EMPLOYMENT LAW
DIFC LAW NO. 46 OF 2005

Consolidated Version
(December 2012)

Amended by Employment Law Amendment Law
DIFC Law No. 3 of 2012
# TABLE OF CONTENTS

## PART 1: GENERAL

1. Title and repeal ................................................................. 1
2. Legislative Authority ............................................................ 1
3. Purpose of this Law ............................................................. 1
4. Application of the Law ......................................................... 2
5. Date of enactment ............................................................... 3
6. Commencement .................................................................. 3
7. Interpretation ................................................................... 3
8. Administration of the Law ................................................... 3
9. The power of the DIFCA to make Regulations and impose fines and penalties ................................................. 3

## PART 2: HIRING EMPLOYEES

10. No waiver ........................................................................... 4
11. No false representations ..................................................... 4
12. Hiring children ................................................................... 4
13. Right to a written contract .................................................. 5
14. Right to itemised pay statement ......................................... 6
15. Payroll records .................................................................. 6
16. Part-Time Employees and Short Term Employees .................. 8

## PART 3: PROTECTION OF REMUNERATION

17. Paydays ............................................................................ 10
18. Payment where the employment is terminated .................... 10
19. No unauthorised deductions ............................................... 10
20. No charge for hiring or providing information ....................... 11

## Part 4: WORKING TIME AND LEAVE

21. Excessive hours .................................................................. 12
22. Reduced hours during Ramadan .......................................... 12
23. Daily rest .......................................................................... 12
24. Weekly rest period ............................................................. 12
25. Rest breaks ....................................................................... 12
26. Vacation Leave .................................................................. 12
27. Compensation in lieu of Vacation Leave ............................... 13
28. Dates on which Vacation Leave is taken .............................. 13
29. Vacation Leave during the first year of employment ............... 14
30. Entitlements under other provisions .................................... 14
31. Entitlement to Public Holidays ............................................ 14
32. Special leave .................................................................... 15
33. Sick Leave ........................................................................ 15
34. Sick Leave pay ................................................................... 15
35. Termination for excessive Sick Leave .................................. 16

## PART 5: PARENTAL LEAVE AND RELATED RIGHTS

36. Maternity Leave ............................................................... 17
37. Maternity Pay ................................................................. 17
38. Paternity Leave and pay ..................................................... 18
39. Right to return to work ....................................................... 18

## PART 6: EMPLOYER'S OBLIGATIONS

40. General duties of Employers to their Employees ................... 19
41. Health and safety duties ..................................................... 19
PART 1: GENERAL

1. **Title and repeal**

   (1) This Employment Law 2018, repeals and replaces the Employment Law 2005 The Law (DIFC Law No. 4 of 2005) as it was in force immediately prior to the commencement of this Law (the “Previous Law”), and may be cited as the “Employment Law DIFC 2018” or “this Law No. 4 of 2005”.

   (2) Except where otherwise provided in this Law, anything done or omitted to be done pursuant to or for the purposes of the Previous Law is deemed to be done or omitted to be done pursuant to or for the purposes of this Law.

   (3) Without limiting the generality of Article 1(2), and subject only to Article 1(4), such repeal and replacement shall not affect:

      (a) any right, privilege, remedy, debt or obligation accrued to or incurred by any person; or

      (b) any legal proceeding commenced, or to be commenced, in respect of any such right, remedy, privilege, debt or obligation,

under the Previous Law, and any such legal proceeding may be instituted, continued or enforced, including any penalty, fine or forfeiture, under this Law.

   (4) Where there is no equivalent provision in this Law to a provision in the Previous Law, the relevant provision in the Previous Law is deemed to survive the repeal and replacement under this Article 1, until such time as necessary for the purposes of any legal proceeding specified in Article 1(3)(b).

   (5) Unless otherwise provided, any reference to this Law includes a reference to the Regulations made under this Law.

2. **Legislative Authority**

   The Law is made by the Ruler of Dubai.

3. **Purpose of this Law**

   The purpose of this Law is to:

   (a) provide minimum employment standards to employees based within, or who ordinarily works within or from the DIFC for Employees;

   (b) promote the fair treatment of employees by Employers; and

   (c) foster employment practices that will contribute to the prosperity of the DIFC.
4. Application of the Law

(1) This Law applies to an employee of:

(a) any establishment or body having a place of business within the DIFC; or

(b)(a) (including an entity that is created, established by or pursuant to Dubai Law No. 9 of 2004, who employs one or more individuals; and

(b) the employee any individual employed by way of an Employment Contract by an establishment, body or entity referred to in Article 4(1)(a), who either:

   (i) is based within, or ordinarily works in or from the DIFC;

   (ii) agreed in an Employment Contract to be subject to this Law; or

   (iii) has been determined by the Court to have a sufficiently close connection with the DIFC for it to be appropriate to deal with any right, remedy, privilege, debt or obligation of that individual pursuant to this Law.

(2) Subject to Article 4(3), an Employer may conclude an Employment Contract with an Employee subject to any applicable law other than this Law:

(a) where an Employee is based within, or ordinarily works within or from, the DIFC.

(2) The applicable law to a contract of employment of an employee based within, or who ordinarily works within or from the DIFC, shall be this Law, on the basis of a Secondment; or

(b) where permitted in the Regulations.

(3) Notwithstanding the provisions of Article 4(2), the following provisions in this Law shall remain to be applicable to an Employer and an Employee relevant to Articles 4(2)(a) and 4(2)(b):

(a) Part 1 – all Articles;

(b) Part 2 – Articles 11, 12, 13(1), 13(4) and 15;

(c) Part 3 – all Articles;

(d) Part 4 – Articles 21, 22, 23, 24, 31 and 32;

(e) Part 5 – all Articles;

(f) Part 6 – all Articles, except for Article 52;

(g) Part 9 – Article 59;

(h) Part 11 – all Articles, insofar as they relate to Articles (4)(3)(a) to (4)(3)(g) above;

(i) Part 12 – Article 69; and
5. **Date of enactment**

The Law is enacted on the date specified in the Enactment Notice in respect of this Law.

6. **Commencement**

The Law comes into force on the date specified in the Enactment Notice in respect of this Law.

7. **Interpretation**

Schedule 1 contains:

(a) interpretative provisions that apply to the Law; and

(b) a list of defined terms used in the Law.

8. **Administration of the Law**

This Law and any Regulation made under this Law shall be administered by the DIFC Authority.

9. **The power of the DIFC Authority to make Regulations and impose fines and penalties**

(1) The Board of Directors of the DIFC Authority may:

(a) make Regulations in respect of any matter that facilitates the administration of this Law or furthers the purposes of this Law;

(b) impose fines or penalties or both for any contraventions of this Law; and

(c) impose limits on compensation provided for under this Law.

(2) Any fines or penalties imposed under this Law shall not limit the right of an Employer or an Employee to enforce any rights, remedies, privileges, claims or action under this Law or any other relevant law.
PART 2: HIRING EMPLOYEES

10. No waiver

   (1) The requirements of this Law are minimum requirements and a provision in an agreement to
   waive any of those requirements, except where expressly permitted under this Law, has no
   effect in all circumstances.

   (2) Nothing in this Law precludes:

   (a) an employer from providing in any contract of employment terms and conditions of employment
   that are more favourable to the employee than those required by this Law; or

   (b) an employer and an employee entering into an agreement to resolve a dispute to waive
   any right, remedy, privilege, claim or action under this Law.

   (3) Any agreement entered into pursuant to Article 10(2)(b) may be set aside by the Court to the
   extent that it is found to be unreasonable in the circumstances.

   (4) Article 10(3) does not apply where:

   (a) the employee received independent legal advice;

   (b) the employer can show that the employee was offered a reasonable opportunity to
       obtain independent legal advice; or

   (c) the employer and employee took part in mediation proceedings, provided by the Court
       or a suitably qualified independent third party,

       prior to entering into an agreement waiving any right, remedy, privilege, claim or action under
       this Law.

11. No false representations

   An employer shall not induce, influence or persuade a person to become an
   employee, or to work or to be available for work, by misrepresenting any of the following:

   (a) the availability of a position;

   (a) the job description and title;

   (a)(b) the type of work;

   (b)(c) the wages or any benefits;

   (a)(d) the conditions of work or employment.

12. Hiring children

   A person shall not employ a child who is under fifteen (15) or sixteen (16) years of age.
13. **Right to a written contract**

(1) When an employee begins employment, the employer shall give to the employee a written Employment Contract in the English language within seven (7) days after the commencement of employment.

