If a Client and a Freelancer enter into a Fixed-Price Contract, these Fixed-Price Escrow Instructions (“**Escrow Instructions**”) apply. These Escrow Instructions govern Fixed Price Escrow Accounts. If you have a Fixed-Price Contract and wish to make or receive a miscellaneous or bonus payment, those activities are governed by the Hourly, Bonus, and Expense Payment Agreement with Escrow Instructions.

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

These Escrow Instructions hereby incorporate by reference the Terms of Service (“**Terms of Service**”). Capitalized terms not defined in these Escrow Instructions are defined in the User Agreement, elsewhere in the Terms of Service, or have the meanings given such terms on the Site. These Escrow Instructions do not apply to Hourly Contracts.

1. DIGITAL SIGNATURE

By clicking to fund Escrow (a “**Funding Approval**”) or to accept a Fixed-Price Contract, Client and Freelancer are deemed to have executed these Escrow Instructions 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, 15 U.S.C. Sec. 7001, et seq., as may be amended from time to time (the "**E-Sign Act**"). Doing so constitutes an acknowledgement that you are able to electronically receive, download, and print these Escrow Instructions. All references to the Escrow in these Escrow Instructions will include the initial Funding Approval and any additional Funding Approval for a Fixed-Price Contract.

2. RELEASE AND DELIVERY OF AMOUNTS IN ESCROW

Client and Freelancer irrevocably authorize and instruct Upwork Escrow Inc. (“**Upwork Escrow**“) to release applicable portions of the Fixed Price Escrow Account (each portion, a “**Release**”) to their Freelancer Escrow Account or Client Escrow Account, as applicable, upon the occurrence of and in accordance with one or more Release Conditions provided below or as otherwise required by applicable law or the Terms of Service. The amount of the Release will be delivered to the applicable Escrow Account in accordance with Freelancer’s or Client’s instructions, as applicable, these Escrow Instructions, and the other Terms of Service.

2.1 RELEASE CONDITIONS

As used in these Escrow Instructions, “**Release Condition**” means any of the following:

1. Client clicks to release funds to Freelancer.
2. Client does not take any action for 14 days from the date of a Freelancer’s Release request, in which case Freelancer and Client agree that Upwork Escrow is authorized and irrevocably instructed to immediately release to Freelancer the amount associated with to the applicable milestone in connection with such Release request.
3. Freelancer cancels the contract before a milestone payment has been released to Freelancer, in which case the funds are to be returned to the Client.
4. Client and Freelancer have submitted joint written instructions for a Release to either Freelancer Escrow Account or Client Escrow Account, as applicable.
5. Client and Freelancer agree to close the contract without release of funds, in which case the funds are to be returned to the Client.
6. Client or Freelancer has failed to make its Arbitration payment or paid its fair share of the Arbitration costs pursuant to the Dispute Assistance Program, in which case the funds are released to the Party that has made its Arbitration Payment.
7. Both Client and Freelancer have failed to timely submit to Arbitration for an unresolved Dispute as such term is defined in the Dispute Assistance Program, in which case the funds are released to the Client.

8. Client or Freelancer has failed timely to respond to an Upwork Dispute Assistance notification as required by the Dispute Assistance Program, in which case the funds are released to the User that has participated.
9. Client or Freelancer otherwise has failed to comply with the Dispute Assistance Program, in which case the funds are to be released to the User that has complied with the Dispute Assistance Program.
10. Submittal of a final award of an arbitrator appointed pursuant to the Dispute Assistance Program, in which case the funds will be released in accordance with such award.
11. Issuance of the final order of a court of competent jurisdiction from which appeal is not taken, in which case the funds will be released in accordance with such order.
12. We believe, in our sole discretion, that fraud, an illegal act, 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 Upwork Escrow 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 without limitation to return the funds associated with such acts to their source of payment.

3. INSTRUCTIONS IRREVOCABLE

On the occurrence of a Release Condition, Client and Freelancer are deemed to and hereby agree that the instruction to Upwork Escrow and its wholly owned subsidiaries to release funds is irrevocable. Without limiting the foregoing, Client's instruction to Upwork Escrow 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, Upwork Escrow will transfer funds to the Freelancer and that Upwork, Upwork Escrow, 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 Upwork Escrow or its subsidiary has charged Client's Payment Method, the charge is non-refundable.

