

Note: This Fee and ACH Authorization Agreement has been updated to reflect changes to the Contract Initiation Fee. Learn more about the changes [here](#).

This Fee and ACH Authorization Agreement (this “Agreement”) is between you and Upwork Global Inc. or Elance Inc. as described below in Section 1 (Parties). This Agreement provides information on the fees Upwork Global Inc. (“Upwork Global”) and its Affiliates Elance Limited (“Elance Ltd.”) and Upwork Escrow Inc. (“Upwork Escrow”) charge for use of the Site’s communication, invoicing, dispute resolution and payment services, including Payment Protection, and includes eligible Users’ authorization for debits and credits from and to their designated bank accounts via the automated clearing house network (“ACH”). This Agreement is part of the Terms of Service. Capitalized terms not defined in this Agreement are defined in the User Agreement, Site Terms of Use, or elsewhere in the Terms of Service.

By clicking to accept the Terms of Service on the Site or by continuing to use the Site or the Site Services on or after the effective date noted above, you accept and agree to this Agreement. To the extent permitted by applicable law and except as otherwise provided in the Terms of Service, we may modify this Agreement without prior notice to you, and any revisions to this Agreement will take effect when posted on the Site unless otherwise stated. However, we will provide advance notice of any increase in prices or fees affecting current Users. Please check the Site often for updates.

1. PARTIES

You are entering into this Agreement with Upwork (also referred to as “we” and “us”).

If you reside in the United States, you are entering into this Agreement with Upwork Global. If you reside outside the United States, you are entering into this Agreement with Elance Ltd.

2. FEES CHARGED TO FREELANCERS

Pursuant to the User Agreement, we charge Freelancers a Service Fee on the amounts of Freelancer Fees invoiced by the Freelancer to their Client on a Service Contract. The Freelancer Service Fee is described below in Section 2.1. Where applicable, Upwork Global, Elance Ltd., or Upwork Escrow may also collect taxes (such as value added tax (“VAT”) in Europe) on Service Fees.

Pursuant to the Freelancer Membership Agreement, we charge Freelancers a Membership Fee. These Membership Fees automatically renew until they are canceled as described on the Site.

Additionally, the use of various Payment Methods offered through the Site and the Site Services may incur added fees or charges. All Payment Methods will be posted on the Site along with any associated fees or charges, which we may update from time to time at our sole discretion. By selecting a Service subject to additional fees or charges, you thereby authorize us to charge to you and to collect from you (consistent with this Agreement, the User Agreement, or elsewhere in the Terms of Service) any fees, charges, or taxes described in this Section 2.

2.1 FREELANCER SERVICE FEE

We will charge you a Service Fee based on the total Freelancer Fees invoiced by you to your Client (less any refunds or

reversals) for the duration of your relationship with your Client. Unless different pricing described in Sections 2.2 through 2.5 applies, the Service Fee is a flat 10% of the total Freelancer Fees you have invoiced to your Client for the Engagement Relationship.

For illustrative purposes, here is how the Service Fee will be charged for Fixed-Price or Hourly engagements:

CONTRACT TYPE	SERVICE FEE	FREELANCER FEES	SERVICE FEES
Fixed-Price	10%	\$500	\$50
Hourly	10%	\$50 per hour	\$5 per hour

2.2 FREELANCERS WORKING WITH DIRECT CONTRACT CLIENTS

If you are a Freelancer who engaged an eligible Client via Direct Contracts, Upwork will charge you a flat 5% of the total Freelancer Fees you have invoiced to your Direct Contract Client for the Engagement Relationship.

2.3 FREELANCERS WORKING ON ENTERPRISE CLIENT CONTRACTS

If you are a Freelancer with a Service Contract entered into with an Enterprise Client, the Service Fee rate is 10% of the Freelancer Fees, unless otherwise provided in the Enterprise Client contract. If you are a Freelancer with an active Contract with a Client whose Account is being converted to an Enterprise Client Account, then only on any Service Contract that is active at the time of the conversion, Upwork will honor the lower of (a) the Service Fee or Legacy Tiered Service Fee in effect at the time of the conversion, or (b) the Service Fee rate in the Enterprise Client contract for that Account. For purposes of the Terms of Service, “**Enterprise Client**” means a Client, including a legacy Enterprise client or an Upwork Business Client, whose profile displays the following “Enterprise” badge:



