

If a Client and a Freelancer enter into a Fixed Price Direct Contract, these Fixed Price Direct Contract Escrow Instructions (“Escrow Instructions”) apply. These Escrow Instructions govern Escrow Accounts for Fixed Price Direct Contracts. Service Contracts are governed by the applicable [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 Fixed-Price Contracts or Hourly Contracts.

## 1. DIGITAL SIGNATURE

By clicking to accept a Direct Contract, Client and Freelancer are deemed to have executed these Escrow Instructions electronically, effective on the date Client clicks to accept the Direct Contract, 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.

## 2. FUNDING ESCROW

By accepting a Direct Contract, Client agrees to deposit funds for the amount of the first milestone (as defined on the Site) or the full amount of the Direct Contract if there is only one milestone. Additional milestones, if any, may be funded on the same contract by the Client by selecting the button to add an additional milestone or to activate the next milestone. Funds deposited by Clients remain in the Client Escrow Account until they are released to the Freelancer Escrow Account or released to the Client. Upwork Escrow will not release funds held in escrow except as described in these Escrow Instructions.

## 3. 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 Direct Contract 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. If the funds are released to the Client Escrow Account, they will be automatically returned to the Client’s Payment Method that was charged to fund escrow. 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.

### 3.1 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 the applicable milestone in connection with such Release request.

3. Freelancer or Client cancels the contract before a payment has been released to Freelancer, in which case the funds are to be returned to the Client.
4. Issuance of the final order of a court or arbitrator of competent jurisdiction from which appeal is not taken, in which case the funds will be released in accordance with such order.
5. 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.

#### 4. 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.

#### 5. DORMANT ENGAGEMENTS

To be fair to Clients and Freelancers, Upwork has a procedure for Direct Contracts that appear Dormant (as defined below). For purposes of determining Dormant status, "activity" means business term or milestone updates or requests, Direct Contract Escrow Funding, Release requests, or requests to close the Contract.

A "Dormant Engagement" is a Direct Contract that has a Direct Contract 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 Direct 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 Direct 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 Fees as described in the Direct Contract Terms.

## 6. 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, Freelancer may issue a refund up to the full amount paid on the Direct Contract.

## 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. 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.