

# 1099 IS HIGH RISK

**\*\*AND YOU COULD PAY THE PRICE BY NOT READING THE FINE PRINT**

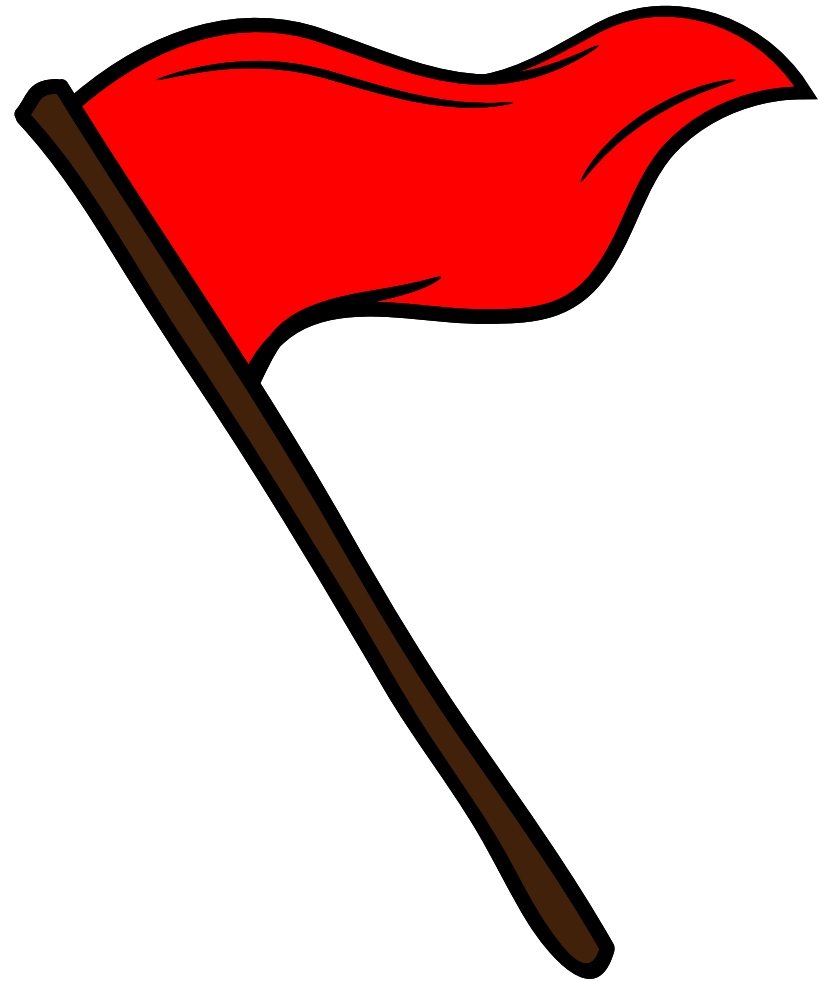


# Misclassified Employees

By telling workers what time to start, what to wear, what they will be doing, and what time they will finish are they really independent contractors?



If temp staff are doing the same tasks as your in-house staff, how can they legally be allowed to be classified differently?



"(You) acknowledges and agrees that (employees) are employees of (app company) only for purposes of payroll processing and, in some cases, the provision of certain employee benefits, but (app company does not) assumes any responsibility for the working conditions or the workplace in which (employees) will perform work for (you), the projects and work assigned to (employees), and/or (your) decision to use (employees).

(You) further acknowledges and agrees that (employees), if assigned by (app company), are not employees or consultants of (app company), and that (app company) maintains no control over any (employee), supervision of (employee) payroll practices or other terms and conditions of the working relationship described herein."



# Lack of Insurance Coverage



## EXPLANATION

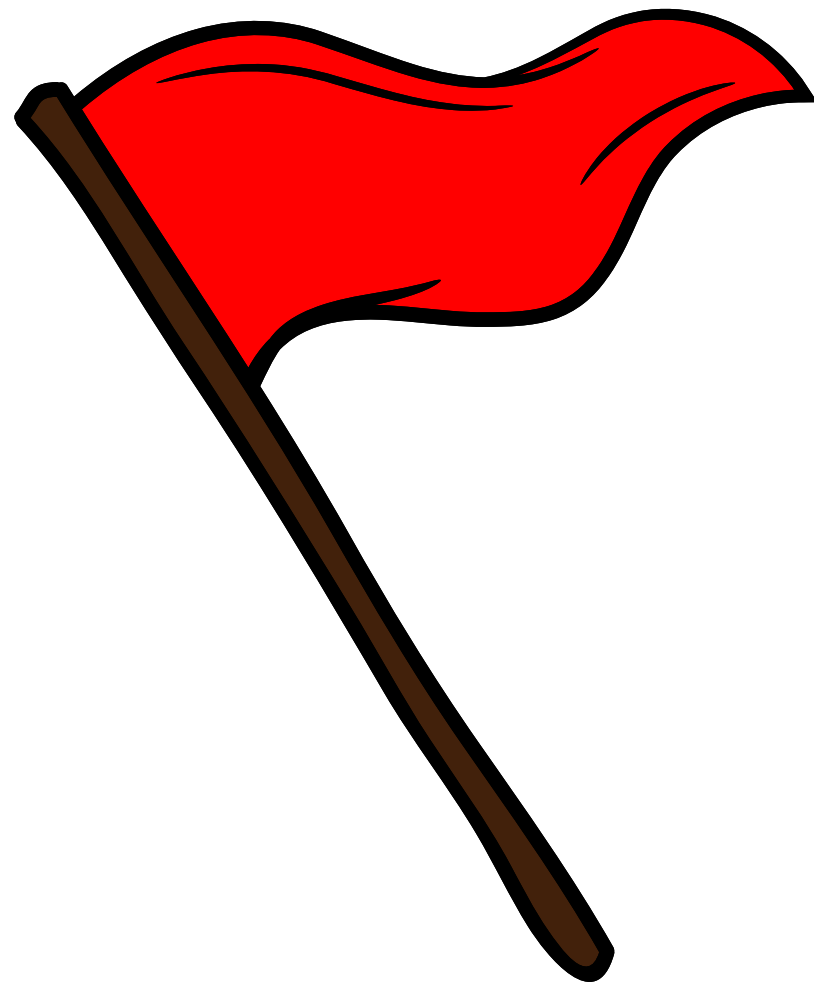
App-based 1099 workers are not covered by liability or workers' compensation insurance, placing all of the risk and liability on YOU!



