These Upwork Direct Contracts Terms ("Direct Contracts Terms") define the terms and conditions under which Upwork offers and you agree to use Upwork's Direct Contracts service, as described in these terms ("Direct Contracts Services"), and are part of and incorporate by reference the Upwork User Agreement and other Terms of Service. The Direct Contracts Terms are in addition to and, except where explicitly stated, do not supersede, replace, or limit other similar terms in the Terms of Service. Capitalized terms not defined herein are defined in the User Agreement or elsewhere in the Terms of Service.

IN ORDER TO USE UPWORK'S DIRECT CONTRACTS SERVICE YOU AGREE TO BE BOUND BY THE DIRECT CONTRACT TERMS AND THE ARBITRATION AND CLASS ACTION WAIVER IN THE USER AGREEMENT. IF YOU DO NOT ACCEPT THESE TERMS, INCLUDING THE ARBITRATION AND CLASS ACTION WAIVER, YOU MAY NOT ACCESS OR USE ANY DIRECT CONTRACTS SERVICES.

#### 1. HOW IT WORKS

With the Direct Contracts Service, a Freelancer can create and send fixed-price or hourly contract proposals to any eligible Client, or invite any eligible Client to create a fixed-price or hourly contract proposal. If either Client or Freelancer creates the contract proposal and the other party accepts the proposal through the Direct Contracts service, the Client and Freelancer will enter directly into a contract (the "Direct Contract").

## 1.1 Fixed Price Direct Contracts

As described in the Fixed Price Direct Contract Escrow Instructions, once the Direct Contract has been accepted, the Client will place the Direct Contract project funds in escrow ("Direct Contract Funds"). When the work or a milestone is completed, the Freelancer will request that the Client release the Direct Contract Funds or portion of Direct Contract Funds for the milestone from escrow. If the Client approves the work, Upwork Escrow will release the Direct Contract Funds. Once the Direct Contract Funds are released from Escrow, the Direct Contract will end.

# 1.2 Hourly Direct Contracts

As described in the Hourly Direct Contract Escrow Instructions, once the Direct Contract has been accepted, the Client will fund a deposit equivalent to the hourly rate multiplied by the weekly hourly limit agreed to between Freelancer and Client ("Direct Contract Deposit"). Freelancer and Client agree and authorize Upwork to hold the Direct Contract Deposit in escrow through the term of the Hourly Direct Contract. Client agrees to separately fund payments to Freelancer on a weekly basis based on Freelancer's submission of weekly invoices ("Direct Contract Weekly Funds"). If Client approves the submitted hours, Upwork Escrow will release the Direct Contract Weekly Funds to Freelancer.

#### 2. ELIGIBILITY

Any Freelancer that is eligible to use the Site is eligible to use the Direct Contract Services, subject to the limitations on Client eligibility in this Section 2. A Client is eligible to create or accept a Direct Contract only if the Client does not and has not ever had an Account on Upwork (or its predecessor oDesk). Clients do not need to register for an Account to accept a Direct Contract.

## 3. FEES

#### 3.1 Freelancer Fees

Solely with respect to fees charged on Direct Contracts, these Direct Contract Terms explicitly supersede and replace Section 2 (Fees Charged to Freelancers), Section 3 (Client Membership Fees), and Section 4 (Payment Processing Fees Charged to Client) in the Fee and ACH Authorization Agreement. The Fee and ACH Authorization Agreement otherwise remains in full force and effect, including, without limitation, on any Service Contract if a Freelancer or Client, who uses Direct Contracts, has a Service Contract (as defined in the User Agreement).

For any Direct Contract, the following fees apply: Freelancer pays a 3.4% payment processing and administration fee ("Direct Contract Payment Fee"). Freelancer authorizes and instructs Upwork to automatically charge and deduct the Direct Contract Payment Fee from the Direct Contract Funds or Direct Contract Hourly Funds.

## 3.2 Client Fees

Clients are generally charged a payment processing and administration fee on each payment made on a Direct Contract at the rate clearly displayed on the Site before entering into a Direct Contract ("Payment Fee"). If no fee is stated at the time of entering into a Direct Contract, then no Payment Fee will be charged. Clients also agree to Section 5 (Authorization for ACH Debits and Credits) of the Fee and ACH Authorization Agreement with respect to the payment or placement in escrow of any Payment Fee, Direct Contract Funds, or Direct Contract Weekly Funds.

#### 4. ESCROW SERVICES

Freelancer and Client acknowledge and agree the Fixed Price Direct Contract Escrow Instructions apply to Fixed Price Direct Contracts. Freelancer and Client further acknowledge and agree that the Hourly Direct Contract Escrow Instructions apply to Hourly Direct Contracts.

### 5. ROLE OF UPWORK AND USER RESPONSIBILITIES

You understand and agree that Upwork is not a party to any Direct Contract, is not involved in or responsible for any work performed by Freelancers, is not involved in or responsible for any payment made under a Direct Contract, and has no control over any Freelancer or Client. Upwork does not have any power or authority to, and does not, determine any eligibility standards for any Direct Contract, select or contract any Freelancer to provide services to a Client, determine or control any term or condition of the Direct Contract or Project, or cause any Freelancer or Client to accept any Direct Contract or perform any Freelancer Services. Upwork Escrow provides escrow services, but does not guarantee that Freelancer will be paid.

### 6. OTHER TERMS

Together with the Upwork User Agreement and other Terms of Service, these Direct Contract Terms represent the entire agreement with Upwork and supersede all prior agreements and understandings with respect to the matters covered. You agree that you did not accept the Direct Contract Terms based on any representations, whether written or oral, other than those contained herein. No modification of or amendment to the Direct Contract Terms, nor any waiver of any rights, will be effective unless in writing signed by you and Upwork. Notwithstanding the foregoing, to the extent permitted by applicable law, Upwork may amend the Direct Contract Terms with prior notice at any time. The posting of the amended Direct Contract Terms on Upwork's Site will constitute notice. Your continued use of the Direct Contract Services after the effective date of a revised version of the Direct Contract Terms or notice to you of

updated Direct Contract Terms constitutes your acceptance of its terms and agreement to be bound by its terms. In the event of a conflict between these Direct Contract Terms and the applicable escrow instructions, the applicable escrow instructions shall govern; in the event of a conflict between these Direct Contract Terms and any other agreement in the Terms of Service, these Direct Contract Terms shall govern.
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