,
25 "Evolving Stores-as-Hubs," Sept. 16, 2025.) That selection process frequently results in an order
26 being sourced from a local Target store and handed off to a Shipt Driver for delivery.

27 ¹ A miniscule percentage of the factories used by Target are located in California. See
28 <https://corporate.target.com/sustainability-governance/responsible-supply-chains/traceability-transparency> (last visited March 11, 2026).

24. Much like the operations of Amazon Logistics and the Amazon Flex program, Shipt Drivers are required to load their personal or commercial vehicles with a high volume of packages (often well over 12 deliveries per batched route) and drive continuously for hours, covering extensive geographic areas that frequently exceed 50 miles. On occasion, these routes require that Shipt Drivers cross state lines to complete a delivery.

25. Shipt Drivers perform no retail shopping functions when completing these “brown box” delivery routes. They do not enter the public-facing areas of a store to browse, nor do they select items from shelves or communicate with customers regarding substitutions. They act exclusively as logistics couriers, transporting sealed packages from an intermediate supply chain node (mainly the Target store) to the end consumer.

26. Target’s digital fulfillment strategy depends on Shipt Drivers. Target discloses in its own SEC filings, as a risk factor, that if Shipt is required to treat its Drivers as employees, Target “may experience higher [digital fulfillment] costs.” Put simply, without Shipt Drivers, Target has no home delivery for its e-commerce customers. Target has committed billions of dollars annually to deepen this delivery capability, including a \$100 million investment beginning in 2023 to expand the sortation center network that feeds Shipt’s delivery operations.

B. Defendants Fail to Comply with California Proposition 22.

27. In some instances, Defendants fail to comply with California Proposition 22 as they do not meet the definition of a “delivery network company” providing “delivery services” as defined and required by that statute. *See* Cal. Bus. & Prof. § 7463(f), (h).

28. Pursuant to Cal. Bus. & Prof. § 7463(f), for a company to qualify as a “delivery network company” covered by Proposition 22, among other things, the company must: (1) “facilitate delivery services”; (2) “within the State of California[.]”

29. Per Cal. Bus. & Prof. § 7463(h), there are several requirements for a delivery to constitute “delivery services” under Proposition 22. These requirements include: (1) the pickup location is within 50 miles of the delivery location; (2) the delivery is made “using a passenger vehicle, bicycle, scooter, walking, public transportation, or other similar means of transportation”; and (3) the delivery request may not exceed 12 “distinct orders placed by different customers.”

1 30. Defendants engage Drivers, like Plaintiff, to pick up a batch or route of packages for
2 delivery to multiple stops over a designated area. Much like an Amazon, these routes involve a large
3 number of deliveries, usually well over 12 and driving a route for many hours often exceeding 50
4 miles. Furthermore, Drivers often use trucks and other commercial delivery vehicles to get the
5 packages to market. Lastly, Drivers occasionally must cross state-lines to perform deliveries.

6 31. Accordingly, Defendants frequently fail to act as a “delivery network company”
7 providing “delivery services” as defined by Proposition 22.

8 **C. Defendants Misclassify Their Drivers.**

9 32. Defendants misclassify Plaintiff and other putative class members as “independent
10 contractors” when they are performing non-Proposition 22 eligible work; in these cases, they must
11 be treated as employees.

12 33. Defendants cannot meet Prong B of the ABC test which asks whether Plaintiff and
13 the putative class perform work within Defendants’ usual course of business. Gig companies have
14 resoundingly failed to meet their burden under this Prong since they offer the public a service and
15 then engage workers like the class to perform the core work involve, here, last mile delivery. Because
16 Drivers perform the main business function of carrying goods last-mile from fulfillment centers (*e.g.*,
17 Target store backrooms or sortation centers) to customers’ homes, they are highly necessary to
18 Defendants’ business. Defendants also continuously use Drivers for this purpose. Defendants clearly
19 hold Shipt out as a last-mile delivery company.