2.4 ALTERNATE PRICING

For some Service Contracts, as described in this Section 2.3, we do not charge the flat 10% Service Fee, but instead charge an alternate fee (“Alternate Pricing”) which only applies to Service Contracts when any of the following are true:

- (a) you entered into the Service Contract before Upwork first started charging Legacy Tiered Pricing;
- (b) you entered into the Service Contract pursuant to a feature of the Site where we advertised a different Service Fee, such as discounted Service Fees offered in some circumstances for amounts charged on a contract or for a Featured Job

Post for Clients;

(c) you have an Any Hire Contract with a Client and you did not have an Upwork Relationship prior to the Any Hire Contract (see [Section 7 of the User Agreement](#)) or for an Upwork Payroll engagement; or

(d) the Service Contract is with a Client who is not an Enterprise Client, but who has a legacy arrangement for lower fees that apply to the Service Contract.

(e) you entered into the Service Contract when Upwork charged the Service Fee based on Legacy Tiered Pricing and you have email or written communication from Upwork that the Legacy Tiered Pricing rate will be applied to the Service Contract.

As described in this Section 2.3, if Alternate Pricing applies, we will typically charge you a Service Fee of a fixed percent.

For certain Service Contracts, the Alternate Pricing may be a lower flat percentage (such as through a “bring your own” program) or may have a different tiered fee rates (such as for a Featured Job Post), or may not have a Service Fee (such as an Upwork Payroll Contract or certain Any Hire Contracts), in each case as clearly stated on the Site at the time the Service Contract was or is entered into, and any applicable changes to Alternate Pricing or fees will be clearly communicated to the Client, including communications posted to the Site.

2.5 OTHER FEES

Freelancers may choose a membership with an associated membership fee (the “**Freelancer Membership Fee**”). More details are provided in the [Freelancer Membership Agreement](#). Freelancers may also choose to purchase “Connects” or other features, premium services or options on Upwork, in each case as described on the Site at the time of purchase.

Upwork reserves the right to change the fees of the memberships, features, services, and options offered on the Site, or institute new fees at any time, in each case upon reasonable notice posted in advance on the Site for existing Users.

3 CLIENT MEMBERSHIP PLAN AND RELATED FEES

To access the Site and use the Site Services a Client must have registered for an Account as detailed in Section 1 of the User Agreement. When you sign up for a Client Account, you will be automatically enrolled into Upwork’s marketplace membership (the “Client Marketplace Plan”). The Client Marketplace Plan is free and does not require a monthly membership fee. The Client Marketplace Plan includes access to the Site and related Site Services such as assisting Users in resolving disputes which may arise in connection with Service Contracts, providing access to communication tools, and administrative services related to reporting and facilitating payments.

In return for providing Clients with access to the Site and related Site Services, Upwork charges Clients a “**Marketplace Fee**” of up to 5% on each transaction related to a marketplace Service Contract or Project Catalog offering a Client enters into on the Site or with Freelancers on the Site. In the case of Hourly Service Contracts, Upwork will charge the Marketplace Fee based on hours and expenses recorded by a Freelancer as of the Hourly Invoice Deadline (Sunday at 23:59 UTC) each week. For Fixed-Price Contracts, Upwork will charge the Marketplace Fee on the amount and at the time a Client funds a milestone or pays a bonus or expense. All other transactions subject to the Marketplace Fee, such as transactions for bonus or expense payouts, use of Upwork Payroll related to a marketplace Service Contract, or use of any other service on the Site where displayed on the Site, will be assessed the Marketplace Fee at the time of invoice. Eligible

Clients who use ACH as their payment method are offered a reduced Marketplace Fee rate of 3%. At its sole discretion, Upwork may offer Clients a different Marketplace Fee rate; any such rate must be explicitly communicated or agreed by an authorized representative of Upwork via email or a written agreement. No refunds of fees already paid will be given; for example, if a funded project is canceled, payments made by a Client are released from the Client Escrow Account for any reason or refunded by a Freelancer, the Marketplace Fee will not be refunded.

