UNITED STATES DISTRICT COURT FOR THE DISTRICT OF SOUTH CAROLINA, COLUMBIA DIVISION

Angel Sheree Tennyson v. Walmart Inc.

Tennyson · No. 3:25-cv-7825-CMC-SVH · Decided February 10, 2026

SUMMARY

The United States District Court for the District of South Carolina adopted a magistrate judge's Report and Recommendation concerning Walmart's motion to dismiss or strike an amended complaint and motion to compel arbitration. The court denied the motion to strike, compelled arbitration based on the parties' agreement, and stayed the action pending arbitration, concluding that the plaintiff assented to the agreement and had not specifically challenged its delegation clause.

CASE DETAILS

COURT	United States District Court for the District of South Carolina, Columbia Division
WRITING FOR THE COURT	Cameron McGowan Currie
JURISDICTION	United States District Court for the District of South Carolina, Columbia Division
DECIDED	February 10, 2026
DOCKET	3:25-cv-7825-CMC-SVH
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff objected to a magistrate judge's Report and Recommendation addressing Walmart's motion to dismiss or strike the amended complaint and motion to compel arbitration. The district court reviewed the objections de novo where specific and the remainder for clear error, adopted the Report in full, denied the motion to dismiss or strike, granted the motion to compel arbitration, and stayed the action pending arbitration.
STANDARD OF REVIEW	De novo review of portions of the Report and Recommendation to which specific objections were made; clear-error review of the remainder.
PRECEDENTIAL VALUE	unpublished district court order; nonprecedential
PARTIES	Angel Sheree Tennyson v. Walmart Inc.

TOPICS

arbitration · civil procedure · title vii · employment discrimination · contracts

PRACTICE AREAS

arbitration · civil procedure · employment law · contracts · civil rights

QUESTIONS PRESENTED

1. Whether Tennyson waived objections to assent and unconscionability by failing to raise those arguments before the magistrate judge.
2. Whether the undisputed electronic-signature evidence established Tennyson's assent to the arbitration agreement.
3. Whether the delegation clause required the arbitrator, rather than the court, to decide Tennyson's unconscionability challenge.
4. Whether the court should compel arbitration and stay the action pending arbitration.
5. Whether Tennyson's amended complaint should be stricken as untimely.

HOLDINGS

1. A party waives objections to a Report and Recommendation when the party failed to present the underlying arguments to the magistrate judge and raises them for the first time in district-court objections.
2. Electronic acceptance of an agreement through an "I agree" or equivalent assent button can establish assent to the agreement, including its arbitration provision.
3. When an arbitration agreement contains a delegation clause and the party resisting arbitration does not specifically challenge that delegation clause, the court must treat the delegation clause as valid and enforce it, leaving arbitrability and unconscionability issues for the arbitrator.
4. The court must compel arbitration where the parties' agreement covers the claims and the resisting party has not established a valid basis to avoid arbitration; the action must be stayed pending arbitration when a stay is requested under 9 U.S.C. § 3.
5. The motion to dismiss or strike the amended complaint was denied.

KEY QUOTATIONS

> *"On these facts, there is no genuine dispute about Tennyson's assent to be bound by the arbitration provision."* (4)

> *"As a result, the court "must treat [the delegation clause] as valid . . . and must enforce it," leaving Tennyson's unconscionability argument to be decided by the arbitrator in the first instance."* (5)

FACTUAL BACKGROUND

Tennyson worked as a delivery driver for Walmart's app-based Spark Driver platform, and Walmart deactivated her account. During onboarding, she electronically signed a Non-Disclosure and Dispute Resolution Agreement by clicking "I agree" and selecting "I accept the terms of this agreement." The Agreement contained an arbitration provision, a delegation clause, and a condition precedent requiring an informal telephonic dispute-resolution conference before individual arbitration; Walmart's evidence showed that the parties completed that conference.

PROCEDURAL HISTORY

Tennyson filed suit in July 2025 asserting breach-of-contract and bad-faith claims after Walmart deactivated her Spark Driver account. She later filed an amended complaint adding race-discrimination claims under Title VII and 42 U.S.C. § 1981. Walmart moved to strike the amended complaint and compel arbitration; the magistrate judge recommended denying the motion to strike, compelling arbitration, and staying the case. After Tennyson objected, the district court adopted the Report and Recommendation, compelled arbitration, denied the motion to strike, and ordered periodic status reports.