4. DORMANT ENGAGEMENTS

To be fair to Clients and Freelancers, Upwork has a procedure for Fixed-Price Contracts that appear Dormant (as defined below). For purposes of determining Dormant status, "activity" means business term or milestone updates or requests, Fixed-Price Escrow Funding, Fixed-Price Escrow Release, Fixed-Price Escrow Refunds, Funding requests, Release requests, requests to close the Fixed-Price Contract, Status Report submittals, or actions under the Fixed Price Dispute Assistance Program.

A "**Dormant Engagement**" is a Fixed-Price Contract that has a Fixed-Price Escrow Account with a balance but has had no activity for 90 consecutive days after the last milestone date contained in the business terms. Dormant Engagements are subject to the following rules:

1. Upwork will notify Client when the Fixed-Price Contract becomes Dormant ("**Dormant Date**").
2. If no activity other than Release requests has occurred within 7 days after the Dormant Date, Upwork will notify the Freelancer that the Fixed-Price Contract is Dormant.
3. If neither Freelancer nor Client take any action for 7 days after the Dormant Date, Freelancer and Client agree that Upwork Escrow is authorized and irrevocably instructed to immediately release escrow funds to Client.
4. If Freelancer submits a Release request and client does not take any action for 14 days from the date of the Release request, Freelancer and Client agree that Upwork Escrow is authorized and irrevocably instructed to immediately release to Freelancer the amount related to the milestone with Release request.
5. All funds released to Freelancer under this Section, Dormant Engagements, will be subject to the applicable Service Fees.

5. REFUNDS AND CANCELLATIONS

Client and Freelancer are encouraged to come to a mutual agreement if refunds or cancellations are necessary. If there are no funds in escrow, Client or Freelancer can cancel the contract at any time by clicking to close the contract. If funds are held in escrow, refunds and cancellations must be initiated by Client or Freelancer by following the steps below.

5.1 CANCELLATION BY FREELANCER

If Freelancer wants to cancel a contract with funds held in escrow, Freelancer must click to close the contract. When Freelancer clicks to close the contract, Freelancer and Client agree that Upwork Escrow is authorized and irrevocably instructed to immediately release to Client all Escrow funds associated with the contract.

5.2 CANCELLATION BY CLIENT

If Client wants to cancel a contract with funds held in escrow, Client must click to close the contract. Freelancer must either click to approve or dispute the Client's cancellation within 7 days. If Freelancer approves the cancellation, Freelancer and Client agree that Upwork Escrow is authorized and irrevocably instructed to immediately release to Client all escrow funds associated with the contract. If Freelancer is using the Site on a mobile device and do not have the ability to approve or dispute the cancellation with a click on the mobile website or application, Freelancer must dispute the Client's cancellation via support ticket within 7 days. If Freelancer takes no action within 7 days from the date notification of the cancellation is sent to Freelancer, Freelancer and Client agree that Upwork Escrow is authorized and irrevocably instructed to immediately release to Client all Escrow funds associated with the contract. If Freelancer disputes the cancellation, Freelancer and Client will be offered Upwork Dispute Assistance (as defined in Section 6).

6. DISPUTE ASSISTANCE PROGRAM

If Client and Freelancer fail to come to a mutual resolution by way of the Refund and Cancellation process as stated in Section 5, Upwork provides this Dispute Assistance Program as a mechanism to resolve the Dispute.

6.1 DEFINITIONS AND KEY DATES

1. **"Arbitration"** means binding non-appearance based Arbitration by a neutral third party as described in Section 6.
2. **"Arbitration Payment"** means Client's or Freelancer's applicable portion of the costs of Arbitration as more particularly described in this Section 6.
3. **"Arbitration Limitations Date"** means the date 30 days after the date a Dispute is filed via the Site or via support ticket with Upwork.
4. "**Contract Room**" means the contract room on the Site for the particular Fixed-Price Contract, including the contract terms, messages and files, and milestones and payments.
5. "**Dispute**" means a dispute between a Client and Freelancer concerning a Fixed-Price Contract and covered by this Dispute Assistance Program.
6. **"Dispute Assistance Deadline"** means the date 30 days after the Client was billed for the last milestone.
7. "**Dispute Assistance Program**" means the Dispute assistance program set forth in this Section 6.
8. **"Upwork Dispute Assistance"** means the Dispute assistance provided by Upwork as set forth in this Section 6.