Upwork will charge Clients a one-time “**Contract Initiation Fee**” for facilitating the formation of each new marketplace Service Contract formed between Client and Freelancer. The Contract Initiation Fee can vary, depending on a variety of factors, learn more about the Contract Initiation Fee [here](#). Clients will be charged the Contract Initiation Fee shown and communicated to the Client on the Site before the Client elects to form the Service Contract. For Hourly Service Contracts the Contract Initiation Fee will be charged at the time of the first invoice. For Fixed-Price Contracts the Contract Initiation Fee is charged at the time the Client funds the first milestone. The Marketplace Fee is not assessed on the Contract Initiation Fee. The Contract Initiation Fee is not refundable.

The Marketplace Fee and the Contract Initiation Fee detailed above is not assessed on Any Hire, Enterprise, Talent Scout, Upwork Business engagements, or premium services which are subject to the fees and rate(s) as described in the specific Any Hire, Enterprise, Talent Scout, or Upwork Business contract with Client or on the Site.

3.1 CHANGES TO CLIENT MARKETPLACE PLAN OR RELATED FEES

Upwork reserves the right to change the Marketplace Fee, change the features and services included in the Client Marketplace Plan, change the Contract Initiation Fee, change the fees for certain premium services or options, or institute new fees at any time, in each case upon reasonable notice posted in advance on the Site for existing Users. No refunds of fees already paid will be given. If Upwork exercises its right to cancel a Client's Marketplace Plan, Upwork will not refund the fees already paid unless otherwise required by law.

3.2 TAXES

Where applicable, Upwork Global, Elance Ltd., or Upwork Escrow may also collect taxes (such as VAT where applicable) on Marketplace Fee, Contract Initiation Fee, and the cost for premium services or features, as set forth in the User Agreement.

4. AUTHORIZATION FOR ACH DEBITS AND CREDITS AND OTHER TRANSACTIONS

If and to the extent permitted by Upwork in its sole discretion, Users may pay Freelancer Fees, Membership Fees, Marketplace Fees, and other fees owed under the Terms of Service from their designated bank accounts. Subject to Upwork's eligibility requirements, if you elect to pay Freelancer Fees or any other amounts owed under the Terms of Service via ACH transfers from your designated bank account, you hereby authorize us to electronically debit and, if necessary, electronically credit your designated bank account via ACH for such amounts pursuant to the Terms of Service, and you agree to comply with the ACH rules issued by the National Automated Clearing House (“**NACHA**”) and all applicable laws, including, but not limited to, the federal Bank Secrecy Act, the U.S.A. Patriot Act, and economic sanctions overseen by the Office of Foreign Assets Control (OFAC). Your authorization for ACH transfers contained in this Section 4 will remain in full force and effect until you notify us that you wish to revoke your authorization by removing your bank

account information from your Profile or by contacting Customer Support. You understand that we require at least one (1) business day's prior notice in order to cancel your authorization for ACH transfers contained in this Section 4.

You must notify us of any change in your designated bank account's information at least five (5) business days before any such change by updating your bank account information in your Profile or by contacting Customer Support. If we do not receive notice at least five (5) days before any such change, we may attempt, in our sole discretion, to implement such change prior to any ACH debit or credit transfer performed pursuant to your authorization provided in this Section 4. However, we assume no responsibility for our failure to do so.

You may view a history of your Account transactions by logging in to the Site. You are solely responsible for promptly reconciling your Account transaction history with the transaction records for your bank account. You must notify us of any errors or discrepancies in your Account transaction history (each, an "**Error**") within 30 days of when the Error could be viewed in your Account transaction history on the Site. If you do not notify us of an Error within 30 days of when the Error could be viewed in your Account transaction history on the Site, you will forfeit the right to contest the Error, except to the extent such forfeiture is prohibited by applicable law or the NACHA rules.

Subject to the foregoing notice requirement: (a) if and to the extent an Error is caused by us, we will correct the Error and (b) if an Error is caused by you, we may, but are under no obligation to, attempt to correct the Error and will offset any costs we incur from any funds returned to your bank account or your Escrow Account, as applicable. If an Error results in your receipt of more funds than you are entitled, we may recover the extra funds from you.