

If Client and Freelancer enter into an Hourly Contract, if Client makes a bonus or expense payment to Freelancer, or if you use Upwork Payroll, this Hourly, Bonus, and Expense Payment Agreement with Escrow Instructions (“**Agreement**”) applies.

To the extent permitted by applicable law, we may modify this Agreement, and the Escrow Instructions it contains, without prior notice to you, and any revisions to the Agreement will take effect when posted on the Site unless otherwise stated. Please check the Site often for updates.

This Agreement hereby incorporates by reference the Terms of Service. Capitalized terms not defined in this Agreement are defined in the [User Agreement](#), elsewhere in the Terms of Service, or have the meanings given such terms on the Site. The Escrow Instructions in this Agreement do not apply to Fixed-Price Escrow Accounts, though they do govern the making and receiving of bonus, expense and other miscellaneous payments for Fixed-Price Contracts.

1. Digital Signature

By clicking to accept an Hourly Contract or make a bonus payment, Client and Freelancer are deemed to have executed this Agreement electronically, effective on the date Freelancer clicks to accept the Engagement, pursuant to California Civil Code section 1633.8 and the federal Electronic Signatures in Global and National Commerce Act (the E-Sign Act) (15 U.S.C. Sec. 7001, et seq.). Doing so constitutes an acknowledgement that you are able to electronically receive, download, and print this Agreement and the Escrow Instructions it contains.

2. Making or Receiving an Hourly Payment

2.1 Time Logs

For Hourly Contracts, reports of hours billed (“**Time Logs**”) are generated for hours worked until 11:59 PM UTC, each Monday following the week in which the hours were worked (the “**Time Log Deadline**”). Freelancer irrevocably authorizes and instructs Upwork, as its agent, to (i) create an invoice on behalf of Freelancer for payment due based upon the hours recorded on the weekly Time Log before the Time Log Deadline; and (ii) submit the invoice on behalf of Freelancer to Freelancer’s Client for payment.

By recording time on a Time Log and allowing an invoice to be created based on that Time Log, Freelancer represents and warrants that (y) Freelancer has completed the applicable Freelancer Services fully and satisfactorily; and (z) the hours Freelancer reports are true, accurate, and complete.

2.2 Time Log Review

Client must review and approve or dispute the weekly Time Log by 11:59 PM UTC of the Friday following submission of the Time Log. Payments will be held in escrow during the Dispute Period (defined below), providing 4 additional days to review and dispute work before funds are released. During the Dispute Period, Client may initiate a Dispute as to some or all of the time recorded on the Time Log.

On the Friday of the week following submission of the Time Log, Client will be deemed to have approved all undisputed time, and Upwork’s Affiliate, Elance Escrow Corporation (“**EEC**”), will release escrow funds as described in this Agreement.

Notwithstanding the foregoing, all hours recorded and submitted by Payroll Employee on the Upwork website will be deemed approved by Client automatically, and Client authorizes and irrevocably instructs EEC to release payments for those hours to be paid to the Staffing Provider each Monday following the week in which the hours were worked. Client may not reject time or file a Dispute for Payroll Employee Time Logs.

3. Making or Receiving a Bonus or Expense Payment

Client may also pay Freelancer a bonus, tip, expense, or other miscellaneous payment, at Client's discretion, using the Site. To pay a bonus to a Freelancer, Client must follow the instructions and links on the Site and provide the information requested. If Client clicks to pay a bonus to Freelancer, EEC will release escrow funds as described in this Agreement.

4. Instructions to Pay Irrevocable

Client's instruction to EEC and its wholly owned subsidiaries to pay a Freelancer is irrevocable. Such instruction is Client's authorization to transfer funds to Freelancer from the Client Escrow Account or authorization to charge Client's Payment Method. Such instruction is also Client's representation that Client has received, inspected and accepted the subject work or expense. Client acknowledges and agrees that upon receipt of Client's instruction to pay Freelancer, EEC will transfer funds to the Freelancer and that Upwork, EEC, and other Affiliates have no responsibility to and may not be able to recover such funds. Therefore, and in consideration of services described in this Agreement, Client agrees that once EEC or its subsidiary has charged Client's Payment Method, the charge is non-refundable.

5. Release and Delivery of Amounts in Escrow

In addition, EEC is authorized to and will release applicable portions of the Client Escrow Account (each portion, a "Release") to the Freelancer Escrow Account, upon the occurrence of and in accordance with one or more Release Conditions provided below or as otherwise permitted by applicable law. The amount of the Release will be delivered to the Freelancer Escrow Account, in accordance with Freelancer's and Client's instructions, as applicable, these Escrow Instructions, and the other Terms of Service.