6.2 AVAILABILITY OF UPWORK DISPUTE ASSISTANCE

Dispute Assistance is only available (i) after initial funding of the Fixed Price Escrow Account associated with the Fixed-Price Contract, and (ii) prior to the Dispute Assistance Deadline. Dispute Assistance is not available to either the Freelancer or the Client via the Site after the Dispute Assistance Deadline.

6.3 NON-BINDING ASSISTANCE

Upwork will first attempt to assist Client and Freelancer by reviewing the Dispute and proposing a mutual, non-binding resolution.

- 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 Upwork Escrow is authorized and irrevocably instructed to immediately release Escrow funds in accordance with the proposed resolution.
- If Client or Freelancer rejects Upwork's proposed, non-binding resolution, they may proceed to Arbitration. If Client and Freelancer do not choose to arbitrate, Freelancer and Client agree that Upwork Escrow is authorized and irrevocably instructed to immediately release to Client all funds held in Escrow.
- If Client or Freelancer chooses to arbitrate by notifying Upwork via support ticket of their intent to arbitrate, Upwork will notify both Client and Freelancer via ticket that they must make the Arbitration Payment within 5 business days of the notice (the "**First Arbitration Notice**"). If both parties make the Arbitration Payment (including after initial notice of non-payment), then Upwork will deliver instructions for initiating Arbitration.
- If Client or Freelancer does not make the Arbitration Payment within 5 business days of the First Arbitration Notice, Freelancer and Client will be deemed to have irrevocably authorized and instructed Upwork Escrow to, and Upwork Escrow will, release the disputed funds to the party that paid the Arbitration Payment to the extent that any disputed funds remain in the Escrow Account. If no funds remain in the Escrow, Upwork will close the Dispute.
- If Client and Freelancer both do not make the Arbitration Payment by the Arbitration Limitations Date, then Client and Freelancer will be deemed to have authorized and instructed Upwork Escrow to, and Upwork Escrow will, release the disputed funds to Client, to the extent that any disputed funds remain in the Escrow Account, if no funds remain Upwork will close the Dispute.

6.4 ARBITRATION FOR A FIXED-PRICE CONTRACT

Except for Fixed-Price Contracts where the Client is an Enterprise Client (defined in the Fee and ACH Authorization Agreement), Freelancer and Client each has the right to demand Arbitration of a Fixed-Price Contract before the Arbitration Limitations Date if the Fixed-Price Escrow associated with the Fixed-Price Contract has been funded at least once. If either Client or Freelancer demands Arbitration in accordance with these Escrow Instructions and you are not the party that requested Arbitration, you agree to submit to the Arbitration and pay your share of the Arbitration fees detailed below. In any Arbitration, each of you and the other Member is a "**Dispute Party**," and collectively you are the "**Dispute Parties**."

Any such Arbitration will be conducted by a neutral third-party Arbitration service: the American Arbitration Association (the "**AAA**").The Arbitration rules and fees for each are set out in Appendix A to these Escrow Instructions. By default, Arbitration will be conducted by AAA unless Upwork chooses another Arbitration service.

6.5 FILING THE CASE WITH THE ARBITRATOR

When a User demands Arbitration (the "**Arbitration Plaintiff**"), or when the circumstances dictate that Upwork notify a User of its right to file for Arbitration as described above, Upwork will provide the User with instructions on initiating the Arbitration. After the parties have initiated the Arbitration, Upwork will provide the arbitrator with supporting documentation including but not limited to the documents submitted to Upwork during the dispute resolution process, information available via the Site, and access to the Site.