(2) The contract of employment shall include as a minimum:

(a) the names of the employer and employee;
(b) the date of commencement of employment;
(c) the employment began;
(d) the employee’s wages;
(e) the applicable pay period;
(f) any terms and conditions relating to hours or days of work;
(g) any terms and conditions relating to Vacation Leave and Vacation Pay, Public Holidays and pay for Public Holidays, Sick Leave and pay during Sick Leave:
   (i) vacation leave and vacation pay, national holidays and pay for such national holidays; and
   (ii) sick leave and sick pay;
(h) the length of notice that the employer and the employer is obliged to give and is entitled to receive to terminate the employment;
(i) the Employee’s job title and a brief description of the employee’s work responsibilities;
(j) where the employment is not intended to be for an indefinite duration, the period for which it is expected to continue or, if it is for a fixed term, the date when it is to end;
(k) the Employee’s place of work;
(l) any applicable disciplinary rules and/or grievance procedures applicable to the employee;
(m) any applicable policies and procedures, including any code of conduct and where these can be accessed; and
(n) any other matter that may be prescribed under the Regulations.
An employer’s Employment Contract shall expressly state in writing in the contract of employment which terms of the contract thereof, if any, shall be subject to the employer’s policies and procedures that may be changed at the employer’s discretion from time to time by way of a written notice to the employee.

Any amendment to an Employment Contract must be in writing and signed by both the Employer and Employee, unless such amendment is of an administrative nature only, in which case the Employer shall be required to record such amendment in writing and to give written notice thereof to the Employee prior to the amendment taking effect.

14. Right to itemised pay statement

(1) An employer shall give to an employee when, or before, an employee is paid any wages, entitled to receive without delay a written itemised pay statement in respect of each Pay Period that includes:

(a) the amount of the wages payable; and

(b) the amounts of any variable, and any fixed, deductions from that amount and the purposes for which they are made.

(2) An employer satisfies the requirement in Article 14(1) if it provides electronic access to the itemised pay statement and the employee may print statements to an Employee containing the requisite details and such statements are capable of being printed.

15. Short term employment

Articles 13 and 14 do not apply to an employer if the employment is for less than thirty (30) days.
EMPLOYMENT LAW

46.15 Payroll records

(1) For each employee, an employer shall keep records of the following information:

(a) the employee's name, date of birth, occupation, telephone number and contact address (both residential and postal);

(b) the date of commencement of employment began;

(c) the employee's Remuneration (gross and net, where applicable), and the applicable Pay Period;

(d) the hours worked by the employee on each day, regardless of whether the employee is paid on an Hourly Rate or other basis;

(e) the benefits paid to the employee by the employer;

(f) each deduction made from the employee's Remuneration and the reason for it;

(g) the dates of the national holidays taken by the employee and the amounts paid by the employer in respect thereof;

(h) the dates of vacation leave taken by the employee and the amounts paid by the employer in respect thereof and the days and amounts owing; and

(i) sick leave and other special leaves of absence taken.

(2) Records prescribed The records referred to in Article 46.15(1):

(1) shall be:

(a) in English and the English language shall have precedence over any other language used in the records;

(b) shall be kept or electronically accessible at the employer's principal place of business in the DIFC; and

(c) shall be retained by the employer for two (2) years during an Employee's employment and until six (6) years after the employment terminates or the employee's Termination Date; and

(d) Records prescribed in Article 16(1) may be retained in electronic format.
16. Part 3: Protection - Time Employees and Short Term Employees

(1) This Law applies to a Part-Time Employee, provided that:

(a) the entitlements of wages of a Part-Time Employee under this Law to Vacation Leave, special leave under Article 32 and Sick Leave; and

(b) the amount of Sick Leave permitted to be taken by a Part-Time Employee before allowing an Employer the right to terminate a Part-Time Employee’s employment for taking excessive Sick Leave pursuant to Article 35,

shall be calculated on a pro rata basis in accordance with the provisions of Articles 16(2), 16(3) or 16(4), whichever is applicable.

(2) If a Part Time Employee’s Employment Contract provides for working hours that are less than eight (8) hours per Work Day, inclusive of rest breaks, the calculation for purposes of Article 16(1) shall be determined as follows:

(a) the number of working hours stated in a Part-Time Employee’s Employment Contract to be worked during a Work Day, inclusive of rest breaks, shall be calculated as a percentage of an eight (8) hour Work Day; and

(b) the percentage derived from the calculation in Article 16(2)(a) shall be applied, where applicable, to the entitlement periods referred to in Articles 26, 32, 33 and the sixty (60) Work Days limit referred to in Article 35, to determine the applicable pro rata portion thereof applicable to a Part-Time Employee.

(3) If a Part Time Employee’s Employment Contract provides for less than five (5) Work Days per Work Week, the calculation for purposes of Article 16(1) shall be determined as follows:

(a) the number of Work Days stated in a Part-Time Employee’s Employment Contract to be worked during a Work Week shall be calculated as a percentage of a five (5) day Work Week; and

(b) the percentage derived from the calculation in Article 16(3)(a) shall be applied, where applicable, to the entitlement periods referred to in Articles 26, 32, 33 and the sixty (60) Work Days limit referred to in Article 35, to determine the applicable pro rata portion thereof applicable to a Part-Time Employee.

(4) If a Part-Time Employee is employed on any other basis than the manner set out in Articles 16(2) or 16(3), the number of working hours or Work Days during a Work Week of the Part-Time Employee for purposes of this Article 16 shall be determined by:

(a) calculating the average number of working hours, inclusive of rest breaks, or Work Days worked by an Employee during a Work Week over course of a Relevant Calculation Period and using that number to calculate what percentage it comprises of a Work Week; and

(b) applying, where applicable, such percentage to the entitlement periods referred to in Articles 26, 32, 33 and the sixty (60) Work Days limit referred to in Article 35, to determine the applicable pro rata portion thereof applicable to a Part-Time Employee.

(5) This Law applies to a Short Term Employee, except for:
(a) Articles 13(2), 13(3), 14, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, Part 5, Part 7, Part 9 and Part 10 of this Law which shall be excluded;

(b) Article 53 shall only apply to the extent that health insurance is required for a Short Term Employee pursuant to Federal Law or Dubai Law.
PART 3: PROTECTION OF REMUNERATION

17. Paydays

(1) An employer shall pay to an employee all wages earned by the employee in a pay period, including vacation pay, at least monthly and within seven (7) days after the end of the pay period.

(2) Any Additional Payments owing to an Employee may be deferred by prior written agreement between the Employer and Employee.

18. Payment where the employment is terminated

(1) An employer shall pay all wages and any other amount owing to an employee all Remuneration, the Gratuity Payment and all accrued Vacation Leave not taken within fourteen (14) days after the employer or employee terminates the employment. If an employer fails to pay wages or any other amount owing to an employee in accordance with Article 18(1), the employer shall be permitted to pro rate an Employee’s Wages accordingly.

(2) Subject to the provisions of Article 18(3), an Employee shall be entitled to and the Employer shall pay a penalty equivalent to the last daily wage an Employee’s Daily Wage for each day the Employer is in arrears with its payment obligations under Article 18(1).

(3) A penalty pursuant to Article 18(2):

   (a) may only be claimed by an Employee if the amount due and not paid is in excess of five percent (5%) of the full amount due to the Employee on the Termination Date;

   (b) will at all times be limited to a maximum of six (6) months’ Wages of the Employee concerned; and

   (c) may be reduced or waived in circumstances where imposing such penalty is considered by the Court to be unreasonable in the circumstances, including (without limitation):

      (i) for the duration of the period a dispute is pending in the Courts regarding any amount due to an Employee under Article 18(1); or

      (ii) where an Employer can prove that the Employee is the cause for the delay in payment.

19. No unauthorised deductions

An employer shall not deduct from an Employee’s Remuneration or accept payment from an Employee, unless:

   (a) the deduction or payment is required or authorised under a statutory provision or the employee’s contract of employment permitted under this Law, or agreed to in an Employment Contract not in contravention of this Law;
(b) prior written agreement of the employee has previously been obtained in writing to respect of the deduction or payment, provided that such deduction or payment is not prohibited under this Law;

(c) the deduction or payment is a reimbursement for an overpayment of wages, any remuneration or expenses, or to recoup benefits utilised by an Employee in excess of what is permitted in an Employment Contract; or

(d) the deduction or payment has been ordered by the Court.

20. No charge for hiring or providing information

(1) A person shall not request, charge or receive, directly or indirectly, from a person seeking employment a payment for:

(a) employing or obtaining employment for the person seeking employment; or

(b) providing information about employers seeking employees.

(2) An Employer is not permitted to recoup from an Employee any costs or expenses incurred in the hiring of the Employee, inclusive of placement fees and relocation costs, unless the Employee terminates the Employment Contract within a period of six (6) months from commencement of employment for any reason other than termination for cause under Article 61, in which case the Employer may recoup any such reasonable costs or expenses from the Employee at the Termination Date, provided that such costs or expenses:

(a) were directly incurred in relation to the hiring of the Employee; and

(b) are evidenced in writing to the Employee.

(3) A person does not contravene this section by requesting, charging or receiving payment for any form of advertisement from the person who placed the advertisement.

(4) A payment received by a person in contravention of this section at the expense of an Employee is deemed to be wages owing or a debt due to that Employee equal to the amount charged to the Employee and this Law applies to the recovery of the payment thereof.
Part 4: WORKING TIME AND LEAVE

21. **Maximum weekly working time**

An employee’s working time shall not exceed an average of forty-eight (48) hours for each seven (7) day period unless the employer has first obtained the employee’s consent in writing.