5.1 Release Conditions

As used in these Escrow Instructions, "Release Condition" means any of the following:

1. Client and Freelancer have submitted joint written instructions for a Release.
2. Client has approved all or a portion of the Freelancer's weekly Time Log. This Release Condition will apply to and only for time recorded by the Freelancer that Client has approved.
3. Freelancer is a Payroll Employee and has submitted a Time Log under an Engagement that includes the Upwork Payroll Agreement.
4. Client has not disputed time recorded on Freelancer's weekly Time Log during the Dispute Period pursuant to this Agreement. This Release Condition will apply to and only for time recorded by the Freelancer that was not disputed by the Client.
5. Upwork reviews Client's dispute of time recorded on Freelancer's weekly Time Log for an Engagement with Work Diaries pursuant to this Agreement and determines that the time is related to the Engagement requirements or Client's instructions documented in the Work Diaries.
6. Client initiates a Dispute with respect to Freelancer's weekly Time Log for an Engagement without Work Diaries pursuant to this Agreement and Client and Freelancer resolve the dispute without the assistance of Upwork.
7. Issuance of the final order of a court of competent jurisdiction from which appeal is not taken.
8. We believe, in our discretion, that Client or Freelancer has committed or is attempting to commit fraud, illicit acts, or has violated Upwork's Terms of Service, in which case Upwork may instruct EEC to take such actions as we deem appropriate in our sole discretion and in accordance with applicable law.

6. Hourly Payment Protection for Freelancers

In the rare event that a Freelancer's Client does not make payment for legitimate services performed by a Freelancer, Upwork will provide limited payment protection to the Freelancer as detailed below and in the User Agreement ("**Hourly Payment Protection**") as a membership benefit to foster fairness, reward loyalty, and encourage the Freelancer to continue to use the Site Services for their business needs. Hourly Payment Protection will be offered only if all of the following criteria are met:

1. Both Client and Freelancer must have agreed to use Work Diaries upon acceptance of the Hourly Contract, as part of the terms.
2. Client must have an Account in good standing, a valid and authenticated default Payment Method, and Client must agree to automatically pay for hours billed by Freelancer through Work Diaries.
3. Freelancer's Account must be in good standing.
4. Freelancer must have used Work Diaries enabled to document any and all hours covered by the Hourly Payment Protection for Freelancers.
5. Freelancer must have provided adequate comments for the screenshots documented by Work Diaries prior to submitting its invoice.
6. The screenshots documented by Work Diaries must be clearly related to the applicable Hourly Contract requirements or Client instructions in the Work Diaries.
7. The number of hours billed must be within the hours authorized by the Client for the week in the Work Diaries.
8. We believe, in our sole discretion, that fraud, illicit acts, or a violation of Upwork's Terms of Service has been committed or is being committed or attempted, in which case Client and Freelancer irrevocably authorize and instruct EEC to take such actions as we deem appropriate in our sole discretion and in accordance with applicable law, in order to prevent or remedy such acts, including to return the proceeds of such acts to their source of payment.

Upwork will investigate and determine in its sole discretion whether the above terms and conditions are met.

Hourly Payment Protection does not apply to: (1) hours not authorized by Client in the Work Diaries; (2) bonus payments; (3) refunds; (4) manual time; (5) time added after Client has Disputed a billing and before the resolution of that incident; (6) Fixed-Price Contracts; (7) hours reported by Payroll Employees; and (8) Engagements prohibited by the Terms of Service. The maximum rate per hour protected by Upwork to Freelancer under the Hourly Payment Protection for Freelancers is the lesser of: (i) the rate provided in the Hourly Contract terms; (ii) the usual hourly rate billed by Freelancer on the Site across all Clients; and (iii) the going rate for the same skills on the Site in Freelancer's area (such determination to be made in Upwork's sole discretion). The maximum amount of coverage under the Hourly Payment Protection for Freelancers for the life of a relationship between the same Client and Freelancer is \$2,500 or 50 hours logged in Work Diary, whichever is less.

7. Hourly Protection for Clients

Upwork will adjust the invoice to Client for work that is not clearly related to either the Hourly Contract requirements or Client instructions in the Work Diaries and within the hours authorized for the week, subject to and conditioned on the following terms:

- Both Client and Freelancer must agree to use Work Diaries as part of the Hourly Contract terms.
- Client must have an Account in good standing and a valid and authenticated default Payment Method, and Client must agree to automatically pay for hours billed by Freelancer through Work Diaries. Within the Time Log Review Period, Client must submit a Dispute specifically identifying the time billed that is not clearly related to either the Hourly Contract requirements or Client instructions in the Work Diaries.

Upwork will investigate and determine in its sole discretion whether the above terms and conditions are met.

Hourly Protection for Clients only protects Client from the obligation to pay for Freelancer's work if the documented hours worked are not clearly related to the Hourly Contract requirements or Client instructions in the Work Diaries. If Client has requested that the

Freelancer use functionality of the Site or third-party software that hides, blurs, or distorts images in the Work Diary, the screenshots will be deemed to be “clearly related” to the Hourly Contract requirements for purposes of Hourly Payment Protection. Hourly Payment Protection for Clients does not create any warranties, express or implied, beyond those expressly stated in the User Agreement.