20 34. Defendants also cannot meet Prong A as they retain and exercise all necessary control
21 over the work. Drivers like Plaintiff are required to adhere to detailed guidelines imposed by
22 Defendants for order fulfillment, delivery procedures, customer interactions, and performance
23 monitoring systems. For example, Drivers must follow specific delivery windows, comply with
24 Defendants’ instructions for substitutions or replacements during shopping trips, and meet
25 Defendants’ customer service standards. Defendants track Drivers’ locations during assignments
26 through its app and uses a performance rating system that can impact a Driver’s ability to receive
27 future delivery opportunities. Despite this extensive control over its Drivers’ work, Defendants
28

1 misclassify them as “independent contractors” in violation of California law (Labor Code section
2 226.8).

3 35. Lastly, Defendants fail to meet Prong C. Gig workers performing delivery work for
4 Shipt, like Plaintiff and the putative class, are not customarily engaged in an independently
5 established trade, occupation, or business of the same nature as the work performed for Defendants.
6 Defendants classifies their Drivers as “independent contractors” but they do not take the usual steps
7 to establish and promote a business – there is no business entity formation, required licensing,
8 advertising the same services to the public, establishing a home office and obtaining related supplies,
9 or similar efforts made by the class. Plaintiff and the class do not contact or solicit delivery work
10 from major retailers or maintain direct clientele who need delivery of their own products. While
11 many of them use multiple delivery apps, this does not impact the Prong C analysis.

12 36. Defendants’ misclassification practices harm not only their workers who are denied
13 benefits under California’s robust employment laws, but also their competitor by giving them an
14 unfair advantage over companies that comply with labor laws and properly classify their workers as
15 employees. By avoiding payroll taxes and other costs associated with employment relationships,
16 Defendants undermine fair competition in the logistics industry while denying their workers critical
17 protections under California law.

18 **D. Defendants’ Failure to Comply with California Wage and Hour Laws.**

19 37. By misclassifying its Drivers as independent contractors rather than employees,
20 Defendants fail to pay them for all hours worked. Defendants compensate Drivers on a per-job or
21 piece-rate basis but do not account for time spent waiting between assignments or performing other
22 tasks such as communicating with customers and administrative work or driving without an active
23 assignment. This practice violates California law requiring compensation for all hours worked under
24 Labor Code sections 1194 and 1197. Furthermore, Defendants fail to separately compensate Drivers
25 for nonproductive time as required by Labor Code section 226.2. Nonproductive time includes all
26 hours worked that are not directly tied to the performance of piece-rate tasks (*e.g.*, waiting between
27 deliveries or completing administrative tasks).

28 38. Defendants also fail to pay overtime wages for hours worked beyond eight in a day

1 or forty in a week in violation of Labor Code section 510. Drivers often work extended hours due to
2 the nature of their assignments but are not compensated at the legally required overtime rates.

3 39. Additionally, Defendants do not provide paid rest breaks or meal periods as required
4 by Labor Code sections 226.7 and 512. Drivers are frequently unable to take uninterrupted breaks
5 due to the demands of their assignments and are not compensated for missed or shortened breaks.
6 Furthermore, because Defendants pay Drivers on a piece-rate basis, they fail to separately
7 compensate them for rest breaks as required by Labor Code section 226.2. Rest periods must be
8 compensated at either the employee's average hourly rate (calculated based on total compensation
9 excluding rest period pay) or the applicable minimum wage, whichever is higher. Defendants' failure
10 to provide separate compensation for rest breaks violates this statutory requirement.

11 40. Moreover, Defendants also fail to issue accurate itemized wage statements in
12 compliance with Labor Code section 226. These wage statements do not reflect all hours worked
13 (including nonproductive time), applicable hourly rates (including separate pay for rest breaks), or
14 reimbursable expenses owed to Drivers like Plaintiff.

