



Hourly Billing and Payment Agreement

If a Client and a Freelancer enter an independent contractor relationship for an Hourly Job, then this Hourly Billing and Payment Agreement (this “**Agreement**”) applies. This Agreement is effective as of April 2, 2013. Your continued use of the Site after that date will signify your acceptance of it. We reserve the right to modify the provisions in this policy without prior notice to you, so please check back often for updates.

This Agreement hereby incorporates by reference all terms, conditions, rules, policies and guidelines on the Site, including the [Terms of Service](#) (“**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. This Agreement does not apply to the Escrow Service or the Elance Payroll Service. Terms and conditions for those services may be found in the [Fixed Price Escrow Instructions](#) or [Payroll Services Agreement](#), as appropriate.

1. Introduction

Elance’s Hourly Billing and Payment Service (“**Payment Service**”) allows Freelancers to invoice Clients and Clients to pay Freelancers via the Site, all for Hourly Jobs in an independent contractor relationship. The Payment Service is not generally used when Clients and Freelancers use Escrow Services or Payroll Services, except that Clients may use the Payment Service to pay Freelancer expenses or bonuses for Jobs that use Escrow Services. The Payment Service is intended for business use, so you agree to use the Payment Service for business purposes, and not for consumer, personal, family, or household purposes.

2. How Freelancers Bill for Services and Expenses

To create an invoice and bill a Client for Freelancer Services or miscellaneous expenses authorized by the Member Contract, Freelancer must follow the instructions and provide the information requested under the “Billing” links on the Site. By submitting an invoice, Freelancer (1) irrevocably instructs and authorizes Elance to bill the Client and receive payments from the Client on Freelancer’s behalf; (2) represents and warrants that Freelancer has completed the applicable Freelancer Services fully and satisfactorily; (3) represents and warrants that the hours Freelancer reports are true, accurate and complete; and, (4) if the invoice is for miscellaneous expenses, that such expenses were actually incurred by the Freelancer and were authorized by the Member Contract.

Appointment of Elance as Agent

If you are a Freelancer and you request payment for a Job, you hereby appoint Elance as your agent to obtain funds on your behalf from your Client and credit them to your Account. Freelancer must and hereby does fully discharge and credit its Client for all payments that Elance receives from the Client on the Freelancer’s behalf.

Service Fees

Elance will deduct its Service Fee from the Freelancer’s Account after crediting the amount paid by Client to Freelancer’s Account via the Site. The amount of the Service Fee deducted by Elance varies as detailed on the Site.

3. How Clients Pay Freelancers

To pay a Freelancer’s invoice, Client must follow the instructions and links on the Site and provide the information requested. Client may also pay Freelancer a bonus, at Client’s discretion, using the Site. Unless Client has a balance in their Account, Elance will charge the Client’s Payment Method for the necessary amount to pay the Freelancer’s invoice or bonus.

Payments Irrevocable

Client’s instruction to Elance to pay a Freelancer is irrevocable. Such instruction is Client’s authorization to transfer funds to Freelancer from Client’s 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, Elance will transfer funds to the Freelancer and has no responsibility to and may not be able to recover such funds. Therefore, and in consideration of the Payment Services, Client agrees that once Elance has charged Client’s Payment Method, the charge is non-

refundable. Client agrees not to ask its credit card company, bank or other payment service provider to charge back any amount to Elance for any reason. A chargeback in breach of the foregoing obligation is a material breach of this Agreement and the User Agreement. If Client does so, Client hereby agrees that Elance may dispute or appeal the chargeback, or institute collection action against Client, and Client agrees to repay Elance for the amount of the chargeback plus reasonable attorney fees and costs of collection incurred by Elance to recover such amounts from Client, and administrative fees in the amount of \$2,000 which amount Client hereby agrees is reasonable.

No Responsibility for Freelancer Services or Client Payments

Elance merely provides an internet payment service to Client. Elance does not have any responsibility or control over the Freelancer Services that Client purchases. Nothing in the Payment Service will be deemed to constitute Elance your agent with respect to any Freelancer Services that you purchase, or expand or modify any warranty, liability or indemnity stated in the Terms of Service. For example, Elance does not guarantee the performance, functionality, quality, or timeliness of Freelancer Services.

Appointment Elance as Agent

If you are a Client and you instruct Elance to pay your Freelancer, you hereby appoint Elance as your agent, on your behalf to charge your payment method and debit your Account to pay the Freelancer.

4. Disputes between Clients and Freelancers

By using Elance's Payment Service, you agree to follow the [Refund and Cancellation Policy](#) and the [Hourly Dispute Resolution Policy](#) referenced therein, in connection with any disputes about Freelancer Services or payments by Clients. You further acknowledge and agree that Elance is not and will not be a party to any such dispute. Elance may, at its sole discretion, withhold or delay payment in the event of dispute between a Client and a Freelancer.

5. Payment Terms for Specific Job Types

Hourly Jobs

For Hourly Jobs, Freelancer is required to submit weekly timesheets via the Site by 11:59 PM Eastern Time, USA, each Sunday. Client is required to review and approve weekly timesheets and make payment by Friday of the week following submission of the timesheet. A week begins on Monday at 12:00 AM midnight Eastern Time, USA, and ends Sunday at 11:59 PM Eastern Time, USA.