## IMPLICATIONS

Companies may face significant financial and legal consequences if a worker is injured on the job or causes damage to property. Think millions of dollars...





"(App company) is not responsible for **insurance coverage** of (contractors). Specifically, in the event that a (contractor) is injured or becomes ill while or as a result of working a (client's event), (you) acknowledges and understands that the (contractor) may not be **covered by any workers' compensation insurance** that (app company) may otherwise provide to its employees. Partner represents and warrants that, unless otherwise expressly agreed herein or elsewhere in writing, any (contractor) performing a (client's event) will be covered by (your) workers' compensation insurance. Further, in the event that a (contractor's) actions cause an injury to a third party while the (contractor) is working in the course and scope of performing a (client's event) or otherwise, (you) acknowledges and agrees that the **(contractor) may not be covered by any general liability or automobile liability insurance coverage** that (app company) may have, and that (app company) is not making any commitment to defend, compensate and/or indemnify (you) or (contractor) in such circumstances, and specifically denies such obligation."



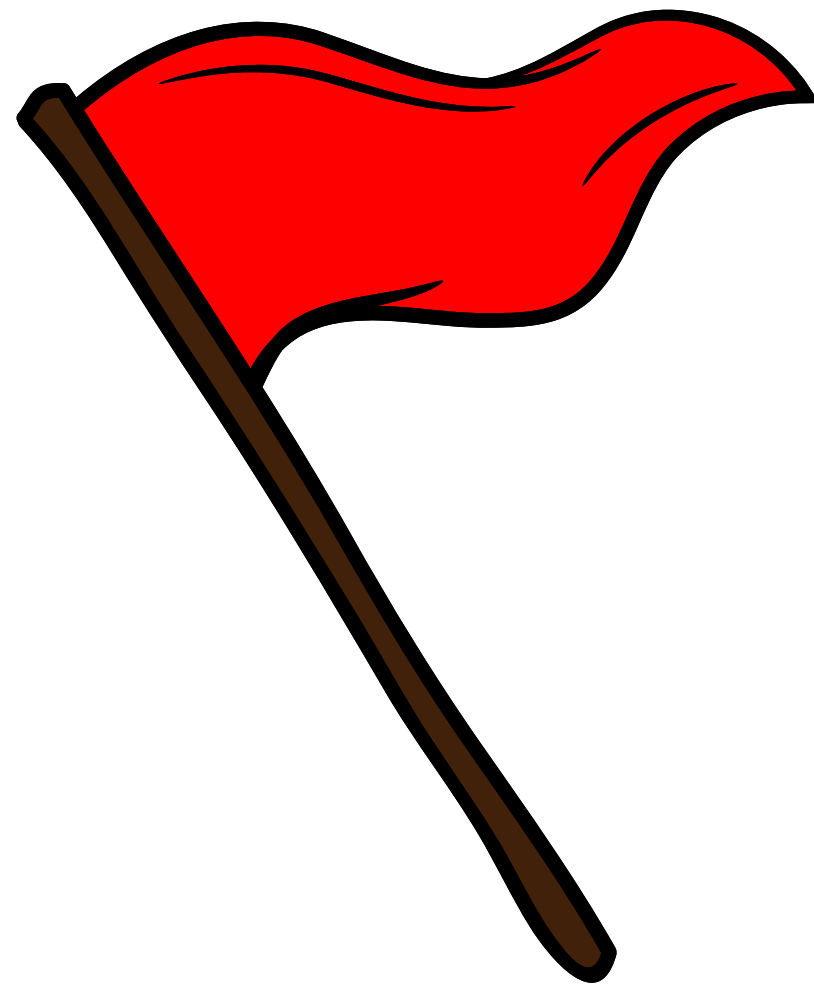
# Would you hire someone off the street?



App-based companies do not have an interview process, do not conduct reference checks, nor do they do skill assessment tests.

They do not have the ability to verify the qualifications and skills of the workers they are sending to you, which can lead to poor quality work or even safety risks.





"(App company does not) make any representations or warranties as to the skills, experience, background or education of any employee."



# Lack of Support

There is NO in person support for the client OR the staff members, not even on the phone.







# 4 BIGGEST RISKS



**MISCLASSIFIED  
WORKERS  
WITH NO  
BENEFITS**

**NO LIABILITY  
OR  
WORKERS  
COMP**

**NO VETTING  
PROCESS  
OR  
INTERVIEW**

**NO CLIENT  
OR  
STAFF  
SUPPORT**

# The Party Staff



**ALL W2 EMPLOYEES**

**\$5 MILLION GENERAL, \$1 MILLION LIQUOR, \$1 MILLION WORKERS COMP**

**INTERVIEWED IN OFFICE, CONDUCT SKILL ASSESSMENTS, FULL BACKGROUND CHECKS**

**24/7 SUPPORT OVER PHONE FOR BOTH STAFF AND CLIENTS**