DISPOSITION

other

CASES CITED

- Mathews v. Weber, 423 U.S. 261, 271 (1976)
- Elijah v. Dunbar, 66 F.4th 454, 460 & n.3 (4th Cir. 2023)
- United States v. Midgette, 478 F.3d 616, 622 (4th Cir. 2007)
- Diamond v. Colonial Life & Accident Ins. Co., 416 F.3d 310, 315 (4th Cir. 2005)
- Camby v. Davis, 718 F.2d 198, 200 (4th Cir. 1983)
- ContraVest Inc. v. Mt. Hawley Ins. Co., 273 F. Supp. 3d 607, 620 (D.S.C. 2017)
- Dune v. G4S Regulated Sec. Sols. Inc., No. 0:13-cv-01676-JFA, 2015 WL 799523, at *3 (D.S.C. Feb. 25, 2015)
- Marshall v. Georgetown Mem'l Hosp., 112 F.4th 211, 218, 222 (4th Cir. 2024)
- Sgouros v. TransUnion Corp., 817 F.3d 1029, 1033-34 (7th Cir. 2016)
- Rent-A-Center, W., Inc. v. Jackson, 561 U.S. 63, 72 (2010)
- Coinbase, Inc. v. Suski, 602 U.S. 143, 152 (2024)
- Smith v. Spizzirri, 601 U.S. 472, 478 (2024)

OPINION

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF SOUTH CAROLINA COLUMBIA DIVISION Angel Sheree Tennyson, C/A No. 3:25-cv-7825-CMC-SVH Plaintiff, v. ORDER Walmart Inc., Defendant. This matter is before the court on the Report and Recommendation (“Report”) issued by Magistrate Judge Shiva V. Hodges on November 13, 2025. Magistrate Judge Hodges recommends the court deny Walmart Inc.’s motion to dismiss or strike the amended complaint, grant its motion to compel arbitration, and stay this action pending arbitration.

For the reasons discussed below, the court agrees with the Magistrate Judge's reasoning and adopts the Report in full. I. Background Angel Sheree Tennyson previously worked as a delivery driver for Walmart's app-based delivery platform, Spark Driver. She filed this pro se lawsuit on July 18, 2025, asserting claims for breach of contract and "bad faith" after Walmart deactivated her account.

ECF No. 1-1 at 1, 4. Before Walmart answered, Tennyson filed an amended complaint adding race discrimination claims under 42 U.S.C. § 1981 and Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e-2. ECF No. 22 at 3.

On October 14, 2025, Walmart moved to compel arbitration based on an arbitration provision in the parties' Non-Disclosure and Dispute Resolution Agreement ("Agreement") and to strike Tennyson's amended complaint as untimely. ECF No. 28.

In response, Tennyson did not dispute that a valid arbitration agreement existed or that it covered the claims at issue. Rather, she asked the court to deny Walmart's motion because it "acted in bad faith by failing to address or investigate the technical issues central to this dispute" during the parties' pre- arbitration dispute resolution conference.1 ECF No. 33 at 1.

She also insisted her amended complaint was timely under Federal Rule of Civil Procedure 15(a)(1)(B). ECF No. 35 at 2; see Fed. R. Civ. P. 15(a)(1)(B) (allowing a plaintiff to amend her complaint "once as a matter of course no later than... 21 days after service of a responsive pleading or 21 days after service of a motion under Rule 12(b), (e), or (f), whichever is earlier").

Magistrate Judge Hodges issued her Report on November 13, 2025. Magistrate Judge Hodges first recommended the court deny Walmart's motion to strike and consider its motion to compel arbitration as applied to the amended 1 The Agreement requires the parties to "engage in a good-faith effort to resolve any claim covered by [the] Arbitration Provision through an informal telephonic dispute resolution conference... before commencing arbitration." ECF No. 28-1 at 18; see also id. ("Engaging in an informal telephonic dispute resolution conference is a condition precedent that must be fulfilled before commencing individual arbitration.").

2 complaint. ECF No. 37 at 9. She then recommended granting Walmart's motion to compel and staying the case pending arbitration. Id. at 13. In doing so, she credited evidence from Walmart showing that the parties completed the mandatory dispute resolution conference in June 2025 and found that Tennyson had "offered no evidence or persuasive argument" that Walmart acted in bad faith.

Id. at 11. Tennyson filed objections to the Report on November 25, 2025. ECF No. 40. Walmart responded on December 9, 2025. ECF No. 41. This matter is now ripe for review. II. Legal Standard The Report carries no “presumptive weight,” and the responsibility for making a final determination remains with the court. Mathews v. Weber, 423 U.S. 261, 271 (1976).

