

Sample Project Neutral Clause

Alternative Dispute Resolution

1. Design and Construction Phase

a. Project Neutral

The Owner, Architect and Contractor (collectively, the "Parties") shall agree to the selection of one or more Project Neutral(s) for the Project. The Project Neutral(s) shall be experienced both in the design and construction of major real estate developments as well as the mediation of design and construction disputes. The Parties shall select the Project Neutral(s) from among the members of the construction panel of JAMS or from other panels as mutually agreed to by the Parties

The Project Neutral(s), in close consultation with all parties involved in a given dispute (the "Involved Parties"), shall assist in resolving any disputes, claims, or other controversies that might arise from the commencement of design through issuance of the final certificate of occupancy and acceptance of the Project by the Owner. The Project Neutral(s) shall have no adjudicatory authority and, therefore, shall act solely as a mediator in working with the Involved Parties.

If requested in writing by the Involved Parties, the Project Neutral(s) shall attend the regular job meetings at the site of the Project. Also, if requested by the Involved Parties, the Project Neutral(s) shall: (1) attempt to be available to attend any specific job-related meeting, and (2) attempt to be available to confer or meet with any Involved Party or Parties if so requested.

If the services of the Project Neutral(s) are retained, they shall be provided on an hourly basis and the cost shall be borne in equal parts by the Involved Parties which may include the Owner, Architect, Contractor, and any other necessary parties, including, but not limited to, consultants, subcontractors, sub-subcontractors, and suppliers (collectively, "Subcontractors") except as agreed to in writing between any Subcontractor and the parties.

The confidentiality of any discussion involving the Project Neutral(s) shall be protected by all applicable statutes and case law with respect to mediation.

The term of service by the Project Neutral(s) shall end when the design and construction phases of the Project are complete. The Project Neutral(s) may be involved in subsequent dispute resolution negotiations or proceedings under the terms and conditions set forth herein.