Hourly Protection for Clients does not apply to: (1) Fixed-Price Contracts; (2) Engagements using Upwork Payroll; and (3) Engagements prohibited by the Terms of Service.

8. Disputes between Client and Freelancer

8.1 Disputes Initiated via the Platform

For Hourly-Rate Contracts, Client may dispute Freelancer’s hours reported in the Time Log for the prior week (Sunday 12:00 a.m. midnight UTC to Sunday 11:59 p.m. UTC) during the five days following the close of the weekly invoice period (Monday 12:00 a.m. midnight UTC to Friday 11:59 p.m. UTC) (the “**Dispute Period**”). It is Client’s responsibility to review the Time Log of every Hourly-Rate Contract on a weekly basis and to file any disputes during the Dispute Period. Once the Dispute Period expires, Client will be deemed to have accepted the Freelancer Services and Freelancer Fees and can no longer dispute them. Disputes can only address the hours billed, not the quality of the Freelancer Services or the Work Product provided under Hourly-Rate Contracts. If Client disputes Freelancer’s hours reported in the Time Log under an Hourly-Rate Contract during the Dispute Period, Client and Freelancer are encouraged to resolve the dispute between themselves. If Client and Freelancer fail to come to a resolution, Upwork will promptly investigate the Time Log and determine, in our sole discretion, whether an adjustment is appropriate. Upwork’s determination of such dispute shall be final.

If Client’s payment is unsuccessful, Upwork will review the work to determine if it qualifies for Hourly Payment Protection. If Upwork, in its sole discretion, determines that the work qualifies for Hourly Payment Protection, it will make payment to the Freelancer.

Client may choose to approve Freelancer’s work prior to the end of the Dispute Period. If Client releases payment to Freelancer prior to the end of the Dispute Period, Client certifies that it accepts the work and waives any further right to dispute.

You further acknowledge and agree that Upwork and Affiliates are not and will not be a party to any such dispute. EEC may, at its sole discretion, withhold or delay payment in the event of dispute between a Client and a Freelancer. Clients may not dispute hours worked with respect to any worker engaged as an employee through Upwork Payroll, but Clients may terminate such assignments if they are not satisfied with productivity or for any other lawful reason.

The Dispute Period does not apply and payments are released immediately upon completion of the Time Log for the prior week for Engagements where the Client has one or more Engagements using Upwork Payroll.

8.2 Upwork Dispute Assistance

Non-binding dispute assistance (“**Dispute Assistance**”) is available within 30 days of the date of the last release of funds from Client to Freelancer. If Client or Freelancer contacts Upwork via support ticket within 30 days of the date of the last payment from Client to Freelancer and requests non-binding dispute assistance for any dispute among between (a “**Dispute**”), Upwork will attempt to assist Client and Freelancer by reviewing the Dispute and proposing a mutual, non-binding resolution. Upwork will only review the 30 days of work performed prior to the date a User requests Dispute Assistance.

- The Upwork Disputes team will notify Client and Freelancer via ticket by providing a notice of dispute along with a request for information and supporting documentation (if any).
- If both Client and Freelancer respond to the notice and request for information, then the Disputes team will review the documentation submitted and any information available on the Site that pertains to the Dispute. After review, the Disputes team will propose a mutual, non-binding resolution based on the results of the review.
- The proposed resolution is non-binding; Client and Freelancer can choose whether or not to agree to it. If Client and Freelancer

agree in writing to the proposed resolution, Client and Freelancer agree that EEC is authorized and irrevocably instructed to immediately release Escrow funds in accordance with the proposed resolution.

- If Client and/or Freelancer disagree with Upwork's proposed, non-binding resolution then Client and/or Freelancer must pursue the Dispute independently.
- Upwork reserves the right to review the Freelancer's work for 30 days prior to the date of the request for Dispute Assistance for compliance with Hourly Payment Protection requirements, and in its sole discretion, to make adjustments to invoices, and to direct EEC to make appropriate releases to Client if it finds work that clearly does not relate Hourly Contract requirements or Client instructions in the Work Diaries or violations of the Terms of Service during its review of the work.

Dispute Assistance does not apply to Freelancer Services using Upwork Payroll.

9. No Responsibility for Freelancer Services or Client Payments

Upwork and Affiliates merely provide a platform for Internet payment services. Upwork and Affiliates do not have any responsibility or control over the Freelancer Services that Client purchases. Nothing in this Agreement deems or will be interpreted to deem Upwork or any Affiliate as Client's or Freelancer's agent with respect to any Freelancer Services, or expand or modify any warranty, liability or indemnity stated in the Terms of Service. For example, Upwork does not guarantee the performance, functionality, quality, or timeliness of Freelancer Services.