The court reviews de novo “those portions of the [R]eport... to which objection is made” and “may accept, reject, or modify, in whole or in part, the findings or recommendations made by the [M]agistrate [J]udge” or “recommit the matter... with instructions.” 28 U.S.C. § 636(b)(1). “To trigger de novo review, an objecting party ‘must object to the finding or recommendation on that issue with sufficient specificity so as reasonably to alert the district court of the true ground for the objection.’” Elijah v. Dunbar, 66 F.4th 454, 460 (4th Cir.

2023) (quoting United States v. Midgette, 478 F.3d 616, 622 (4th Cir. 2007)). In the absence of specific objections, the court need only review for clear error, Diamond v. Colonial Life & Accident Ins. 3 Co., 416 F.3d 310, 315 (4th Cir. 2005), and need not give any explanation for adopting the Report, Camby v. Davis, 718 F.2d 198, 200 (4th Cir. 1983). III. Discussion In objecting to the Report, Tennyson argues the court should deny Walmart’s motion to compel because (1) she never assented to the arbitration provision contained in the Agreement and (2) the arbitration provision is procedurally and substantively unconscionable under South Carolina law.

ECF No. 40 at 1–2. Yet Tennyson did not raise these issues in her briefing before the Magistrate Judge. So she has waived them. See ContraVest Inc. v. Mt. Hawley Ins. Co., 273 F. Supp. 3d 607, 620 (D.S.C. 2017); Elijah, 66 F.4th at 460 n.3; see also Dune v. G4S Regulated Sec. Sols. Inc., No. 0:13-cv-01676-JFA, 2015 WL 799523, at *3 (D.S.C. Feb. 25, 2015) (“[T]he Magistrates Act was not intended to give litigants an opportunity to run one version of their case past the magistrate [judge], then another past the district court.” (internal quotation marks omitted)).

Even if Tennyson’s arguments were not waived, they are not persuasive. First, the undisputed facts show Tennyson “manifested her assent” to the arbitration provision. Marshall v. Georgetown Mem’l Hosp., 112 F.4th 211, 218 (4th Cir. 2024).

As part of her onboarding, Tennyson was presented with an electronic version of the Agreement containing the arbitration provision. ECF No. 28-1 at 3–4. The end of the Agreement states in bold font: 4 By clicking “I agree,” I expressly acknowledge that I have read, understood, and considered the consequences of this Agreement, including THAT THIS AGREEMENT CONTAINS AN ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES; that I affirmatively agree to be bound by the terms of this Agreement; and that I am legally competent to enter into this Agreement.

Id. at 23. Walmart’s records reveal that on August 22, 2024, Tennyson electronically signed the Agreement by clicking the “I agree” icon and selecting “I accept the terms of this agreement.” Id.

at 3–4. On these facts, there is no genuine dispute about Tennyson's assent to be bound by the arbitration provision. See Marshall, 112 F.4th at 222 ("When website buttons have labels denoting assent, like 'I accept' or 'I agree,' a user's click 'can suffice to signify the acceptance of a contract.'" (quoting Sgouros v. TransUnion Corp., 817 F.3d 1029, 1033–34 (7th Cir.

2016)). Tennyson's unconscionability argument likewise fails. The arbitration provision includes a broad delegation clause giving the arbitrator "exclusive authority to resolve any dispute arising out of or relating to [the arbitration provision's] interpretation, applicability, enforceability, or formation." ECF No. 28-1 at 15–16. But Tennyson does not mention — let alone challenge — the delegation clause in her objections.

As a result, the court "must treat [the delegation clause] as valid... and must enforce it," leaving Tennyson's unconscionability argument to be decided by the arbitrator in the first instance. Rent-A-Center, W., Inc. v. Jackson, 561 U.S. 63, 72 (2010); see also Coinbase, Inc. v. Suski, 602 U.S. 143, 152 (2024) ("[A]bsent a 5 successful challenge to the delegation provision, courts must send all arbitrability disputes to arbitration.").

Tennyson offers no other specific objections to the Report. Having reviewed the remainder of the Report for clear error, the court finds none and adopts the Report in its entirety. IV. Conclusion For the foregoing reasons, the court adopts the Magistrate Judge's Report (ECF No. 37) in full, denies Walmart's motion to dismiss or strike the amended complaint (ECF No. 28 at 12–13), and grants Walmart's motion to compel arbitration (ECF No. 28 at 5–12).

Because Walmart requests a stay under 9 U.S.C. § 3, this matter will be stayed pending arbitration. See Smith v. Spizzirri, 601 U.S. 472, 478 (2024). The parties shall file a joint status report every 90 days from the date of this order and within 14 days after arbitration concludes. IT IS SO ORDERED. s/Cameron McGowan Currie CAMERON MCGOWAN CURRIE Senior United States District Judge Columbia, South Carolina February 10, 2026 6