22. **Excessive hours**

Notwithstanding any provision of this Part, an employer shall not require or allow directly or indirectly an employee to work excessive hours or hours time periods detrimental to the employee’s health or safety.

23. **Reduced hours during Ramadan**

During the Holy month of Ramadan, a Muslim employee who observes the fast shall not be required to work in excess of six (6) hours each day. There shall be no reduction in compensation as a result.

(1) Fasting employees who choose to work for more than six (6) hours a day shall be entitled to rest breaks referred to in Article 26.

24. **Daily rest**

An employee is entitled to a rest period of not less than eleven (11) consecutive hours in each twenty four (24) hour period.

25. **Weekly rest period**

An employee is entitled to an uninterrupted rest period of not less than twenty-four (24) hours in each seven (7) day work period.

26. **Rest breaks**

Where an employee’s daily working time exceeds six (6) hours, the employee is entitled to rest and prayer breaks of at least one (1) hour in aggregate. The rest and prayer breaks, which, if permitted by the Employer, may be spent away from the employee’s workstation, taken at the beginning or end of a Work Day.

27. **Vacation leave**

(1) Subject to Article 30(2), an employer shall give an employee a minimum paid vacation leave of twenty (20) working days per annum year to be accrued pro rata for employees who have been employed for at least ninety (90) days.

(2) An employee is entitled to carry forward up to five (5) Work Days of accrued but untaken vacation leave into the next calendar year for a maximum period of twelve (12) months after which the any unused leave shall expire.
(3) An employer shall allow an employee who is entitled to a vacation leave to take it in periods of one (1) or more weeks.

(3) Vacation Leave The maximum amount of accrued but untaken Vacation Leave that may be carried forward by an Employee into the next year under Article 26(2) shall be increased by:

(a) the additional amount of Work Days agreed to by an Employer to be carried forward into the next year as accrued but untaken Vacation Leave; or

(b) in circumstances where an Employee was not permitted by an Employer to take at least fifteen (15) Work Days off as Vacation Leave in a yearly period, the difference in Work Days between the amount of actual Vacation Leave taken by the Employee in a yearly period and fifteen (15) Work Days.

(4) Vacation Leave is exclusive of national holidays/Public Holidays to which an employee is entitled.

(5) An employee is not entitled to payment in lieu of vacation leave except where:

(a) the employee's employment is terminated; or

(b) the employer agrees otherwise.

(6) Unless otherwise agreed to by an Employer, Vacation Leave is incapable of being converted to Sick Leave if an Employee becomes ill during any period of Vacation Leave.

28. Compensation in lieu of vacation leave

(1) Where an employee's employment is terminated, the employer shall pay the employee an amount in lieu of vacation leave accrued but not taken—up to an including the Termination Date.

(2) In the event that the employee has taken more vacation leave than has accrued at the termination date, the employer shall repay the employee to deduct an amount calculated in accordance with Article 27(3) from any payments due to the employee on the corresponding sum. Termination Date.

(3) Compensation in lieu of vacation leave, or any repayment amount for excess Vacation Leave taken, shall be calculated using the employee's daily wage applicable on the employee's last day of employment Employee's Daily Wage at the Termination Date.

29. Dates on which leave is taken

(1) An employee electing to take vacation leave, shall do so by giving at least seven (7) days prior written notice to the employer, or such lesser time period agreed with the Employer, specifying the days on which leave is to be taken and subject to any requirement imposed by the employer under Article 29(2).
(2) The employer may require an employee to take vacation leave on specified days by giving at least seven (7) days prior written notice to the employee.

30.29 Vacation Leave during the first year of employment

(1) During the first year of employment, the amount of vacation leave an employee may take at any time is limited to the remaining amount deemed to have of vacation leave accrued in favour of the employee at the time, less the amount of vacation leave already taken during that year, unless the employer agrees otherwise in writing.

(2) For the purposes of this Article, leave is deemed to accrue over the employee's first year of employment at the rate of one-twelfth of the amount specified in Article 27 of Vacation Leave the Employee is entitled to the first day of each month of that year.

31.30 Entitlements under other provisions

Where an employee is entitled to a rest period, rest break, vacation or maternity leave, vacation leave, Sick Leave or Parental Leave under both this Law and an employment contract, the employee may elect to take the more favourable provisions of either one but not both.

32.31 Entitlement to national holidays

(1) Every employee is entitled to the national holidays on each Public Holiday that is announced in the UAE by the relevant Competent Authority for the public sector (if the employer is a public sector entity) or the private sector (if the employer, whichever is a private sector entity), falling on a working day applicable to the Employer.

(2) An employee is entitled to be paid a daily wage for each Work Day that falls on a Public Holiday under Article 32.31(1).

(3) Leave to which an employee is entitled under Article 320(1) may be replaced by:

(a) a day in lieu;

(b) a payment in lieu; or

(a) Vacation Leave;

(b) payment of an amount equal to the Employee’s Daily Wages for the relevant amount of Work Days during a Public Holiday; or

(c) a pro-rated amount relating to the time period of time worked;

(d) where each of the employer and the employee so agree in writing on each Work Day during a Public Holiday.
33.32 Special leave

A Muslim employee, who has completed at least one (1) year or more of continuous employment with an Employer, shall be entitled, not more than to special unpaid leave not exceeding twenty one (21) days to perform the Haj pilgrimage once during the period of employment, to special leave not exceeding (30) days without pay, to perform the Haj pilgrimage.

34.33 Sick leave

(1) An employee is entitled to sick leave not exceeding a maximum of sixty (60) working days in aggregate in any twelve (12) month period. Any references in Articles 34 and 35 to a twelve (12) month period shall be deemed to be the same period as referred to in this Article 33(1).

(2) An employee who requests leave under this section shall personally, or have someone on the employee’s behalf:

(a) at least once every seven (7) days during a period of absence, notify the employer that the employee is unable to fulfil the duties reasonably expected in the employee’s position because of the employee’s sickness; and

(b) if required by the employer, provide a medical opinion that states that the employee cannot fulfil the duties reasonably expected in the employee’s position.

(3) Where an employee is absent because of sickness, the employer shall, if the conditions set out in Article 34(2) are satisfied, pay the following percentages of an employee’s Daily Wage in respect of sick leave:

(a) Article 34(1) shall not apply if for the first ten (10) Work Days of Sick Leave taken in a twelve (12) month period, one hundred percent (100%); and

(b) for the next twenty (20) Work Days of Sick Leave taken in the same twelve (12) month period, fifty percent (50%); and

(c) for any additional Sick Leave taken in the same twelve (12) month period, the Employer shall not be obliged to pay any Wages to the contract of employment is for one (1) month or less.
36.35 Termination for excessive sick leave

(1) Where an employee takes more than an aggregate of sixty (60) working days of sick leave in any twelve (12) month period, the employer may terminate the employment immediately with written notice to the employee.

(2) Article 35(1) does not apply where an Employee takes Sick Leave on account of a disability as defined in Article 59(5)(a).
PART 5: MATERNITY-PARENTAL LEAVE AND RELATED RIGHTS

37.36 Maternity Leave

(1) An employee shall be entitled to a minimum maternity leave entitlement of sixty five (65) working days.

(2) An employee shall be entitled to be paid maternity pay in accordance with Article 38 during the minimum maternity leave in Article 37(1) if she:

(a) will have been continuously employed with an employer for at least twelve (12) months preceding the expected or actual week of childbirth;

(b) notifies her employer in writing that she is pregnant at least eight (8) weeks before the expected week of childbirth, if requested by the employer;

(c) provides a medical practitioner's certificate stating the expected or actual birth date if requested by the employer;

(d) notifies her employer in writing at least twenty-one (21) days before the day the employee proposes to begin her maternity leave.

(3) The maternity rights granted under this Law apply to a female employee who is adopting a child of less than five (5) years old and, in such case, references to childbirth in Article 36(2) are treated as references to the date of adoption.

(4) Annual leave shall continue to accrue during maternity leave and may be taken separately consecutive to Maternity Leave.

38. Maternity Pay

(1) An employer shall pay maternity pay at:

(5) the employee’s normal daily wage.

Any Public Holiday falling on a Work Day during a Maternity Leave period shall be treated as additional leave thereby having the effect of extending the Maternity Leave by the period of the Public Holiday.

37 Maternity Pay

(1) An Employer shall pay Maternity Pay to an Employee pursuant to Article 36(2) at:

(a) one hundred percent (100%) of the Employee’s Daily Wage for the first thirty three (33) working days of maternity leave; and

(b) at-fifty percent (50%) of the employee’s normal daily wage for the next thirty-two (32) working days.
38. **Paternity Leave and pay**

(1) A male Employee shall be entitled to a minimum of five (5) Work Days of Paternity Leave if he:

   (a) will have been continuously employed with an Employer for at least twelve (12) months preceding the expected or actual week of his wife giving birth; and

   (b) notified his Employer that his wife is pregnant at least eight (8) weeks before the expected week of childbirth.

(2) Paternity Leave shall also be available to a male Employee who is adopting a child of less than five (5) years old and, in such case, references to childbirth in Article 38(1) are treated as references to the date of adoption.