If the Arbitration Plaintiff makes the Arbitration Payment, Upwork will contact the other party ("**Arbitration Respondent**") to request that the Arbitration Respondent pay its portion of the Arbitration fees as well. If the Arbitration Respondent fails to make the Arbitration

Payment and submit to such Arbitration within 5 business days after the First Arbitration Notice, Upwork will suspend the Arbitration Respondent's account, and both parties will be deemed to have irrevocably authorized and instructed Upwork Escrow to, and Upwork Escrow will, release the funds sought by the Arbitration Plaintiff in the demand for Arbitration to the Arbitration Plaintiff, to the extent such funds remain in the Fixed-Price Escrow Account. If no funds remain in the Fixed-Price Escrow Account, Upwork will close the Dispute.

If both parties pay their portion of the Arbitration fees, Upwork will instruct the parties on the process for initiating the Arbitration with the Arbitration service provider. After the parties have initiated the Arbitration, Upwork will provide the arbitrator with relevant documentation, including information collected in the informal dispute process and contents of the Contract Room.

6.6 AUTHORIZATION TO COLLECT ARBITRATION FEES

When you electronically authorize payment of the invoice for the Arbitration Payment as delivered to you by Upwork by email, you irrevocably authorize and instruct (i) Upwork Escrow or its Affiliates, as your agent, to charge your Payment Method for the amount of the payment for credit to your Escrow Account; and (ii) Upwork Escrow, as escrow agent, to immediately release that amount from your Escrow Account and pay it to Upwork. If Upwork Escrow or its Affiliates cannot collect sufficient funds to fulfill the Escrow for any reason, Upwork Escrow has no obligation with respect to making the payment to Upwork on your behalf, and you will be considered as not having paid your portion of the Arbitration fees as required by this Section 6.

6.7 LIMITATIONS PERIOD FOR ARBITRATIONS

If both Freelancer and Client fail to demand binding Arbitration for an unresolved Dispute by the Arbitration Limitations Date, then Client and Freelancer will be deemed to have irrevocably authorized and instructed Upwork Escrow to, and Upwork Escrow will, release all funds in the Fixed-Price Escrow Account to Client.

6.8 ARBITRATION AWARD

You agree that the arbitrator is authorized to decide the Dispute within its discretion. You agree that the arbitrator's award is final, that it may be entered in and enforced by any court of competent jurisdiction, and that if the arbitrator delivers notice of any award to Upwork, then Upwork and Upwork Escrow have the right to treat such notice as conclusive and act in reliance thereon.

6.9 SERVICE FEES FOR ESCROW FUNDS RELEASED FOLLOWING DISPUTE ASSISTANCE

All Escrow Funds released under this program are subject to the normal Service Fees associated with Escrow Accounts, as detailed in the User Agreement and applicable Escrow Instructions.

7. NOTICES

All notices to a User required by these Escrow Instructions will be made via email sent by Upwork to the User's registered email address. Users are solely responsible for maintaining a current, active email address registered with Upwork, for checking their email and for responding to notices sent by Upwork to the User's registered email address.

8. COOPERATION WITH THE DISPUTE ASSISTANCE PROGRAM

All claims, disputes or other disagreements between you and another User that are covered by the Dispute Assistance Program must be resolved in accordance with the terms in the Dispute Assistance Program. All claims filed or brought contrary to the Dispute Assistance Program will be considered improperly filed, and Upwork will have the right to take any other action, including suspension or termination of your Account, and any other legal action as Upwork deems appropriate in its sole discretion.

9. ABUSE

Upwork, in its sole discretion, reserves the right to suspend or terminate your Account immediately upon giving notice to you if Upwork believes you may be abusing the Dispute Assistance Program or as otherwise permitted by the Terms of Service. However, any Disputes for any Fixed-Price Contracts that existed prior to termination will be subject to the Terms of Service.

APPENDIX A

RULES AND FEES FOR ARBITRATIONS CONDUCTED BY THE AMERICAN ARBITRATION ASSOCIATION

This Appendix A summarizes certain pertinent contractual terms that American Arbitration Association (the "AAA") has agreed to in providing arbitration services to Clients and Freelancers who choose the AAA as their arbitrator under the Fixed-Price Escrow Instructions. The AAA is solely a third-party arbitration service provider. Upwork and our affiliates have no direct or indirect affiliate, partnership, joint venture, ownership or control relationship with or interest in the AAA. Upwork and our Affiliates assume no responsibility or liability for the services of the AAA.