15 41. Given Defendants' independent contractor classification, Defendants do not provide
16 paid sick leave to Drivers pursuant to the Healthy Workplaces, Healthy Families Act ("HWHFA"),
17 codified at Labor Code sections 245–249. California law requires at least 40 hours or 5 days of paid
18 sick leave per year, which Drivers do not receive. This violates Labor Code sections 245.5, 246,
19 246.5, 247, 247.5, 248, 248.5, and 249.

20 42. Finally, upon termination or resignation of employment relationships with Drivers
21 like Plaintiff, Defendants fail to pay all wages due immediately or within the statutory timeframes
22 required by Labor Code sections 201 and 202. Furthermore, this failure subjects Defendants to
23 penalties under Labor Code section 203 for willfully failing to pay all wages owed at termination in
24 a timely manner. These unpaid wages include compensation for hours worked (including
25 nonproductive time) and unreimbursed business expenses as described above.

26 **E. Defendants' Failure to Reimburse Expenses.**

27 43. By policy and practice, Defendants do not reimburse Drivers for necessary business
28 expenses incurred while performing work assignments in violation of Labor Code section 2802.

1 Drivers are required to use their personal vehicles (including fuel and maintenance), insurance
2 policies, data-enabled smartphones to complete deliveries, tolls, traffic citations, parking fees,
3 inspections, and Stripe transaction fees, but are not reimbursed for these expenses. Drivers may also
4 pay for their own Occupational Accident insurance, as well as background checks mandated by
5 Shipt. This places an undue financial burden on workers who must bear the costs associated with
6 performing their job duties.

7 CLASS ALLEGATIONS

8 44. Pursuant to Code of Civil Procedure, section 382, Plaintiff brings this lawsuit as a
9 class action on behalf of themselves and all other similarly situated members of the Class, defined
10 below. This action satisfies the ascertainability, numerosity, commonality, typicality, adequacy,
11 predominance, and superiority requirements of class actions.

12 45. **Class Period.** The Class Period shall be defined as: from four years preceding the
13 date that the first Complaint in this action is filed, until the full resolution of this action, plus any
14 time that may be attributed to equitable or other forms of tolling.

15 46. Plaintiff seeks to represent the following Class of persons:

16 a. All individuals during the Class Period who personally performed delivery
17 services on the Shipt Platform, i.e., a “Driver,” in California and who either:
18 (1) used a motor truck (as defined by California Vehicle Code Section 410)
19 to fulfill delivery requests (e.g. pickup trucks, cargo vans, and box trucks);
20 (2) fulfilled delivery requests in excess of 50 miles from the pickup location;
21 (3) delivered more than 12 distinct orders for different customers during a
22 single trip; **or** (4) crossed state lines in the process of fulfilling a delivery
23 request (the “Class”).

24 b. All individuals during the Class Period who personally performed delivery
25 services on the Shipt Platform, i.e., a “Driver,” to fulfill a Target ecommerce
26 order in California and who either: (1) used a motor truck (as defined by
27 California Vehicle Code Section 410) to fulfill delivery requests (e.g. pickup
28 trucks, cargo vans, and box trucks); (2) fulfilled delivery requests in excess

1 of 50 miles from the pickup location; (3) delivered more than 12 distinct
2 orders for different customers during a single trip; or (4) crossed state lines
3 in the process of fulfilling a delivery request (the “Target Class”).

4 c. These Classes do not include Defendants, its officers, and/or its directors; the
5 Judge to whom this case is assigned; or the Judge’s immediate family or staff.

6 47. Plaintiff reserves the right to amend the above Classes and to add additional classes
7 and subclasses as appropriate based on investigation, discovery, and the specific theories of liability,
8 among other reasons.

9 48. **Numerosity.** The potential members of the Classes as defined are so numerous that
10 joinder of all the members is impracticable. While the precise number of the members of the Class
11 has not been determined, Plaintiff is informed and believe that there are thousands of individuals
12 meeting the Class definition. Defendants have access to data sufficient to identify the members of
13 the Class, since they all perform work via the same mobile application.

