

Dispute Resolution Process

This Dispute Resolution Process hereby incorporates by reference all terms, conditions rules, policies and guidelines on the Site, including the [Elance Terms of Service](#) (“**Terms of Service**”). Capitalized terms not defined in this Dispute Resolution Process are defined in the Terms of Service.

This Dispute Resolution Process is effective as of October 6, 2009. Your continued use of the Site after such time will signify your acceptance of this Dispute Resolution Process. We reserve the right to modify the provisions in this Dispute Resolution Policy without prior notice to you, so please check back often for updates.

HOW TO AVOID DISPUTES

Disputes may arise due to miscommunication and can often be resolved amicably between the parties. Elance recommends the following steps to avoid disputes:

- Follow all rules and guidelines in the Site Policies.
- Answer clarifying questions from your Clients or Providers and update the Job description and the proposal.
- Review the [Sample Contracts](#) posted on the Site for applicability to your situation, or obtain legal advice and upload a written agreement into the Workroom.
- Use the Terms and Change Order features found by logging onto the Site, to define key milestones and payment schedules.
- Ask for the other party’s office hours and standard response times.
- Maintain open lines of communication. Be clear about your expectations and check in frequently with the other party.
- Set milestone deliverables and use Escrow to fund each milestone and release funds when the milestone is complete.
- Document any changes to scope, timing or payment in writing, and utilize the Terms and Change Order feature to add all milestones and payment schedules.

WHAT IF I HAVE A DISPUTE WITH ANOTHER MEMBER?

If you have used the Site in accordance with the Elance Terms of Service and you have a dispute with another User (“**Opposing Party**”), the Dispute Resolution Process consists of three phases subject to limitation based on the type and status of Job in dispute:

1. **Member Resolution** - Available on all Jobs.
2. **Elance Dispute Assistance** - Available only for Escrow Jobs.
3. **Arbitration** - Available only for Escrow Jobs.

Notice of Disputes Resolved. Any agreement resolving the dispute between you and the Opposing Party must be posted (and confirmed by both parties) as text or attachments onto the Workroom to allow Elance to maintain a record of the disposition of the matter.

Key Dates

For all disputes regardless of type and status of a Job in dispute, you must be aware of the following key dates in any dispute:

"Breach Date" means the later of (1) the date on which the events causing the breach of your agreement with the other User first took place, and (2) the date on which you learned, or reasonably should have learned, about those events.

"Dispute Initiation Date" means the date a Client or Provider submits a Dispute Notice Form or Job Cancellation Form on the Site. You must submit your Dispute Notice Form or your Job Cancellation Form on the Site at least 15 days prior to the six-month anniversary of the Breach Date (see the paragraphs entitled "Limitations Period" and "Arbitration for Escrow Jobs" below).

"Limitations Date" means the date six months following the Breach Date. You do not have a right to initiate a claim or cause of action or demand arbitration after the Limitations Date.

Limitations Period. The six-month anniversary of the Breach Date is the statute of limitations date or **"Limitations Date."** All claims must have a Dispute Initiation Date prior to the Limitations Date or the claim is barred. You do not have a right to initiate a claim or demand Arbitration after the Limitations Date. You must submit your Dispute Notice Form on the Site at least 15 days prior to the six-month anniversary of the Breach Date or you will not have the right to initiate a claim or demand arbitration, and your claim or cause of action will be barred (see the section entitled "Arbitration for Escrow Jobs" below).

Member Resolution for Non-Escrow Jobs

For non-Escrow Jobs, please submit a Dispute Notice Form on the Site. You must allow the Opposing Party 15 days to respond and attempt to resolve the dispute with you, before you initiate any claim.

Member Resolution for Escrow Jobs

For Escrow Jobs, if Provider or Client requests an Escrow Release or a modification to the Member Contract due to changed circumstances imposed by the other party, and if the other party does not approve such Release or modification within five business days after such request was posted on the Site, then either (1) Provider or Client has the right to submit a Dispute Notice Form on the Site, or (2) Client has the right to submit a completed Job Cancellation Form on the Site, as the case may be.

Contrary Instructions. If Provider or Client submits a Dispute Notice Form or Job Cancellation Form, the other party has three business days to submit a response on the Site ("Contrary Instructions") before Provider or Client has the right to make a request to Elance for assistance. Contrary Instructions means a good faith written representation: (1) If by Client, that Client has not received all Milestone Deliverables required for a Release pursuant to the Member Contract, or (2) If by Provider, that Provider has delivered all Milestone Deliverables required for a Release.