(3) Paternity Leave may be taken within the first month from the date of:

   (a) the child being born; or

   (b) in cases where the child is adopted and is less than five (5) years old, the adoption date of the child.

(4) An Employee on Paternity Leave shall be entitled to payment of a Daily Wage for the duration of Paternity Leave taken but shall not be entitled to compensation in lieu of Paternity Leave not taken.

(2)(5) Any national holidays falling on a working day within the maternity leave period shall be treated as additional leave thereby having the effect of extending the maternity leave by the period of the national holiday.

39. **Right to return to work**

(1) An employer shall not, because of an Employee’s pregnancy or maternity leave:

   (a) terminate the Employee’s employment; or

   (b) change the Employee’s position or conditions of employment without the Employee’s prior written consent.

(2) An Employee has the right to return to work at the end of maternity leave granted under Article 37 to the same role, or a suitable alternative position, on the same terms and conditions of employment and with the same level of seniority and rights she would have had had she not taken maternity leave.

(2)(3) Any breach of an Employer’s obligations under this Article 39, shall constitute an inference of discrimination on the part of the Employer under the provisions of Article 59 pursuant to which the Employer shall have the burden of proof to refute the inference.
PART 6: EMPLOYER’S OBLIGATIONS

40. **General duties of employers to their employees**

   (1) An employer has a duty to ensure, as far as is reasonably practicable, the health, safety and welfare at work of all its employees.

   (2) An employer shall provide and maintain a workplace that is free of harassment, safe and without risks to an employee’s health.

41. **Health and safety duties**

   Without limiting the generality of an employer’s duty under Article 40, every employer has a duty, as far as is reasonably practicable, to:

   (a) ensure adequate systems are in place that minimize risks to health concerning fire hazards and the use, handling, storage and transport of dangerous articles and substances;

   (b) provide information, instruction, training and supervision to employees, in English, Arabic or, if necessary, another language understood by the employees, to ensure their health and safety at work;

   (c) inform each employee in writing at the time of recruitment of the dangers, if any, connected with the employment and of the protective measures the employee shall take;

   (d) provide and maintain adequate and safe access to, and from, the workplace; and

   (e) provide any other facilities or meet any other requirements as prescribed in the Regulations.

42. **Ventilation**

   An employer shall ensure that every enclosed workplace is ventilated by a sufficient quantity of fresh or purified air.

43. **Temperature in indoor workplaces**

   An employer shall ensure that during working hours, the temperature in all workplaces inside buildings shall be reasonable.

44. **Lighting**

   An employer shall ensure that its workplace has suitable and sufficient lighting.

45. **Cleanliness**

   An employer shall keep its workplace and its furniture, furnishings and fittings clean.
46. **Room dimensions and space**

   An employer shall ensure that every room where persons work has sufficient floor area, height and unoccupied space for purposes of health, safety and welfare of Employees.

47. **Workstations and seating**

   An employer shall ensure that workstations are suitable for employees and the nature of the work required to be done at the workstation.

48. **Sanitary conveniences**

   An employer shall provide suitable and adequate sanitary conveniences at readily accessible places in the workplace.

49. **Drinking water**

   An employer shall provide an adequate supply of wholesome drinking water for all employees in the workplace.

50. **No penalties for preventing health and safety risks**

   An employer shall not dismiss or otherwise penalise, directly or indirectly, any employee for:

   (a) carrying out activities that may reasonably be considered to prevent or reduce risks to health and safety in the workplace where the employee has been specifically designated to do so; or

   (b) taking reasonable steps to avert serious and imminent danger and for refusing to return to the place of danger until the danger no longer exists.

   (1) An employee is not to be regarded as having been penalised for conduct referred to in Article 50(1) if the employer proves that the employee’s conduct was negligent or inappropriate in the circumstances and that a reasonable employer would have treated the employee as the employer did.

51. **Liability of employers for employee’s conduct**

   (1) Subject to Article 51(2), an employer is liable for any act, attempted act, or omission of an employee done in the course of employment.

   (2) An employer will only be liable for an act pursuant to the provisions of an employee if the employer proves that it took reasonable steps to prevent the employee from doing that act.

   (a) in the case of a claim for loss, damages or compensation, if the act, attempted act, or omission to which such claim relates is sufficiently connected with what was authorised or expected of the Employee in the course of employment, acts of that description, whether directly or indirectly; or
in the case of discrimination, harassment or victimisation, if the Employer is unable to prove it had in place adequate systems, controls, policies and procedures in place at the relevant time to prevent such discrimination, harassment or victimisation, and it can demonstrate that it took such steps as were reasonably practicable at the relevant time to prevent the discrimination, harassment or victimization from occurring or continuing.

52. Compensation for employment accidents and occupational diseases

(1) Where an employee sustains an injury as a result of an accident arising out of or in the course of his employment, the employer shall pay compensation to the employee in accordance with Schedule 2 equal to no less than twenty-four (24) months wages calculated on the basis of the last monthly wage the employee was paid before his injury.

(2) Where an employee dies as a result of an accident or illness arising out of or in the course of his employment, the employer shall pay compensation to his named dependants equal to two (2) years’ Annual Wage.

(2)(3) Notwithstanding the provisions of Articles 52(1) and 52(2), where any Employee is found by a court of competent jurisdiction to have sustained an injury or died as a result, partly or wholly, of his own negligence, breach of statutory duty or other act or omission, a claim under this Article 52 shall not be defeated by reason of the negligence of the Employee but any compensation recoverable under this Law shall be reduced to such extent as the Court thinks just and equitable, having regard to the Employee’s share of responsibility for his injury or death.

53. Health insurance

An employer is required to obtain and maintain health insurance cover for each of its Employees as may be required pursuant to the Regulations, Federal Law or Dubai Law.

54. Visas and permits

(1) Each Employer is required to obtain and maintain, at their own cost, the requisite sponsorship documentation, visas, authorisations, licenses, permits and approvals as may be required from Federal Law, Dubai Law, a Competent Authority or a Personnel Sponsorship Agreement to allow each of its Employees (whether employed permanently, temporarily, short term or on the basis of Secondment) to access facilities and to work in or from the DIFC.

(2) An Employer is not permitted to:

(a) recoup any costs and expenses incurred pursuant to Article 54(1) from an Employee; or

(b) retain the passport or other original personal documents of an Employee.

(3) Unless otherwise agreed in writing between the Employer and Employee, an Employer must cancel an Employee’s residency visa as soon as reasonably possible upon the Employee’s request or, if not so requested, by no later than thirty (30) days after the Termination Date.
PART 7: TIME OFF WORK

55. Right to time off to look for work or arrange training

(1) Subject to Article 5455(2), an employee who is terminated receives a notice of termination of employment in accordance with Article 5060(2) is entitled to take a reasonable period of time off during the employee's working hours, and before the end of the notice period, to look for new employment.

(1) An employee is not entitled to take time off under this Article without having to apply for any form of leave in respect thereof.

(2) Article 5455(1) does not apply if the employee is dismissed for cause as prescribed in Article 59(1), 61.

56. Right to time off for ante-natal care and adoption proceedings

(1) An employee who:
   (a) is pregnant, or whose wife is pregnant; and
   (b) has, or whose wife has, on the advice of a registered medical practitioner, made an appointment to receive ante-natal care,

is entitled to take a reasonable period of time off during the employee's working hours in order to keep such appointment without having to apply for any form of leave in respect thereof.

(2) The employer may, pursuant to an Employee requesting time off pursuant to Article 56(1), request the employee to provide:
   (a) a medical practitioner’s certificate confirming the pregnancy; and
   (b) evidence of such appointments for ante-natal care.

(3) An Employee who plans to adopt a child is entitled to take up to an aggregate of eight (8) hours off during the Employee's working hours in order to attend to adoption proceedings without having to apply for any form of leave in respect thereof.

(4) An Employer may, subsequent to an Employee requesting time off pursuant to Article 57(3), request the Employee to provide evidence of such adoption proceedings.

57. Right to remuneration for time off under Articles 5455 and 5556

An employee who is permitted to take time off under Articles 54 and 55 or 56 is entitled to be paid for the normal Hourly Rate during any period of absence at the appropriate hourly rate.
(1) The appropriate hourly rate is the daily wage divided by the number of normal working hours in a working day for that employee under the contract of employment in force on the day when the time off is taken.
PART 8: EMPLOYEE’S OBLIGATIONS

58. General duties of employees at work

(1) An Employee shall:

(a) serve an Employer faithfully;
(b) comply with an Employer’s reasonable and lawful instructions;
(c) exercise reasonable skill and care in performing the Employee’s duties;
(d) not disclose an Employer’s confidential information, personal data of other Employees of the Employer or trade secrets; and
(e) not disrupt an Employer’s business.

(2) An Employee has a duty, while at work, to take reasonable care of the Employee’s health and safety and that of other persons who may be affected by the Employee’s conduct.
PART 9: NON-DISCRIMINATION

59. Discrimination

(1) An employer must not discriminate against an employee regarding employment or any term or condition of employment on the grounds of the employee’s:

(a) sex;
(b) marital status;
(c) race;
(d) nationality;
(e) age;
(f) pregnancy;
(g) religion; and/or
(h) mental or physical disability.