Appointment of the Arbitrator

All Arbitrations by the AAA are conducted by a single arbitrator.

The AAA will provide the parties the opportunity to participate in arbitrator selection through a strike-and-rank process of pre-qualified arbitrators.

1. Each party will be provided with an identical list of five potential arbitrators and may have up to three calendar days to strike two potential arbitrators and rank the remaining in order of preference. If any party does not return the list within five calendar days, all persons named therein will be deemed acceptable.
2. From among the arbitrators approved on both lists and in accordance with the designated order of mutual preference, the AAA will invite the arbitrator to serve. If for any reason the appointment cannot be made according to this procedure, the AAA will have the power to make the appointment without submission of additional lists.
3. Any arbitrator will be impartial and independent and will perform his or her duties with diligence and in good faith, and will be subject to disqualification for any grounds provided by applicable law.
4. Neither Upwork nor any party or party representative will communicate ex parte with an arbitrator or candidate for arbitrator concerning the Arbitration. Notwithstanding the above, Upwork and an arbitrator may communicate ex parte solely for the purpose of enabling the arbitrator to access and use the Site, and the Contract Room, and the information contained therein, associated with the Fixed-Price Contract in Dispute.

Rules of the Proceedings

1. The amount at issue in any claims or counterclaims relating to a Fixed-Price Contract will be limited to the sum still held in Escrow and the sum previously released from Escrow for the Fixed-Price Contract.
2. The Arbitration Plaintiff may submit a statement of the case (“**Initial Statement**”), not to exceed 1,500 words, within three

business days of being notified that the case has been filed with the AAA. The Arbitration Plaintiff will post the Initial Statement to the Contract Room.

3. The Arbitration Respondent may submit a response ("**Response Statement**"), not to exceed 1,500 words, within three business days of receiving the Initial Statement. The Arbitration Respondent will post the Response Statement to the Contract Room.
4. Either party may elect to use their dispute notice form or dispute response (as applicable) in lieu of creating a separate Initial Statement or Response Statement for the Arbitration. No party may submit new or different claims after the case has been initiated.
5. All proceedings will be "on documents" and the evidence admissible will consist solely and exclusively of Contract Room contents at the time the Dispute was submitted to the Upwork Dispute resolution process. Any communication taking place outside the Contract Room must have been posted to the Contract Room within 24 hours of the original transmission of that communication in order to be admissible. Once Arbitration is initiated, the arbitrator can make an award based solely on the Contract Room contents and material submitted to initiate the Arbitration. The failure of one party or the other to respond to an arbitrator request or otherwise continue to participate in the Arbitration will not prevent the arbitrator from making an award.
6. The language of the Arbitration will be English.
7. At the arbitrator's sole discretion, the arbitrator may permit or require the submission of additional written statements from the parties ("**Additional Arguments**"). The arbitrator is not required to permit Additional Arguments. If the arbitrator permits Additional Arguments, the arbitrator will establish the schedule and rules for the submission of such Additional Arguments, including any limits on the length of such Additional Arguments.
8. The Arbitration will conclude within 30 calendar days from the date of submission to the AAA, and the arbitrator may grant an extension for good cause not to exceed 14 calendar days.
9. Communications by either party to the arbitrator will be shared with all parties.
10. All awards will be final, non-appealable and enforceable by any court of competent jurisdiction.
11. Neither the AAA nor any arbitrator in a proceeding under these rules and procedures is a necessary or proper party in judicial proceedings relating to the Arbitration. The parties to an Arbitration under these rules and procedures will be deemed to have consented that neither the AAA nor any arbitrator will be liable to any party in any action for damages or injunctive relief for any act or omission in connection with any Arbitration under these rules and procedures.

The Award

The AAA will provide Upwork and the parties with a written award promptly upon the conclusion of the Arbitration, and in no event later than 14 calendar days after conclusion of the Arbitration. At the arbitrator's sole discretion, the arbitrator may provide, but is not required to provide, written reasons for the Award to the parties.

Fees

The fee for Arbitrations by the AAA is $875, regardless of the amount at issue.

Each of the Dispute Parties and Upwork will share the cost equally ($291 each).

Client and Freelancer will solely bear and pay any other costs it incurs related to the Arbitration.