Failure to Upload Contrary Instructions. If Client or Provider does not respond with Contrary Instructions to the Site within three business days following Provider's or Client's original submission of the Dispute Notice Form or Job Cancellation Form, Provider or Client will notify Elance of such failure, Elance will then notify the Client or Provider and require a response. If Client or Provider does not respond to Elance within five business days of Elance's demand then Client and Provider will be deemed to have agreed to the Release sought in the Dispute Notice Form or the cancellation sought in the Job Cancellation Form, and either (1) Client and Provider will be deemed to have authorized and instructed Elance to, and Elance will, make the Release to the Provider, or (2) Provider and Client will be deemed to have authorized Elance to, and Elance will, make the Release to the Client, as the case may be.

Response to Contrary Instructions. If Client or Provider timely submits Contrary Instructions to the Site, the other party has the right within three business days to submit a good faith response. Then, Client and Provider have the right to submit responses to each other successively, with the goal of resolving in good faith any dispute and delivering joint written instructions to Elance concerning a Release. Client and Provider

will not terminate such discussion and negotiation prior to the earlier to occur or delivery of joint written instructions to Elance concerning a Release, or the date 15 business days following the original submission of the Dispute Notice Form or Job Cancellation Form on the Site.

Elance Dispute Assistance for Escrow Jobs

If the Job is an Escrow Job, and if you submit the Dispute Notice Form or the Job Cancellation Form but the Opposing Party does not respond within three business days, or if the Opposing Party responds but you cannot come to an agreement within an additional three business days after their response, then Elance will notify both the Opposing Party and you to try to re-establish communication between the two of you to encourage settlement of the dispute. If either party fails to respond to an email message from Elance regarding violation, dispute or complaint within two business days, Elance has the right to terminate that party's Job or Account. Elance is a neutral third party and has no further obligations. No Elance employee is authorized to make any recommendation or guaranty regarding the dispute.

By using the Site you agree that if for any reason the parties fail to agree on a resolution to the dispute within 15 days of the Dispute Initiation Date, then the provisions of the section below entitled "Arbitration for Escrow Jobs" will automatically apply.

Arbitration for Escrow Jobs

Arbitration. If the Job is an Escrow Job, if the dispute is not settled within 15 days after the Initiation Date, you agree that if either (a) there are funds in the Escrow Account or (b) it has been less than 30 days since the Release of Escrow Funds for any Milestone, then you and the Opposing Party (the "**Dispute Parties**") each has the right for 30 days following the Release of Escrow Funds for any Milestone, to demand binding, non-appearance-based arbitration to resolve the dispute ("**Arbitration**"). Any such Arbitration will be conducted by a neutral third-party dispute resolution service that Elance will choose and engage in its sole discretion ("**Arbitrator**"). If the Opposing Party demands Arbitration in accordance with the foregoing, you agree to submit to such Arbitration in accordance with the Elance Terms of Service. If the amount in dispute is less than \$600, the Arbitrator must be a single arbitrator unless both parties request a panel of Arbitrators. If the amount in dispute is \$600 or more, the Arbitrator must be a panel unless both parties request a single Arbitrator. You agree that in any such Arbitration: (a) each Dispute Party and Elance will pay one-third of the first \$600 of the Arbitrator's fees; (b) each Dispute Party will pay one-half of any amount by which the Arbitrator's fees exceed \$600; and (c) each Dispute Party will solely bear and pay any other costs it incurs related to the Arbitration. You hereby agree that Elance will charge your Account, or your credit card, bank account, or PayPal, for the amount of the Arbitrator's fees owed by you in accordance with the foregoing.

If Provider or Client requests binding Arbitration ("**Requesting Party**"), the other party ("**Responding Party**") has three business days following receipt of notice from the Arbitrator to submit to such Arbitration. If Responding Party fails to submit to such Arbitration within three business days, Elance will promptly notify Responding Party of such failure and demand that Responding Party submit to such Arbitration within three more business days. If Responding Party fails to submit within three business days after Elance sends such notice, then: (1) Responding Party will be deemed to have agreed to the Release sought by the Requesting Party; (2) if the dispute involves funds held in Escrow, Responding Party will be deemed to have authorized Elance to, and Elance will, make the Release sought by the Requesting Party; and (3) Elance has the right to terminate or suspend the Responding Party's Account.