(2) Discrimination for the purposes of Article 59(1) means where:

(a) an employee is treated less favourably than others would be treated in the same circumstances, or put at a disadvantage not faced by others, on one of the prohibited grounds in Article 59(1);

(b) in respect of the application of the same provision, criteria, or practice an employee is put at a disadvantage not faced by others who are not of that sex, marital status, race, nationality or religion, or suffering from a mental or physical disability as applicable, or

(b) an unjustified provision, criterion or practice is applied to an Employee which has a disproportionate adverse impact on an Employee on the basis of one of the grounds in Article 59(1);

(c) on grounds of one of the prohibited grounds in Article 59(1), an employee, or by raising a complaint in good faith in relation to Article 59(1), an Employee is subjected to unwanted treatment or conduct which has the purpose or effect of creating an intimidating, hostile, degrading, humiliating or offensive workplace or violates the Employee’s dignity; or

(d) an Employee who assisted another Employee in good faith to raise a discrimination complaint is subjected to unwanted treatment or conduct which has the purpose or effect of creating an intimidating, hostile, degrading, humiliating or offensive workplace or violates the Employee’s dignity.

(3) For the purposes of Article 59(2)(b), a provision, criteria or practice is discriminatory in relation to any of the grounds specified in Article 59(1) as relevant, if:
(a) an employer applies, or would apply it, to persons who do not share the characteristics of such employee;

(b) it puts, or would put, persons with whom the employee shares the characteristic at a particular disadvantage when compared with persons with whom the employee does not share it;

(c) it puts, or would put, the employee at that disadvantage; and

(d) the employer cannot objectively show that it to be a justified and proportionate means of achieving a legitimate aim.

(4) An employer may apply a bona fide occupational requirement to Article 58(2)(a) and (b), subject to Article 58(5). A bona fide occupational requirement is a requirement reasonably necessary or for the normal performance of a particular role or occupation.

(5) For the purposes of this Article 58:

(a) an employee has a disability for the purposes of Article 58(1)(f) if the employee has a mental or physical impairment which has a substantial and long term adverse effect on his ability to carry out his duties in accordance with the employment contract. An impairment has a long term effect if it to an employer, which has lasted at least twelve (12) months or it is likely to last at least twelve (12) months;

(b) an employer discriminates against an employee with a mental or physical disability within the meaning of Article 58(1)(f), 59(2), if the employer fails to make reasonable adjustments to any physical feature of the workplace or applicable provision, criteria or practices that would, if made, enable the employee to otherwise meet the bona fide occupational requirement; and

(c) a genuine occupational qualification, for the purpose of Article 59(4), is a requirement reasonably necessary for the normal performance of a particular role or occupation.

(6) No provision in Article 58 precludes any law, program or activity that has as its object the amelioration of conditions of disadvantaged individuals or groups, including those that are disadvantaged because of mental or physical disability.

(7) An Employee may request information from an Employer regarding any potential discrimination against that Employee by submitting questions to an Employer in accordance with the guidelines provided in the Regulations.

(8) If required, an Employee may request the Court to order an Employer to disclose any information requested under Article 59(7).

(9) In any proceedings before the Court on a complaint relating to a breach of this Part 9, the Employer shall be treated as a party and is accordingly entitled to appear and be heard.

(10) Proceedings on a complaint under this Part 9 may not be brought after the end of:
(a) the period of six (6) months starting with the date of the act, or failure to do something, to which the complaint relates; or

(b) such other period as the Court considers reasonable.

(11) For the purposes of Article 59(10)(a):

(a) conduct extending over a period is to be treated as done at the end of the period; and

(b) failure to do something is to be treated as occurring when the person in question decided on it.

(12) In the absence of evidence to the contrary, a person is to be taken to decide on failure to do something when that person:

(a) does an act inconsistent with doing it; or

(b) does no inconsistent act, on the expiry of the period in which that person might reasonably have been expected to do it.

(13) If the Court finds that there has been a contravention of a provision referred to in this Part 9 it may:

(a) make a declaration as to the rights of the complainant and the respondent in relation to the matters to which the proceedings relate;

(b) subject to Article 59(15), order the respondent to pay compensation to the complainant which the Court considers reasonable in the circumstances;

(c) make an appropriate recommendation; or

(d) do any combination of the above.

(14) An appropriate recommendation is a recommendation that within a specified period the respondent takes specified steps for the purpose of obviating or reducing the adverse effect on the complainant of any matter to which the proceedings relate.

(15) The amount of compensation that may be awarded by the Court under Article 59(13)(b) shall not exceed an amount equivalent to one (1) times an Employee’s Annual Wage, calculated on the basis of the last Wage paid to an Employee prior to such compensation order.

(16) If a respondent fails, without reasonable excuse, to comply with an appropriate recommendation, the Court may:

(a) if a compensation order was made under Article 59(13)(b), increase the amount of compensation to be paid to an amount equal to two (2) times the Annual Wage of the Employee; or

(b) if no such order was made, make one to an amount equal to the Annual Wage of the Employee.
PART 10: TERMINATION OF EMPLOYMENT

60. Rights of employer and employee to minimum notice

(1) An employer or an employee may terminate an employee’s employment without cause in accordance with this Article.

(2) Subject to Article 59(4) and (5), the notice required to be given by an employer or employee to terminate a person’s employment, where the person has been continuously employed for one (1) month or more, shall not be less than:

(a) seven (7) days, if the period of continuous employment of the Employee is less than three (3) months;

(b) thirty (30) days, if the period of continuous employment of the Employee is in excess of three (3) months or more but less than five (5) years; and

(c) ninety (90) days, if the period of continuous employment of the Employee is in excess of five (5) years or more.

(3) This Article shall not prevent:

(a) an employer and employee from agreeing to a longer or shorter period of notice nor shall it prevent either party from period in an Employment Contract; or

(b) an Employer waiving an Employee’s notice or from accepting period and making a payment of Wages to the Employee in lieu of notice.

(4) Where an Employer makes a payment of Wages to an Employee in lieu of notice under Article 60(3)(b), the Employer may require an Employee not to be employed by any third party for the duration of the applicable notice period.

(5) The provisions of Article 60(2) is subject to Article 61 and also do not apply:

(a) during any probation period agreed to in an Employment Contract; or

(b) in respect of termination for cause does not include termination under Article 36.

(6) Article 59(2) does not apply where either party terminates the employment for cause for excessive Sick Leave in accordance with Article 59A.

(7) Article 59(2) does not apply where an employee has been terminated in accordance with Article 36.
59A Termination for cause

61. Termination for cause

(1) An employer or an employee may terminate an employee’s employment for cause in circumstances where the conduct of one party warrants termination and where a reasonable employer or employee would have terminated the employment as a consequence thereof.

(2) The determination of whether a termination for cause under Article 61(1) is reasonable:

(a) depends on whether in the circumstances the Employer or Employee acted reasonably or unreasonably in treating it as a sufficient reason for terminating the employment pursuant to Article 61(1); and

(b) shall be determined in accordance with equity and the substantial merits of the case.

(3) If an Employee terminates employment for cause pursuant to Article 61(1), such Employee shall be entitled to:

(a) payment of Wages in lieu of the notice period stipulated under Article 60(2) or agreed to in an Employment Contract under Article 60(3)(a), whichever applies, without the provisions of Article 60(4) being applicable;

(b) a Gratuity Payment that is inclusive of the applicable notice period;

(c) payment in lieu of all outstanding Vacation Leave that is inclusive of the applicable notice period; and

(d) such other compensation ordered by the Court as being reasonable in the circumstances, provided that such compensation shall not exceed an amount equal to one (1) times the Employee’s Annual Wage at the Termination Date.

(4) If an Employer terminates the employment of an Employee for cause pursuant to Article 61(1):

(a) the Employee shall not be entitled to receive any payment of Wages in lieu of the notice period stipulated under Article 60(2) or agreed to in an Employment Contract under Article 60(3)(a); and

(b) the Employee’s Gratuity Payment and outstanding Vacation Leave shall be calculated up to the Termination Date.

(5) Any compensation awarded to an Employee pursuant to Article 61(3)(d) shall, where applicable, reduce the amount of any compensation that may be awarded to an Employee under Article 59(13)(b) and vice versa.

62. Right to written statement of reasons for dismissal

(1) Upon the request of an employee who has been continuously employed for one (1) year on the date of termination of employment, an employer shall provide the employee with a written statement of the reasons for the employee's
dismissal Employee's termination for cause under Article 61 within a period of fourteen (14) days after receipt of such a request.

(2) Any written statement of reasons provided under Article 62(1) shall have sufficient detail included in order for a reasonable person to understand the reasons for such termination for cause.

63. Pension for UAE and GCC nationals

(1) Where an Employee is a UAE or a GCC national, the Employer shall enrol and ensure that:

(a) the Employee is enrolled in the employee’s UAE pension scheme in accordance with applicable law; or

(b) the state pension scheme of the GCC country in which the Employee is entitled to be enrolled in accordance with applicable law.

and the Employer shall make the required pension contributions to the relevant pension scheme and ensure that they remain up to date at all relevant times.