14 49. **Adequacy of Representation.** The named Plaintiff is fully prepared to take all
15 necessary steps to fairly and adequately represent the interests of the Classes defined above.
16 Plaintiff’s attorneys are ready, willing, and able to fully and adequately represent the Classes and
17 Plaintiff. Plaintiff’s attorneys are highly experienced in employment class action litigation. Plaintiff
18 intends to prosecute this action vigorously.

19 50. **Common Questions of Law and Fact.** There are predominant common questions
20 and answers of law and fact and a community of interest amongst Plaintiff and the claims of the
21 Classes as follows:

- 22 a. Whether Defendants misclassified Drivers as “independent contractors”
23 instead of employees (*e.g.*, whether Shipt and Target can meet their burden to
24 meet each Prong of California’s ABC test and/or its *Borello* test for
25 employment status);
- 26 b. Whether Defendants failed to reimburse Drivers for reasonable business
27 expenses;
- 28 c. Whether Defendants properly provided meal and rest breaks to Drivers;

- d. Whether Defendants compensated Drivers separately for rest breaks;
- e. Whether Defendants paid Drivers all wages when due;
- f. Whether Defendants failed to properly pay Drivers overtime;
- g. Whether Class members were required to pay money to receive their pay; and
- h. Whether Defendants engaged in an unlawful, unfair, and/or fraudulent business practice or act in violation of Business and Professions Code, section 17200 *et seq.* as it relates to Drivers.

51. **Typicality.** Plaintiff's claims are typical of the claims of all members of the Classes because Defendants applied and continue to apply its illegal classification and pay practices to all Drivers.

52. **Superiority of a Class Action.** A class action is superior to other available means for the fair and efficient adjudication of this controversy. Individual joinder of all members of the Classes is not practicable, and questions of law and fact common to the Classes predominate over questions affecting only individual Class members. Each Class member has been damaged and is entitled to recovery due to Defendants' conduct described in this Complaint. A class action will allow those similarly situated to litigate their claims in the most efficient and economical manner for the parties and the judiciary. Plaintiff is unaware of any difficulties likely to be encountered in this action that would preclude its maintenance as a class action.

CAUSES OF ACTION

FIRST CAUSE OF ACTION

Failure to Reimburse Expenses Lab. Code, § 2802 and IWC Wage Order No. 1, §§ 8-9 (As to Defendants Shipt and Target)

53. Plaintiff incorporates by reference every allegation contained above.

54. Plaintiff brings this cause of action as a class action on behalf of herself and the Class and the Target Class.

55. Drivers necessarily incur many types of expenses that Defendants do not reimburse. These include but are not limited to automobile-related expenses such as fuel, permits, insurance, maintenance and repairs. Further, Defendants do not reimburse Drivers for cell phone and related

1 data expenses despite requiring its workers to use a cell phone in the course of completing their
2 work.

3 56. As alleged above, Plaintiff and the Classes incurred business expenses while
4 performing necessary work for Defendants. They were never reimbursed because they were
5 uniformly misclassified as independent contractors.

6 57. The California Labor Code, section 2802, and California Wage Order 1, section 8
7 and 9 require that employers reimburse employees for business expenses reasonably incurred.
8 Defendants failed to do so.

9 58. Plaintiff and the Classes have been damaged by Defendants' failures in this respect
10 in an amount to be proven at trial.

11 59. Plaintiff and the Classes are entitled to recover their damages, penalties, interest,
12 costs, and attorneys' fees based on Defendants' violations.

13 **SECOND CAUSE OF ACTION**
14 **Failure to Provide Accurate Wage Statements**
15 **Lab. Code, §§ 226 and Wage Order 1, § 7**
16 **(As to Defendants Shipt and Target)**

17 60. Plaintiff incorporates each and every allegation contained above.