Failure to Arbitrate. If Provider or Client requests binding Arbitration ("**Requesting Party**"), the other party ("**Responding Party**") has three business days following receipt of notice from the Arbitrator to submit to such Arbitration. If Responding Party fails to submit to such Arbitration within three business days, Elance will promptly notify Responding Party of such failure and demand that Responding Party submit to such Arbitration within three more business days. If Responding Party fails to submit within three business days after Elance sends such notice, then: (1) Responding Party will be deemed to have agreed to the Release sought by the Requesting Party; (2) Responding Party will be deemed to have authorized Elance to, and Elance will, make the Release sought by the Requesting Party; and (3) Elance has the right to terminate or suspend the Responding Party's Account.

If both Provider and Client fail to request binding Arbitration for an unresolved dispute by the Limitations Date in accordance with this [Dispute Resolution Process](#), then Provider will be deemed to have instructed Elance, and Elance will, make a Release to the Client. In that case, Elance will deduct an escrow fee of \$25 or 2.75% of the amount of the Release, whichever is greater, to recover any banking, payment processing, and administrative costs and other costs of receiving and holding funds.

Reminders and Statute of Limitation. Elance will send periodic reminders to you and the Opposing Party (the "**Dispute Parties**") to remind you of the ongoing dispute and the need to resolve it prior to the Limitations Date. If the dispute has not been resolved and neither Dispute Party has demanded Arbitration by the Limitations Date, then (1) Provider will be deemed to have agreed to the Release sought by the Client; (2) if the dispute involves funds held in Escrow, Provider will be deemed to have authorized Elance to, and Elance will, make the Release sought by the Client; (3) Elance has the right to terminate or suspend either or both the Provider's and the Client's Account; and (4) any further claims or causes of action in such dispute will be forever barred. The Arbitrator has the power to determine whether the Breach Date entered into Elance's system is correct or if the Limitations Date should be extended or "tolled" due to your reasonable reliance on the Opposing Party's assurances that it would cure the breach.

Release of Escrowed Funds. If the Job in dispute involved Escrow and the Limitations Date has passed (based on the Breach Date in the Elance System): (1) Elance will send the Dispute Parties notice of its intent to release the funds, and (2) unless you give Elance notice, within 10 days after Elance's notice is sent, that you have claimed in the Arbitration that the Limitation Date has been "tolled" and that your claims are not barred, then: (3) Provider will be deemed to have agreed to the Release sought by the Client; (4) if the dispute involves funds held in Escrow, Provider will be deemed to have authorized Elance to, and Elance will release such funds. In that case, Elance will deduct an escrow fee of \$25 or 2.75% of the amount of the Release, whichever is greater, to recover any banking, payment processing, and administrative costs and other costs of receiving and holding funds.

Arbitration Rules. The sole and exclusive evidence admissible in the Arbitration is the contents of the Workroom. Elance will provide to the Arbitrator access to information in the Workroom for the dispute. You agree to be responsible for ensuring that the Workroom contains all of your communications with the Opposing Party related to the dispute. The Dispute Parties must comply with the following rules: (a) the Arbitrator will specify whether the Arbitration will be conducted online, by telephone, or solely based on written submissions posted in the Workroom; (b) the Arbitration shall not involve any personal appearance by the Dispute Parties or witnesses unless otherwise mutually agreed by the Dispute Parties; and (c) any judgment on the award rendered by the Arbitrator may be entered in any court of competent jurisdiction. Before the Arbitrator renders its decision in the dispute, each of the Dispute Parties will be allowed to upload to the Workroom one last closing statement or argument for the Arbitrator related to the dispute.

Arbitration Award. Once there is an arbitration award, you must send an email to Elance with the case identification information, the usernames of the Dispute Parties and the name of the Job. Elance will then verify the award with Arbitrator.

Noncompliance and Abuse

Improperly Filed Claims. All claims between you and the Opposing Party must be resolved in accordance with the terms on this page. All claims filed or brought contrary to these terms shall be considered improperly filed. Should you file a claim contrary to these terms, the Opposing Party may recover attorneys' fees and costs up to \$2,000, provided that the Opposing Party has notified you in writing of the improperly filed claim, and you fail to promptly withdraw the claim.

Abuse. If you initiate an excessive number of Arbitrations, Elance reserves the right to suspend or terminate your Account immediately upon giving notice to you. However, any disputes for any Jobs that existed prior to termination will be subject to the Elance Terms of Service.

Feedback Disputes

If you are involved in a dispute involving feedback, please refer to the Rating and Feedback System section in the [Site Usage Policy](#) to find out in what circumstances Elance will consider removing feedback.

CONTACTING US

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

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

Email: services@Elance.com

Phone: (Mon-Fri, 8 a.m. - 5 p.m. Pacific Time): 1-877-4-ELANCE (1-877-435-2623)

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