(2) An Employee enrolled in a pension scheme pursuant to Article 63(1) shall not be eligible to receive end of service gratuity as prescribed in Article 62 on termination of employment.

39. End of service gratuity

64. Subject Gratuity Payment

(1) An Employee who is not eligible to be enrolled in a pension scheme under Article 62(5), 63 and (6), an Employee who completes continuous employment of one (1) year or more with an Employer is entitled to a Gratuity Payment at the termination of the employee’s employment in accordance with the provisions of this Article 64.

(2) The Gratuity Payment shall be calculated as follows:

(a) an amount equal to twenty one (21) days’ basic wage days of the Employee’s Basic Wage for each year of the first five (5) years of service; and

(b) an amount equal to thirty (30) days’ basic wage days of the Employee’s Basic Wage for each additional year of service,

provided that the total of the Gratuity Payment shall not exceed the wages of an amount equal to two (2) years of service times the Annual Wage of the Employee.

(3) The Gratuity Payment shall not be less than fifty percent (50%) of the Employee’s Annual Wage; and
(a) (b) the daily rate for the employee’s basic wage of an Employee’s Basic Wage shall be calculated based on the number of days in the year. The employer may deduct from the gratuity any amounts owed to the employer by the employee. Employee’s Basic Wage by three hundred and sixty five (365).

(2) (4) Where the termination of employment occurs prior to the end of any full year of employment, the gratuity payment shall be calculated on a proportionate basis.

(3) An employee is not entitled to a gratuity payment where the employee has been terminated for cause as defined in Article 59 (4).

(4) Where an employer has established a pension scheme for his employees, he shall provide in writing to the employee, the option to choose between participating in the pension scheme or receiving the end of service gratuity payment.

(5) Where an employee has received a document under Article 62(5), he shall expressly state his choice in writing and submit it to the employer.

(5) An Employer may deduct from the Gratuity Payment any amounts due and owing to the Employer by an Employee pursuant to the provisions of Articles 19 or 27(2).

(6) Article 64 does not apply to an Employer that makes contributions to a pension scheme, retirement savings scheme or any substantially similar scheme on behalf of an Employee (other than an Employee referred to in Article 63) in a manner agreed upon between the Employer and Employee.
PART 11: GENERAL CONTRAVENTIONS

65. General contraventions provision

An Employer who:

(a) does an act or thing that the Employer is prohibited from doing under this Law;

(b) does not do an act or thing that the Employer is required or directed to do under this Law; or

(c) otherwise contravenes this Law,

commits a contravention of this Law and is liable to a fine as set out in Schedule 3.

66. Administrative imposition of fines and penalties

(1) The Board of Directors of the DIFCA may:

(a) prescribe in the Regulations fines and penalties, in addition to the fines stipulated in Schedule 3;

(b) provide for procedures in relation to the imposition and recovery of such fines and the enforcement of actions required under such penalties;

(c) prescribe for procedures in relation to objecting to such fines or penalties; and

(d) delegate, where it considers it appropriate to do so, such as the functions and powers as may more efficiently and effectively be performed by officers, agents or Employee of the DIFCA, including the powers to impose and collect any fines or enforce any penalties imposed pursuant to Schedule 3 or the Regulations, inclusive of the discretion to reduce or waive them.

(2) Where the Board of Directors of the DIFCA, or its delegate, considers that an Employer has contravened a provision of the Law and in relation to which a fine or a penalty is stipulated in Schedule 3 or the Regulations, it may impose by written notice given to the Employer a fine or a penalty or both in respect of each contravention.

(3) If, within the period specified in the notice:

(a) the Employer pays the prescribed fine to the DIFCA or performs the required action under the penalty then no further proceedings will be commenced by the DIFCA against the Employer in respect of the relevant contravention; or

(b) the Employer fails to pay the prescribed fine or perform the required action under the penalty, or takes no action prescribed in the Regulations to object to the imposition of the fine or the penalty, the DIFCA may apply to the Court for, and the Court may so order, the payment of the fine or the imposition of the penalty and the Court may make any further order as the Court sees fit for recovery of the fine or the performance of the penalty.

(4) A certificate by the DIFCA, which states that a written notice was given to an Employer pursuant to Article 66(2) imposing a fine or a penalty or both on the basis of specific facts is:
(a) conclusive evidence of the giving of the notice to the person; and

(b) prima facie evidence of the facts contained in the notice.

67. **Inspections and access to records**

(1) The Board of Directors of the DIFCA may appoint one or more Inspectors to investigate the affairs of Employers to confirm compliance with the provisions of this Law and to submit written reports in respect thereof.

(2) An Employer shall allow Inspectors access to the Employer’s work premises in the DIFC and the records of each Employee required to be kept under this Law during working hours as may reasonably be required by such Inspectors in the circumstances.

68. **Liability of the DIFCA**

Unless it can be shown that it was done in bad faith, neither the DIFCA nor any officer, Employee, delegate, agent or Inspector of the DIFCA can be held liable for any act, attempted act or omission in the performance or purported performance or non-performance of its functions in connection with this Law.
PART 12: WHISTLEBLOWING

69. **Application of the Companies Law**

   (1) Article 200 of the Companies Law shall apply to Employers and Employees, irrespective of whether the Employer concerned is not established or registered in the DIFC pursuant to the provisions of the Companies Law.

   (2) To the extent that an Employer or Employee cannot be fined pursuant to the provisions of Article 200(4) of the Companies Law as a consequence of an Employer not being subject to the provisions of the Companies Law, any Employer or Employee who took any action in contravention of the provisions of Article 200(2)(c) of the Companies Law shall be liable to a fine under this Law in the same amount as provided for in Schedule 2 of the Companies Law for such contravention.
1. RULES OF INTERPRETATION

(1) In this Law, a reference to:

(a) a statutory provision includes a reference to the statutory provision as amended or re-enacted from time to time;

(b) a person includes any natural person, body corporate or body unincorporate, including a company, partnership, unincorporated association, government or state;

(c) an obligation to publish or cause to be published a particular document shall, unless expressly provided otherwise in this Law, include publishing or causing it to be published in printed or electronic form;

(d) a “day” means a calendar day, unless expressly stated otherwise. If an obligation falls on a calendar day which is either a Friday or Saturday, or an official UAE holiday in the DIFC, the obligation shall take place on the next calendar day which is a business day;

(e) a “week” shall mean a calendar week or seven (7) days, whichever is applicable in the circumstances;

(f) a “month” shall mean (unless specifically referring to the holy month of Ramadan or a calendar month or ) shall be a period of thirty (30) days;

(g) a year shall mean a calendar year of the Gregorian calendar or three hundred and sixty five (365) days, whichever is applicable in the circumstances;

(h) the masculine gender includes the feminine;

(i) “dollar” or “$” is a reference to United States Dollars unless the contrary intention appears.

(2) The headings in the Law shall not affect its interpretation.

2. LEGISLATION IN THE DIFC

References to legislation in the Law shall be construed in accordance with the following provisions:

(a) Federal Law is law made by the federal government of the United Arab Emirates;

(b) Dubai Law is law made by the Ruler, as applicable in the Emirate of Dubai;

(c) DIFC Law is law made by the Ruler, (including by way of example this Law), as applicable in the DIFC;

(d) this Law is the DIFC Employment Law, DIFC Law No. 46 of 2005, as amended and restated, made by the Ruler of Dubai;

(e) the Regulations are legislation made by the Board of Directors of the DIFC Authority under this Law and are binding in nature;

(f) the Enactment Notice is the enactment notice pursuant to which this Law is brought into force.
(g) Guidance is indicative and non-binding and may comprise (i) guidance made and issued by the Board of Directors of the DIFCA under this Law or the Regulations; and (ii) any standard or code of practice issued by the Board of Directors of the DIFCA which has not been incorporated into the Regulations.

3.  **DEFINED TERMS**

   In the Law, unless the context indicates otherwise, the defined terms listed below shall have the corresponding meanings:

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>basic wage Allowance</td>
<td>the employee’s wage excluding any portion of an employee’s wage received in kind or as allowance for-payable to an Employee pursuant to an Employment Contract, which includes (but is not limited to) housing, travel, currency exchange (cashier), children’s education, social and entertainment or any other type of benefit received in kind by an Employee and, where such allowance, bonus, or commission payment, or overtime pay. The basic wage (or any part thereof) is not paid to an Employee in equal parts for each Pay Period over a twelve (12) month period, the aggregate annual allowances payable to an Employee shall be calculated taking into consideration divided by the total number of calendar days in a year. Pay Periods for that Employee over a twelve (12) month period for purposes of determining an Employee’s Wage for a Pay Period.</td>
</tr>
<tr>
<td>Annual Wage</td>
<td>means the Wage payable to an Employee under an Employment Contract for a Pay Period at the time when its calculation is required under this Law, multiplied to be expressed as an annualised number;</td>
</tr>
<tr>
<td>Additional Payment</td>
<td>means any bonus, grant, commission, overtime pay or any other payment made by an Employer to an Employee that is discretionary, non-recurring or expressly agreed not to form part of an Employee’s Wage or Allowance.</td>
</tr>
<tr>
<td>Basic Wage</td>
<td>means, subject to the provisions of Article 64(3)(a), an Employee’s Annual Wage, excluding any Allowance or Additional Payment.</td>
</tr>
<tr>
<td>Board of Directors of the DIFCA</td>
<td>means the contract Board of employment provided under Article 13, Directors of the DIFCA appointed by the President from time to time.</td>
</tr>
<tr>
<td>Court</td>
<td>means the Companies Law, DIFC Court as established under Dubai Law.</td>
</tr>
</tbody>
</table>
### Companies Law

**Law No. 5 of 2018**

**Daily Wage** means the compensation received by an employee as wages for services performed during a working day. The daily wage shall be calculated taking into consideration the total amount of working days in a year.

