Elance[.]

Hourly and Miscellaneous Payment Agreement with Escrow Instructions

If Client and Freelancer enter into a Member Contract for an Hourly Job, if Client makes a miscellaneous payment to Freelancer, or if the Member Contract includes the Payroll Services Agreement, this Hourly and Miscellaneous Payment Agreement with Escrow Instructions ("**Agreement**") applies. This Agreement is effective February 12, 2014. To the extent permitted by applicable law, we may modify this Agreement, and the Escrow Instructions it contains, without prior notice to you, and any revisions to the Agreement will take effect when posted on the Site unless otherwise stated. Please check the Site often for updates.

This Agreement hereby incorporates by reference all terms, conditions, rules, policies and guidelines on the Site, including the <u>Terms of Service</u> ("**Terms of Service**"). Capitalized terms not defined in this Agreement are defined in the <u>User Agreement</u>, elsewhere in the Terms of Service, or have the meanings given such terms on the Site. The Escrow Instructions in this Agreement do not apply to Fixed Price Escrow Accounts, though they do govern the making and receiving of miscellaneous payments and bonus payments for Fixed Price Jobs. Escrow Instructions for Fixed Price Escrow Accounts may be found in the Fixed Price Escrow Instructions and the Account Agreement.

1. Digital Signature

By clicking to award or accept an Hourly Job, submit or approve a miscellaneous invoice, or make a bonus payment, Client and Freelancer are deemed to have executed this Agreement electronically, effective on the date Freelancer clicks to accept the Job, pursuant to California Civil Code 1633.8 and the federal Electronic Signatures in Global and National Commerce Act (the E-Sign Act) (15 U.S.C. Sec. 7001, et seq.). Doing so constitutes an acknowledgement that you are able to electronically receive, download, and print this Agreement and the Escrow Instructions it contains.

2. Making or Receiving an Hourly or Miscellaneous Payment

Timesheets

For Hourly Jobs, Freelancer must record hours worked on the Job's weekly timesheets via the Site by 6:59 a.m. Eastern Time, USA, each Monday following the week in which the hours were worked (the "**Timesheet Deadline**"). Freelancer irrevocably authorizes and instructs Elance, as its agent, to (i) create an invoice on behalf of Freelancer for payment due based upon the hours recorded on the weekly timesheet before the Timesheet Deadline; and (ii) submit the invoice on behalf of Freelancer for payment to Freelancer's Client.

By recording time on a timesheet and allowing an invoice to be created based on that timesheet, Freelancer represents and warrants (i) that Freelancer has completed the applicable Freelancer Services fully and satisfactorily; and (ii) that the hours Freelancer reports are true, accurate and complete.

Timesheet Review

Client must review and approve weekly timesheets by 11:59 PM Eastern Time, USA, of the Friday following submission of the timesheet (the "**Timesheet Review Period**"). During the Timesheet Review Period, and except where the Member Contract includes the Payroll Services Agreement, Client may approve time, reject time or file a Dispute as to some or all of the time recorded on the timesheet. If the Member Contract includes the Payroll Services Agreement, Client may not reject or Dispute time.

On the Friday of the week following submission of the timesheet, Client will be deemed to have approved all unrejected or undisputed time, and EEC will make payment as described in the <u>Account Agreement</u> under the heading "Paying a Timesheet, Miscellaneous Invoice or Bonus."

Miscellaneous Invoices

To create a miscellaneous invoice and bill 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

submit the invoice on Freelancer's behalf to the Client for payment; and (2) represents and warrants that such expenses were actually incurred by Freelancer and were authorized by the Member Contract.

To pay Freelancer's miscellaneous invoice, Client must follow the instructions and links on the Site and provide the information requested. If Client approves a miscellaneous invoice submitted on behalf of Freelancer, EEC will make the payment as described in the <u>Account Agreement</u> under the heading "Paying a Timesheet, Miscellaneous Invoice or Bonus."

Bonuses

Client may also pay Freelancer a bonus, at Client's discretion, using the Site. To pay a bonus to a Freelancer, Client must follow the instructions and links on the Site and provide the information requested. If Client clicks to pay a bonus to Freelancer, EEC will make the payment as described in the <u>Account Agreement</u> under the heading "Paying a Timesheet, Miscellaneous Invoice or Bonus."

Instructions to Pay Irrevocable

Client's instruction to EEC 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, EEC will transfer funds to the Freelancer and that Elance, EEC 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 EEC or its subsidiary has charged Client's Payment Method, the charge is non-refundable.

3. Disputes between Clients and Freelancers

By using the services provided in this Agreement, you agree to follow the <u>Refund and Cancellation Policy</u> and the <u>Hourly Dispute Resolution Policy</u> referenced therein, in connection with any disputes about Freelancer Services or payments by Clients. You further acknowledge and agree that Elance and Affiliates are not and will not be a party to any such dispute. EEC may, at its sole discretion, withhold or delay payment in the event of dispute between a Client and a Freelancer.