18 61. Plaintiff brings this cause of action as a class action on behalf of herself and the Class
19 and the Target Class.

20 62. The purpose of Labor Code section 226 is to ensure that employees can determine
21 whether they are being paid their wages in accordance with California law. Under Section 226(h),
22 "[a]n employee may also bring an action for injunctive relief to ensure compliance with this section
23 and is entitled to an award of costs and reasonable attorney's fees."

24 63. Defendants violated the above statute by, among other things, failing to provide
25 accurate gross and net wages earned and hours worked on a paystub to Drivers.

26 64. Defendants' violations of section 226 and applicable Wage Orders are ongoing and
27 will continue until and unless this Court enters an injunction barring such violations. Therefore,
28 Plaintiff seeks damages and injunctive relief pursuant to Labor Code, section 226, subsections (e)
and (g), along with penalties for past violations, including attorneys' fees and costs incurred.

THIRD CAUSE OF ACTION
Failure to Provide Overtime
Lab. Code, § 510 and Wage Order 1, § 3
(As to Defendants Shipt and Target)

65. Plaintiff incorporates by reference every allegation contained above.

66. Plaintiff brings this cause of action as a class action on behalf of herself and the Class and the Target Class.

67. Labor Code, section 510, and Wage Order 1, section 3 require overtime pay of at least 1.5 times an employee's regular rate of pay for all hours worked over 8 in a day or 40 in a week.

68. Drivers, including Plaintiff, work well over 8 hours per day and well over 40 hours per week in line with Defendants' expectations and standards as necessary to complete the work assigned to them. Despite this, they receive no overtime pay in violation of California law.

69. Defendants are liable to Plaintiff and the Classes for unpaid overtime, interest, reasonable attorneys' fees and costs, and any related statutory penalties.

FOURTH CAUSE OF ACTION
Failure to Provide Meal Periods
Lab. Code § 226.7 and Wage Order 1, § 11
(As to Defendants Shipt and Target)

70. Plaintiff incorporates by reference every allegation contained above.

71. Plaintiff brings this cause of action as a class action on behalf of herself and the Class and the Target Class.

72. Under Labor Code, sections 226.7 and 512, as well as applicable IWC Wage Orders, employers must provide a 30-minute uninterrupted, off-duty meal period for each work shift of more than 5 hours. Depending on hours worked, a second meal period may be owed as well. Where an adequate meal period is not provided, employees are entitled to one hour's compensation at their regular rate of pay.

73. Defendants have no meal policy and they do not record when breaks start or stop. Nor do Defendants provide for uninterrupted meal periods for Drivers or make any effort to relieve them of all duties.

74. Defendants do not pay premium wages in lieu of these breaks as required by law. And Drivers have not otherwise waived their entitlement to meal breaks.

75. As a proximate result of Defendants' unlawful conduct, Plaintiff and the Classes sustained damages and are entitled to recover unpaid wages, liquidated damages, interest, applicable penalties, attorneys' fees, and costs.

FIFTH CAUSE OF ACTION
Failure to Provide Rest Breaks
Lab. Code, § 226.7 and Wage Order 1, § 12
(As to Defendants Shipt and Target)

76. Plaintiff incorporates by reference every allegation contained above.

77. Plaintiff brings this cause of action as a class action on behalf of herself and the Class and the Target Class.

78. Pursuant to Labor Code, section 226.7 and 226.2, as well as applicable IWC Wage Orders, employers must provide a 10-minute uninterrupted, off-duty rest break for each work shift of 3.5 hours or more. During these periods, an employer must relieve the employee of all duties and relinquish all control over how an employee spends their time. Such rest breaks are to be paid. Where a rest break is not provided, employees are entitled to one hour's compensation at their regular rate of pay.

79. Defendants failed to provide for rest breaks or pay Drivers for rest breaks if taken. Defendants also failed to pay compensation in lieu of these paid breaks.