**Competent Authority** means the DIFCA, the Dubai General Directorate of Residency and Foreigners Affairs or any other relevant government authority in the UAE.

**Court** means any relevant court or tribunal established in the DIFC or, where permitted, its delegate.

**DIFC Authority** means the entity established as the DIFC Authority under Dubai Law No. 9 of 2004.

**DIFC** means the Dubai International Financial Centre established by Federal Law No. 35 of 2004.

**Employee** means an individual referred to in Article 4(1)(b).

**Employer** means an establishment or entity referred to in Article 4(1)(a).

**Disability** means a physical or mental impairment that has a substantial and long-term adverse effect on an employee’s ability to carry out his duties in accordance with the contract of employment.

**Daily Wage** means an Employee’s Annual Wage divided by two hundred and sixty (260).

**Effective Date of Termination** means the date of service for which payment is made.

**Employment Contract** means a contract of service or apprenticeship, whether express or implied, and (if it is express) whether oral or in writing and any permitted amendment or replacement thereof as agreed between the Employer and Employee.

**Employment LAW** means the DIFC Law No. 5 of 2018.

**Gratuity Payment** means the end of service gratuity payment entitlement under Article 64.

**Hourly Rate** in relation to an employee whose contract of employment is terminated by notice, whether given by the employer or by the employee, means the hourly rate of the employee’s monthly or bi-weekly wage for the employee’s last month of employment before the date of termination or the month in which the employee’s salary is payable, whichever is later, divided by the number of hours worked in the month.

**Under Article 64** means the end of service gratuity payment entitlement.
under a contract for a fixed term which expires without being renewed under the same contract, means the date on which the term expires.

means:

(a) the Daily Wage divided by eight (8); or

(b) where it concerns a Part-Time Employee, the Daily Wage divided by either (i) the working hours stated in a Part-Time Employee’s Employment Contract; or (ii) in cases where the daily working hours are not stated in a Part-Time Employee’s Employment Contract or may vary from time to time due to the nature of employment, the average number of hours worked every Work Day during a Relevant Calculation Period.

employee Inspector

means an individual to whom Article 4 applies and who has entered into or works under a contract of employment;

and includes a person who was an employee.

means any inspector appointed by the Board of Directors of the DIFCA under Article 67.

employer

means any person who has entered into a contract of employment with an employee.

hourly rate

means the rate under Article 56(2).

maternity leave

means the maternity leave entitlement under Article 3736(1), or such greater period as may be offered to an Employee under a contract of employment.

Maternity Leave

means the pay provided by the employer to an Employee in accordance with Article 3837(1) during the maternity leave.

maternity pay

Maternity Pay

means an Employee’s Annual Wage divided by twelve (12).

Monthly Wage

means Maternity Leave or Paternity Leave, whichever applies.

Parental Leave

means an Employee whose Employment Contract either stipulates:

(a) less than eight (8) working hours per Work Day, inclusive of any rest or prayer breaks;
or
(b) less than five (5) Work Days per Work Week; or
(c) terms of employment which do not constitute full time employment.

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>national holidays</td>
<td>means the national holidays as provided in the Employment Contract</td>
</tr>
<tr>
<td>Paternity Leave</td>
<td>means the national holidays as provided in the Employment Contract</td>
</tr>
<tr>
<td>President</td>
<td>means the President of the DIFC appointed by a decree of the Ruler pursuant to Dubai Law.</td>
</tr>
<tr>
<td>pay period Pay Period</td>
<td>means:</td>
</tr>
<tr>
<td></td>
<td>(a) the hourly, daily, weekly, or monthly or yearly period, where employees are paid by the hour, day, week, or month or years agreed in the Employment Contract; or</td>
</tr>
<tr>
<td></td>
<td>(b) if an employee is paid on a flat rate, piece rate, commission or other incentive basis, the employee's applicable pay period;</td>
</tr>
<tr>
<td></td>
<td>(c) stated in the Employment Contract.</td>
</tr>
<tr>
<td>Personnel Sponsorship Agreement</td>
<td>means an agreement entered into between the DIFCA and an Employer under which its Employees’ work and residency visas in the DIFC, inclusive of those on Secondment, are sponsored by the DIFCA on behalf of the Employer.</td>
</tr>
<tr>
<td>President</td>
<td>means the President of the DIFC appointed by the Ruler pursuant to Dubai Law No. 9 of 2004.</td>
</tr>
<tr>
<td>Public Holidays</td>
<td>means the public holidays referred to in Article 31(1).</td>
</tr>
<tr>
<td>Regulations</td>
<td>has the meaning given in Article paragraph 2(e) of this Schedule to the Law.</td>
</tr>
<tr>
<td>Relevant Calculation Period</td>
<td>means a period of seventeen (17) weeks immediately prior to the date of the relevant calculation, or as otherwise prescribed by the Regulations.</td>
</tr>
<tr>
<td>Remuneration</td>
<td>means the aggregate of an Employee’s Wages and Additional Payments.</td>
</tr>
<tr>
<td>Ruler</td>
<td>means the Ruler of the Emirate of Dubai.</td>
</tr>
<tr>
<td>Secondment</td>
<td>means any agreement or arrangement permitted by the Regulations allowing for:</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>a)    temporary transfer by an Employer</td>
<td>an Employee to its place of business in the DIFC; or</td>
</tr>
<tr>
<td>of an Employee to its place of</td>
<td></td>
</tr>
<tr>
<td>business in the DIFC; or</td>
<td></td>
</tr>
<tr>
<td>b) part of an Employee’s duties to an</td>
<td>being performed from a place of business in the DIFC.</td>
</tr>
<tr>
<td>Employer being performed from a</td>
<td></td>
</tr>
<tr>
<td>place of business in the DIFC.</td>
<td></td>
</tr>
<tr>
<td>Short Term Employee</td>
<td>means an Employee whose work or services provided to an Employer, or any affiliate of that</td>
</tr>
<tr>
<td></td>
<td>Employer, does not exceed an aggregate of thirty (30) days over a twelve (12) month period.</td>
</tr>
<tr>
<td>Sick Leave</td>
<td>means the sick leave entitlement under Article 33, or such greater period as may be</td>
</tr>
<tr>
<td></td>
<td>provided by an Employer to an Employee under an Employment Contract.</td>
</tr>
<tr>
<td>Termination Date</td>
<td>means:</td>
</tr>
<tr>
<td></td>
<td>in relation to an Employment Contract terminated by notice under Article 60(2), the date</td>
</tr>
<tr>
<td></td>
<td>on which the notice expires;</td>
</tr>
<tr>
<td></td>
<td>in relation to an Employment Contract terminated without notice during probation or</td>
</tr>
<tr>
<td></td>
<td>pursuant to Articles 35 or 61, the date on which the termination takes effect; and</td>
</tr>
<tr>
<td></td>
<td>in relation to an Employment Contract concluded for a fixed term, the date on which the</td>
</tr>
<tr>
<td></td>
<td>term expires.</td>
</tr>
<tr>
<td>UAE</td>
<td>means the United Arab Emirates.</td>
</tr>
<tr>
<td>vacation leave</td>
<td>means the vacation leave entitlement provided by the employer in accordance with Article</td>
</tr>
<tr>
<td></td>
<td>2726(1), or such greater period as may be offered by the employer to an Employee under the</td>
</tr>
<tr>
<td></td>
<td>contract of employment.</td>
</tr>
<tr>
<td>vacation pay</td>
<td>means the daily wage payable during the vacation leave.</td>
</tr>
<tr>
<td>wages</td>
<td>means all payments any payment made to an employee in return for work done or services</td>
</tr>
<tr>
<td></td>
<td>provided under the contract of employment.</td>
</tr>
<tr>
<td></td>
<td>an Employment Contract, including any Allowance but excluding any Additional Payment.</td>
</tr>
<tr>
<td>working day</td>
<td>means a normal working day for the employer, as defined in the contract of employment, an</td>
</tr>
<tr>
<td></td>
<td>Employment Contract and, if not defined in an Employment Contract, every calendar day which</td>
</tr>
<tr>
<td></td>
<td>is not a Friday, Saturday or a Public holiday.</td>
</tr>
<tr>
<td><strong>Holiday</strong></td>
<td></td>
</tr>
<tr>
<td>-------------</td>
<td>---</td>
</tr>
<tr>
<td><strong>Work Week</strong></td>
<td>means a period of five (5) consecutive Work Days in a week, without taking into consideration any Public Holidays that may interrupt or shorten this period.</td>
</tr>
</tbody>
</table>
## SCHEDULE 2