4. Release and Delivery of Amounts in Escrow

In addition, EEC is authorized to and will release applicable portions of the Client Escrow Account (each portion, a "**Release**") to the Freelancer Escrow Account, in accordance with one or more Release Conditions provided below or as otherwise permitted by applicable law. The amount of the Release will be delivered to the Freelancer Escrow Account, in accordance with Freelancer's and Client's instructions, as applicable, these Escrow Instructions, the Account Agreement, and the other Terms of Service.

Release Conditions

As used in these Escrow Instructions, "Release Condition" means any of the following:

- 1. Client and Freelancer have submitted joint written instructions for a Release.
- 2. Client has approved all or a portion of the Freelancer's weekly timesheet. This Release Condition will apply to and only for time recorded by the Freelancer that Client has approved.
- 3. Freelancer has submitted a timesheet under a Member Contract that includes Payroll Services.
- 4. Client has not rejected or Disputed time recorded on Freelancer's weekly timesheet during the Timesheet Review Period pursuant to the <u>Hourly Dispute Resolution Policy</u>. This Release Condition will apply to and only for time recorded by the Freelancer that was not rejected by the Client.

- 5. Freelancer Disputes Client's rejection of time recorded on Freelancer's weekly timesheet for a Job with Work View pursuant to the <u>Hourly Dispute Resolution Policy</u>, and Elance determines that the time is related to the Job requirements or Client's instructions documented in the Workroom.
- Client initiates a Dispute with respect to Freelancer's weekly timesheet for a Job without Work View, pursuant to the <u>Hourly Dispute Resolution Policy</u> and Client and Freelancer post a resolution of the Dispute to the Job Workroom within two business days of Elance notifying Freelancer of the Dispute.
- 7. Freelancer files a Dispute Notice Form because Client did not pay for time that qualifies for Work View protection but was not rejected by Client.
- 8. The final order of a court of competent jurisdiction from which appeal is not taken.
- 9. We believe, in our discretion, that one Member has committed or is attempting to commit fraud or other illicit acts related to the Site Services, in which case EEC may take such actions as we deem appropriate in our sole discretion and in accordance with applicable law.

Notwithstanding any of the foregoing occurrences and to the extent permitted by applicable law, in the case of an Hourly Job involving an Enterprise Client and a Freelancer, no Release Condition will occur solely due to any action or failure to act pursuant to the <u>Refund and Cancellation Policy</u> and the <u>Hourly Dispute Resolution Policy</u> if the Enterprise Client and Freelancer have submitted a Supplemental Escrow Instruction evidencing their agreement not to use those policies for Disputes over an Escrow Account.

5. Work View[™] Payment Protection for Freelancers

Freelancers will get paid for Hourly Jobs 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 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 Hourly Job, as part of the Job terms.
- b. Client must have an Account in good standing, a valid and authenticated default Payment Method, and Client must agree to automatically pay for hours billed by Freelancer through Work View.
- c. Freelancer's Account must be in good standing.
- d. Freelancer must have used Tracker with Work View enabled 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 Hourly 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 by Client through the Escrow Services.

Elance 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 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 the Elance Payroll Services; (7) Fixed Price Jobs; and (8) Jobs prohibited by the Terms of Service. The maximum rate per hour guaranteed by Elance to Freelancer under the Work View Payment Protection for Freelancers is the lesser of: (i) the rate provided in the Hourly Job terms; (ii) the usual hourly rate billed by 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 Freelancers 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 concerning Work View Payment Protection for Freelancers may be found <u>here</u> and are hereby incorporated by reference, provided that the Terms of Service will govern any conflicts.

6. Work View Payment Protection for Clients

Elance will adjust the invoice to Client ("Work View Protection for Clients") for work that is not clearly related to either the Hourly 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 Hourly Job terms.

- a. Client must have an Account in good standing, a valid and authenticated default Payment Method, and Client must agree to automatically pay for hours billed by Freelancer 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 the Hourly Job requirements or Client instructions in the Workroom.

Elance 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 the Elance Payroll Services; (2) Fixed Price Jobs; and (3) 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 the Hourly 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.

Further details concerning Work View Protection for Clients may be found <u>here</u> and are hereby incorporated by reference, provided that the Terms of Service will govern any conflicts.

7. No Responsibility for Freelancer Services or Client Payments

Elance and Affiliates merely provide a platform for Internet payment services to Client. Elance and Affiliates do not have any responsibility or control over the Freelancer Services that Client purchases. Nothing in this Agreement will be deemed to constitute Elance or any Affiliate as 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.

8. 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