80. As a proximate result of Defendants' unlawful conduct, Plaintiff and the Classes sustained damages and are entitled to recover unpaid wages, liquidated damages, interest, applicable penalties, attorneys' fees, and costs.

SIXTH CAUSE OF ACTION
Failure to Pay Wages When Due
Lab. Code, §§ 201-203
(As to Defendants Shipt and Target)

81. Plaintiff incorporates by reference every allegation contained above.

82. Plaintiff brings this cause of action as a Class action on behalf of herself and all members of the Class and the Target Class who are no longer performing delivery services for Defendants.

83. Defendants removed Plaintiff from the Shipt platform with no stated cause.

84. Defendants failed to pay all wages due, including the above-mentioned missing overtime wages, missing wages that went unreimbursed, that were not paid-for breaks or meal periods, upon separation of employment as required by Labor Code sections 201 through 203. As such Plaintiff and other former Drivers in the Classes are owed penalties in amount up to 30 days wages

85. Defendants' actions in this respect were willful within the meaning of Labor Code, section 203, entitling Plaintiff and the Class Members to recover waiting time penalties. Defendants failed to pay the above wages pursuant to their standard policies and procedures not to provide employment protections to Drivers. Defendants know or should know Drivers are misclassified as independent contractors. Defendants are represented by sophisticated counsel with a deep understanding of California law who surely understand Defendants cannot meet their burden to prove Drivers are independent contractors.

86. Plaintiff and the Class Members are entitled to recover waiting time penalties and unpaid wages, as well as interest, applicable penalties, attorneys' fees, and costs.

SEVENTH CAUSE OF ACTION
Violation of PAGA; Enforcement of PAGA
Lab. Code § 226.7 and Wage Order 1, § 11
(As to Defendant Shipt Only)

87. Plaintiff realleges and incorporates by reference each and every allegation set forth in the preceding paragraphs as though fully set forth herein, except that this cause of action is asserted, for now, against Defendant Shipt only, and not against Defendant Target.

88. Plaintiff provided PAGA notice to the LWDA and Shipt on February 17, 2026 (Case No. LWDA-CM-1157979-26), and provided an amended PAGA notice under the same case number on July 14, 2026, adding Target Corporation as an additional defendant and describing Target's liability under Prongs A and B of the ABC test. Because Labor Code section 2699.3 requires a 65-day notice-and-cure/agency-response period to run (or the LWDA to decline to investigate) before civil penalties may be sought under PAGA, Plaintiff does not yet assert a PAGA cause of action against Target and expressly reserves the right to seek leave to amend this Complaint to add Target

1 as a defendant to this cause of action upon expiration of that period as to Target, or an LWDA
2 determination not to investigate, whichever occurs first.

3 89. PAGA permits aggrieved employees, like Plaintiff, to recover civil penalties for
4 violations of numerous Labor Code sections. Plaintiff seeks to recover representative PAGA
5 penalties against Shipt stemming from Shipt's Labor Code violations occurring to others (*i.e.*, non-
6 individual PAGA penalties) during the relevant PAGA period.

7 90. Shipt's conduct, as alleged above, violates numerous sections of the California Labor
8 Code, including, but not limited to, sections 201, 202, 203, 204, 210, 216, 218.5, 221, 223, 225.5,
9 226, 226.2, 226.3, 226.7, 226.8, 245–249, 432.5, 450, 510, 512, 558, 1174, 1194, 1194.2, 1194.5,
10 1197, 1197.1, 1198, 1199, 2698, 2699, 2800, and 2802.

11 91. Plaintiff has complied with all administrative requirements and pre-conditions
12 contained within California Labor Code section 2699.3 as to Shipt, including providing notice to the
13 LWDA.

14 92. Pursuant to PAGA and California Labor Code sections 2699, 2699.3, and 2699.5,
15 Plaintiff is entitled to and hereby seeks civil penalties against Shipt, in addition to reasonable
16 attorney fees and costs, on behalf of herself and all other similarly aggrieved current and former
17 employees for violations of the Labor Code sections referred to in this Complaint.