### PERMANENT DISABILITIES / DISMEMBERMENT/ INJURIES

<table>
<thead>
<tr>
<th>Nature of permanent/disability/dismemberment/injuries</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total loss of sight in both eyes or loss of two eyes</td>
<td>100%</td>
</tr>
<tr>
<td>Total loss of both arms</td>
<td>100%</td>
</tr>
<tr>
<td>Total loss of both hands</td>
<td>100%</td>
</tr>
<tr>
<td>Total loss of both legs</td>
<td>100%</td>
</tr>
<tr>
<td>Total loss of both feet</td>
<td>100%</td>
</tr>
<tr>
<td>Total loss of one arm and one leg</td>
<td>100%</td>
</tr>
<tr>
<td>Total loss of one hand and one foot</td>
<td>100%</td>
</tr>
<tr>
<td>Total paralysis</td>
<td>100%</td>
</tr>
<tr>
<td>Mental incapacity as a result of an accident, making the insured incapable of carrying on any kind of work</td>
<td>100%</td>
</tr>
<tr>
<td>Wounds and injuries to the head or brain which cause continuous headache</td>
<td>100%</td>
</tr>
<tr>
<td>Total deformation of the face</td>
<td>100%</td>
</tr>
<tr>
<td>Injuries and wounds to the chest and internal organs which cause a continuous and complete deficiency in the function of these organs</td>
<td>100%</td>
</tr>
<tr>
<td>Total deafness in both ears</td>
<td>100%</td>
</tr>
<tr>
<td>Total deafness in one ear</td>
<td>50%</td>
</tr>
<tr>
<td>Loss of voice</td>
<td>50%</td>
</tr>
<tr>
<td>Total loss of tongue</td>
<td>100%</td>
</tr>
<tr>
<td>Loss of sexual organ</td>
<td>100%</td>
</tr>
<tr>
<td>Total loss of one arm or one hand</td>
<td>65%</td>
</tr>
<tr>
<td>Total loss of movement of one shoulder</td>
<td>25%</td>
</tr>
<tr>
<td>Total loss of movement of one elbow</td>
<td>20%</td>
</tr>
<tr>
<td>Total loss of movement of one wrist</td>
<td>20%</td>
</tr>
<tr>
<td>Total loss of one thumb</td>
<td>20%</td>
</tr>
<tr>
<td>Total loss of one index finger</td>
<td>15%</td>
</tr>
<tr>
<td>Total loss of one finger other than the thumb or the index finger</td>
<td>10%</td>
</tr>
<tr>
<td>Total loss of one leg or one foot</td>
<td>50%</td>
</tr>
<tr>
<td>Partial amputation of one foot including the toes</td>
<td>35%</td>
</tr>
<tr>
<td>Unhealed fracture of one leg or one foot</td>
<td>35%</td>
</tr>
<tr>
<td>Unhealed fracture of one kneecap</td>
<td>30%</td>
</tr>
<tr>
<td>Total loss of movement of one hip or one knee</td>
<td>20%</td>
</tr>
<tr>
<td>Injury Description</td>
<td>Percentage</td>
</tr>
<tr>
<td>-------------------------------------------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>Shortening of one lower limb by at least 5 centimeters</td>
<td>15%</td>
</tr>
<tr>
<td>Total loss of one big toe</td>
<td>10%</td>
</tr>
<tr>
<td>Total loss of one toe other than the big toe</td>
<td>3%</td>
</tr>
<tr>
<td>Loss of one tooth</td>
<td>3%</td>
</tr>
</tbody>
</table>

(a) Where the injuries fall within more than one category above the percentages may be aggregated and for the avoidance of doubt may come to more than one hundred percent (100%).

(b) Total loss may be the result of amputation or excision.

(c) Total loss may also consist of a permanent total disability in the functions of that part of the body or organ resulting in a total loss of use of the relevant part of the body or organ. A medical report from a suitably qualified medical expert must support such a finding of total loss.

(d) Compensation may be paid in respect of any partial or less serious disability or injury to any of the parts of the body or organ mentioned in the above list according to the level of seriousness of the disability or injury measured as a percentage of loss of use. The percentage of loss of use must be determined by a medical report issued by a suitably qualified medical expert. Account should be taken of the victim’s occupation as regards to the impact the injury will have on his ability to continue working.

(e) Compensation may also be paid in respect of any total or partial or less serious disability or injury to any of the parts of the body or organ not mentioned in the above list. The percentage rate for a total loss of such part of the body or organ will be ascertained by taking into consideration the nearest part of the body or organ in the list. A medical report issued by a suitably qualified medical expert is required as to the partial loss of use of such part of the body or organ.

(f) The reference to one hundred percent (100%) in the table above is the monetary equivalent of twenty-four (24) times an Employee’s Annual Wages and any other percentage (or aggregate thereof) in the table above shall be interpreted as a percentage of such amount.

(g) Disability, for purposes of this Schedule 2, means a physical or mental impairment that has a substantial and long-term adverse effect on an Employee’s ability to carry out duties in accordance with an Employment Contract. An impairment has a long term effect if it has lasted at least twelve (12) months or it is likely to last at least twelve (12) months.
## SCHEDULE 3
### CONTRAVENTIONS AND FINES

<table>
<thead>
<tr>
<th>Article</th>
<th>General nature of contravention</th>
<th>Maximum Fine*</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>Misrepresenting to an Employee any of the matters referred to under Article 11(1)(a) to (d)</td>
<td>$5,000</td>
</tr>
<tr>
<td>12</td>
<td>Employing a child under sixteen (16) years of age</td>
<td>$10,000</td>
</tr>
<tr>
<td>13(1)</td>
<td>Failing to provide an Employee with a written contract in the English language within seven (7) days of the commencement of employment</td>
<td>$2,000</td>
</tr>
<tr>
<td>13(2)</td>
<td>Failing to include in an Employment Contract any of the items referred to in Article 13(2) (a) to (m)</td>
<td>$2,000</td>
</tr>
<tr>
<td>14</td>
<td>Failing to provide an itemised pay statement within three (3) days after being requested by an Employee</td>
<td>$2,000</td>
</tr>
<tr>
<td>15</td>
<td>Failing to keep an Employee’s payroll records in the manner stipulated</td>
<td>$2,000</td>
</tr>
<tr>
<td>17</td>
<td>Failing to pay Remuneration to an Employee within seven (7) days after the end of a Pay Period</td>
<td>$2,000</td>
</tr>
<tr>
<td>19</td>
<td>Making unauthorised deductions from an Employee’s Remuneration</td>
<td>$2,000</td>
</tr>
<tr>
<td>20</td>
<td>Charging or receiving payment from an Employee in respect of the matters referred in Article 20(1)(a) or (b) with no exemption under Article 20(2) being applicable</td>
<td>$2,000</td>
</tr>
<tr>
<td>21</td>
<td>Requiring or allowing (directly or indirectly) an Employee to work excessive hours detrimental to their health or safety</td>
<td>$2,000</td>
</tr>
<tr>
<td>22</td>
<td>Requiring or allowing (directly or indirectly) a Muslim Employee to work in excess of six (6) hours during Ramadan</td>
<td>$2,000</td>
</tr>
<tr>
<td>31</td>
<td>Failing to allow an Employee any Public Holiday entitlements</td>
<td>$2,000</td>
</tr>
<tr>
<td>32</td>
<td>Failing to allow a Muslim Employee Haj leave</td>
<td>$2,000</td>
</tr>
<tr>
<td>34</td>
<td>Failing to pay an Employee Sick Leave pay</td>
<td>$2,000</td>
</tr>
<tr>
<td>36, 37, 38 &amp; 39</td>
<td>Failing to provide any Parental Leave benefits provided for in these Articles</td>
<td>$2,000</td>
</tr>
<tr>
<td>40, 41, 42, 43, 44, 45, 46, 47, 48, 49 &amp; 50</td>
<td>Failing to meet any obligations provided for in these Articles</td>
<td>$2,000</td>
</tr>
<tr>
<td>53</td>
<td>Failing to provide an Employee with health insurance cover as required by applicable law</td>
<td>$2,000</td>
</tr>
<tr>
<td>54</td>
<td>Failing to meet any of the requirements of this Article or as may be required by the Competent Authority or the Personnel Sponsorship Agreement.</td>
<td>$2,000</td>
</tr>
<tr>
<td>62</td>
<td>Failing to provide a written statement to an Employee whose employment has been terminated with cause within fourteen (14) days of receipt of such a request</td>
<td>$2,000</td>
</tr>
<tr>
<td>67</td>
<td>Failing to cooperate with an Inspector or to provide them with reasonable</td>
<td>$2,000</td>
</tr>
</tbody>
</table>
access to an Employer’s work premises in the DIFC or its Employee records as may be reasonably required in the circumstances.

*The fines imposed in this Schedule 3 may be levied for each instance of breach.