ADR Systems Model Clause Language

ADR Systems offers the following model clauses that may be inserted into a commercial contract before any disputes arise. These clauses may either be used as they are, or with such modifications as are suitable for your needs:

1. Basic Arbitration Clause – provides for arbitration only
2. Mediation/Arbitration Step Clause – provides for mediation step prior to arbitration
3. Basic Mediation Clause – provides for mediation only

Disputes between employers and employees are subject to the **ADR Systems Due Process Policy for Employment Arbitration and Mediation.**

These model clauses are not intended and should not be considered as providing legal advice or opinion. We recommend that you consult an attorney regarding the use and interpretation of these clauses in the context of your specific business relationship or transaction, and the applicable law. Parties may choose to add more details identifying specific procedures to be followed or may draft more complex provisions that are meaningful within the context of the contract, parties' relationship, business environment, or applicable law.

Model Dispute Resolution Clauses

Basic Arbitration Clause: Provides for Arbitration Only

The parties agree that any disputes, claims, or controversies arising out of or relating to this contract, or the breach, enforcement or validity thereof, shall be resolved by binding arbitration administered by ADR Systems in accordance with the ADR Systems Commercial Arbitration Rules and the ADR Systems Commercial Fee Schedule in effect at the time of filing the demand for arbitration. The arbitration will take place in [desired location], before [one or three] arbitrators selected from the ADR Systems Commercial Panel. The award rendered by the arbitrator(s) is final and binding and judgment on the award may be entered in any court or tribunal having jurisdiction thereof. Any court of competent jurisdiction may enforce the provisions of this paragraph. For further information, or assistance with filing a request for arbitration, ADR Systems may be contacted at 312.960.2260; Attention: Commercial Case Manager or visit our website at adrsystems.com.

Mediation/Arbitration Step Clause: Provides for Mediation Prior to Arbitration

The parties agree that any disputes, claims, or controversies arising out of or relating to this contract, or the breach, enforcement or validity thereof, shall be submitted to mediation administered by ADR Systems and if the matter is not resolved through mediation, then it shall be submitted to binding arbitration administered by ADR Systems as set forth below. The mediation will take place in [desired location], before [one or two] mediators selected from the ADR Systems Commercial Panel in effect at the time of initiating the mediation. The parties agree to mediate in

good faith and to share equally in the costs. Fees for the mediation will apply according to the ADR Systems Commercial Fee Schedule in effect at the time of filing the request for mediation. Either party may initiate the mediation by filing a written request for mediation with ADR Systems. Within 14 days of initiation of the mediation, the parties shall make best efforts to cooperate with ADR Systems and each other in selecting the mediator and the date of the mediation session. ADR Systems will send a list of five proposed mediators to the parties. The parties may then strike up to two mediators, and ADR Systems will appoint a mediator from the remaining mediators. If a party does not communicate any strikes by the deadline set by ADR Systems, that party will be deemed to accept any of the proposed mediators. Unless otherwise agreed in writing by the parties, the mediation session must occur within 60 days of initiation of the mediation.

If the mediation does not occur within the time provided in the paragraphs above or does not result in complete settlement of the dispute, the parties agree to proceed to binding arbitration administered by ADR Systems. Either party may commence the arbitration by filing a written demand for arbitration along with the requisite filing fee. Mediation and settlement discussions may continue after the commencement of the arbitration, at the sole discretion of the parties.

The arbitration will be conducted in accordance with the ADR Systems Rules of Commercial Arbitration and the ADR Systems Commercial Fee Schedule in effect at the time of filing the demand for arbitration. The arbitration will take place in [desired location], before [one or three] arbitrators selected from the ADR Systems Commercial Panel. The award rendered by the arbitrator(s) is final and binding and judgment on the award may be entered into any court or tribunal having jurisdiction thereof. Any court of competent jurisdiction may enforce the provisions of this paragraph. For further information, or assistance with filing a request for mediation, ADR Systems may be contacted at 312.960.2260; Attention: Commercial Case Manager or visit our website at adrsystems.com.

Basic Mediation Clause: Provides for Mediation Only

The parties agree that any disputes, claims, or controversies arising out of or relating to this contract, or the breach, enforcement, or validity thereof, shall be submitted to mediation administered by ADR Systems. The mediation will take place in [desired location], before [one or two] mediators selected from the ADR Systems Commercial Panel in effect at the time of initiating the mediation. The parties agree to mediate in good faith and to share equally in the costs. Fees for the mediation will apply according to the ADR Systems Commercial Fee Schedule in effect at the time of filing the request for mediation.

Either party may initiate the mediation by filing a written request for mediation with ADR Systems. Within 14 days of initiation of the mediation, the parties shall make best efforts to cooperate with ADR Systems and each other in selecting the mediator and the date of the mediation session. ADR Systems will send a list of five proposed mediators to the parties, the parties may then strike up to two mediators, and ADR Systems will appoint a mediator from the remaining mediators. If a party does not communicate any strikes by the deadline set by ADR Systems, that party will be deemed to accept any of the proposed mediators. Unless otherwise agreed in writing by the parties, the mediation session must occur within 60 days of initiation of the mediation. For further information, or assistance with filing a request for mediation, ADR Systems may be contacted at 312-960.2260; Attention: Commercial Case Manager or visit our website at adrsystems.com.