18 93. DOES 1–100 may be held personally liable for civil penalties under PAGA as
19 owners, executives, and agents if they violated or caused to be violated any of the Labor Code
20 sections identified above.

21 **EIGHTH CAUSE OF ACTION**
22 **Unfair Business Practices**
23 **Bus. & Prof. Code, § 17200, *et seq.***
(As to Defendants Shipt and Target)

24 94. Plaintiff incorporates by reference every allegation contained above.

25 95. Defendants knowingly and willfully engaged in the unlawful practices described
26 above, which include but are not limited to:

- 27 a. Intentionally misclassifying its employee Drivers as “independent
28 contractors;”

- b. Imposing unreimbursed business expenses on misclassified employees in violation of Labor Code, sections 2802;
- c. Failing to pay overtime to Driver employees;
- d. Failing to pay Drivers for each hour worked;
- e. Failing to provide adequate meal and rest breaks to Drivers;
- f. Failing to provide accurate pay statements to Drivers in violation of Labor Code, section 226;
- g. Failing to pay Drivers all wages due upon termination; and
- h. Retaining all or part of the gratuity their customers provide to their Drivers in violation of Labor Code, section 351.

96. Defendants intended to, and did, profit from these illegal acts.

97. As a direct and proximate result of the above, Plaintiff and the Class Members have lost money or property, thereby entitling these individuals to restitution.

98. Pursuant to the Business and Professions Code, Plaintiff and the Class Members are entitled to restitution of money or property acquired by Defendants by means of such unlawful business practices, in amounts not yet known, but to be ascertained at trial.

99. Pursuant to the Business and Professions Code, the Classes and the public are also entitled to injunctive relief against Defendants' ongoing continuation of such unlawful business practices, including public injunctive relief. Plaintiff seeks such public injunctive relief here prohibiting Defendants from continuing their illegal practice of misclassifying Drivers, including Plaintiff, and denying them important protections under wage laws.

100. If Defendants are not enjoined from engaging in the unlawful business practices described above, Plaintiff, Class members, and the public will be irreparably injured. Defendants' ongoing misclassification scheme and derivative wage-and-hour violations constitute an unlawful and unfair business practice under California's Unfair Competition Law, Business and Professions Code sections 17200 et seq., and confer an unlawful competitive advantage over law-abiding employers that properly classify their workers and comply with wage-and-hour obligations. Unless enjoined, Defendants will continue to misclassify workers and to deny them the protections of the

1 Labor Code, thereby continuing to harm the general public and the workforce at large beyond
2 Plaintiff and the putative class.

3 101. The Classes, including Plaintiff, have no plain, speedy, and adequate remedy at law.

4 102. Defendants will continue to engage in the unlawful business practices described
5 above in violation of the Business and Professions Code, in derogation of the rights of Plaintiff, the
6 Classes, and of the public, if not enjoined by this Court.

7 **PRAYER FOR RELIEF**

8 Plaintiff prays for judgment against Defendants, as follows:

- 9 1. For an order certifying the Classes as described herein, appointing Plaintiff as Class
10 representative, and her counsel as Class counsel;
11 2. For compensatory damages according to proof;
12 3. For enhanced damages, liquidated damages, and penalties as permitted under
13 prevailing law;
14 4. For civil penalties according to proof;
15 5. For pre-judgment and post-judgment interest where allowable;
16 6. For costs of suit;
17 7. For injunctive relief, including public injunctive relief, as described herein;
18 8. For restitution as described herein;
19 9. For punitive damages, where appropriate;
20 10. For reasonable attorneys' fees and costs; and
21 11. For such other and further relief as this Court may deem just and proper.

22 **DEMAND FOR JURY TRIAL**

23 Plaintiff demands a trial by jury on all issues so triable.

24 Respectfully submitted,

25 Dated: August 18, 2026

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26
27 By:



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