Automatic Payment for Hourly Jobs

For Hourly Jobs, "**Auto Pay**" applies. Client authorizes Elance to automatically charge Client's Account or Payment Method on file on the Friday of the week following submission of the Timesheet, unless Client timely stops payment.

6. Work View™ Payment Protection for Freelancers

For Hourly Jobs that do not use Elance Payroll Services, Freelancers will get paid for hours that are properly authorized and documented using Work View ("**Work View Payment Protection for Freelancers**"). Subject to and conditioned on the below restrictions and limitations, Elance will pay a Freelancer for documented work not paid for or otherwise adjusted by Client, subject to and conditioned on the following terms:

- a. Both Client and Freelancer must have agreed to use Work View upon acceptance of the Job, as part of the Job terms.
- b. Client must have an Account in good standing, the default Payment Method must be a valid authenticated credit card or PayPal with billing agreement enabled, and Client must agree to automatically pay for hours billed through Work View.
- c. Freelancer's Account must be in good standing with Elance.
- d. Freelancer must have used Tracker to document any and all hours covered by Work View Payment Protection for Freelancers.

- e. Freelancer must have provided adequate comments (at least one comment per hour) for the Screenshots documented by Work View, prior to submitting its invoice.
- f. The Screenshots documented by Tracker must be clearly related to the applicable Job requirements or Client instructions in the Workroom.
- g. The number of hours billed must be within the hours authorized for the week in the Workroom.
- h. Within five days after notification of rejected or unpaid time, Freelancer must submit a dispute specifically identifying the documented work not otherwise paid for.

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

Work View Payment Protection for Freelancers does not apply to: (1) hours not authorized by the Client in the Workroom; (2) Miscellaneous and Bonus payments; (3) Refunds; (4) time added while Work View is not enabled; (5) time added after Client has disputed a billing and before the resolution of that incident; (6) Jobs using Elance Payroll Services; and (7) Jobs prohibited by the Terms of Service. The maximum rate per hour guaranteed by Elance to a Freelancer under the Work View Payment Protection for Freelancers is the lesser of: (i) the rate provided in the Job terms; (ii) the usual hourly rate billed by the 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 Elance's sole discretion). The maximum amount of coverage under the Work View Payment Protection for the life of a relationship between the same Client and Freelancer is \$2,500 or 50 Work View logged hours, whichever is less.

Further Details:

Further details concerning Work View Payment Protection for Freelancers may be found on the Site and are hereby incorporated by reference, provided that the Terms of Service shall govern any conflicts..

7. Work View Payment Protection for Clients

For Hourly Jobs that do not use Payroll Services, Elance will adjust the invoice to a Client ("**Work View Protection for Clients**") for work that is not clearly related to either Job requirements or Client instructions in the Workroom 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 View as part of the Job terms.

- a. Client must have an Account in good standing, the default Payment Method must be a valid authenticated credit card or PayPal with billing agreement enabled, and Client must agree to automatically pay for hours billed through Work View.
- b. Within the Timesheet Review Period, Client must submit a dispute specifically identifying the time billed that is not clearly related to either Job requirements or Client instructions in the Workroom. The "Timesheet Review Period" means the time between submission of a Work View timesheet at 11:59 PM Eastern time on Sunday and the following Friday at 11:59 PM Eastern time.

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

Work View Payment Protection for Clients does not apply to: (1) Jobs using Payroll Services; and (2) Jobs prohibited by the Terms of Service.

Work View Payment 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 Job requirements or Client instructions in the Workroom. Work View Protection for Clients does not create any warranties, express or implied, beyond those expressly stated in the User Agreement. By way of illustration but not by way of limitation, Elance does not guarantee the performance, functionality, quality, or timeliness of the Freelancer's work product.

Further Details:

Further details concerning Work View Protection for Clients may be found on the Site and are hereby incorporated by reference, provided that the Terms of Service shall govern any conflicts.

8. Miscellaneous Payment Service Terms

Elance reserves the right to seek reimbursement from you, and you will reimburse Elance, if Elance discovers erroneous or duplicate transactions, or Elance receives a charge back from your payment method, credit card company, bank, or PayPal for any reason. You agree that Elance has the right to obtain such reimbursement by charging your Account, deducting amounts from future payments or withdrawals, charging your credit card, or obtaining reimbursement from you by any other lawful means. Failure to pay for reimbursements of charge backs is cause for termination of your Account.

9. Contacting Us

If you wish to report a violation of the Terms of Service, have any questions or need assistance, please contact Customer Support as follows:

Web Support: <http://www.elance.com/service>

Email: support@elance.com

Phone: 1-877-4-ELANCE (1-877-435-2623)

(Mon-Fri, 5 a.m. – 5 p.m. Pacific Time; Sat-Sun, 8 a.m. – 12:00 p.m. Noon Pacific Time)

Online Help Topics: <http://www.elance.com/help>