

EMPLOYMENT LAW DIFC LAW NO. 6 OF 2018

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#### **PART 1: GENERAL**

## 1. Title and repeal

- (1) This Employment Law 2018, repeals and replaces the Employment Law 2005 (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 2018" or "this Law".
- (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.

## 3. **Purpose of this Law**

The purpose of this Law is to:

- (a) provide minimum employment standards 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:
  - (a) any establishment or body having a place of business in the DIFC (including an entity established by or pursuant to Dubai Law No. 9 of 2004) who employs one or more individuals; and
  - (b) 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 in or from the DIFC, 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
  - (j) Schedules 1, 2 and 3 all Schedules insofar as they relate to any of the Articles referred to in sub-sections (a) to (i) above.

#### 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 Regulations made under it shall be administered by the DIFCA.

## 9. The power of the DIFCA to make Regulations and impose fines and penalties

- (1) The Board of Directors of the DIFCA 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, is void in all circumstances.
- (2) Nothing in this Law precludes:
  - (a) an Employer from providing in any Employment Contract, terms and conditions that are more favourable to an 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;
- (b) the job description and title;
- (c) the type of work;
- (d) the Remuneration or any benefits; or
- (e) the conditions of work or employment.

## 12. Hiring children

A person shall not employ a child who is under sixteen (16) years of age.

#### 13. **Right to a written contract**

- (1) An Employer shall provide an Employee with a written Employment Contract in the English language within seven (7) days after the commencement of employment.
- (2) An Employment Contract, shall include as a minimum:
  - (a) the names of the Employer and Employee;

- (b) the date of commencement of employment;
- (c) the Employee's Wage;
- (d) the applicable Pay Period;
- (e) any terms and conditions relating to hours or days of work;
- (f) 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;
- (g) the length of notice that the Employee and the Employer is obliged to give and is entitled to receive to terminate the employment;
- (h) the Employee's job title and a brief description of work responsibilities;
- (i) where the employment is not intended to be for an indefinite duration, the period for which it is expected to continue or, if for a fixed term, the Termination Date;
- (j) the Employee's place of work;
- (k) any applicable disciplinary rules and/or grievance procedures;
- (l) any probation period;
- (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.
- (3) An Employment Contract shall expressly state which terms 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 written notice to the Employee.
- (4) 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 Employee is 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 amount of any deduction from that amount and the purpose for which it is made.
- (2) An Employer satisfies the requirements in Article 14(1) if it provides electronic access to itemised pay statements to an Employee containing the requisite details and such statements are capable of being printed.

## 15. Payroll records

- (1) An Employer shall keep records of the following Employee information:
  - (a) the Employee's name, date of birth, occupation, telephone number and contact address;
  - (b) the date of commencement of employment;

- (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) each deduction made from the Employee's Remuneration and the reason for it;
- (f) the dates of the Public Holidays taken by the Employee and the Daily Wages paid by the Employer in respect thereof;
- (g) the dates of Vacation Leave taken by the Employee and the Daily Wages paid by the Employer in respect thereof and the Vacation Leave balance owing; and
- (h) Sick Leave and other special leave taken.
- (2) The records referred to in Article 15(1):
  - (a) shall be in English and the English language shall have precedence over any other language used in the records;
  - (b) shall be kept or be electronically accessible at the Employer's principal place of business in the DIFC;
  - (c) shall be retained by the Employer during an Employee's employment and until six (6) years after an Employee's Termination Date; and
  - (d) may be retained in electronic format.

#### 16. Part-Time Employees and Short Term Employees

- (1) This Law applies to a Part-Time Employee, provided that:
  - (a) the entitlements 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) Subject to Articles 17(2) and 19, an Employer shall pay to an Employee all Remuneration earned by the Employee in a Pay Period 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 to an Employee all Remuneration, the Gratuity Payment and all accrued Vacation Leave not taken within fourteen (14) days after the Termination Date, provided that where the Termination Date falls during a Pay Period, an 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 equal to 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 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 been obtained in 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 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 Article 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 Article at the expense of an Employee is deemed to be 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. Excessive hours

An Employer shall not require or allow directly or indirectly an Employee to work excessive hours or time periods detrimental to an Employee's health or safety.

## 22. Reduced hours during Ramadan

During the holy month of Ramadan, a Muslim Employee shall not be required to work in excess of six (6) hours each day. There shall be no reduction in an Employee's Remuneration as a result.

### 23. 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.

#### 24. 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.

#### 25. Rest breaks

Where the working time for an Employee during a Work Day exceeds six (6) hours, the Employee is entitled to rest and prayer breaks of at least one (1) hour in aggregate, which, if permitted by the Employer, may be taken at the beginning or end of a Work Day.

#### 26. Vacation Leave

- (1) Subject to Article 29, an Employee is entitled to a minimum paid Vacation Leave of twenty (20) Work Days per year to be accrued pro rata for an Employee who has been employed for at least ninety (90) days.
- (2) Subject to Article 26(3), an Employee is entitled to carry forward up to five (5) Work Days of accrued but untaken Vacation Leave into the next year for a maximum period of twelve (12) months after which any unused Vacation Leave shall expire.
- (3) 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 Public Holidays to which an Employee is entitled.
- (5) An Employee is not entitled to payments 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.

## 27. 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 be entitled to deduct an amount calculated in accordance with Article 27(3) from any payments due to the Employee on the 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 at the Termination Date.

#### 28. Dates on which Vacation 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 Vacation Leave is to be taken and subject to any requirement imposed by the Employer under Article 28(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.

## 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 is limited to the remaining amount of Vacation Leave accrued in favour of the Employee at the time of taking such Vacation Leave.
- (2) Vacation Leave accrues during an Employee's first year of employment at the rate of one-twelfth of the amount of Vacation Leave the Employee is entitled to on the first day of each month of that year.

### 30. Entitlements under other provisions

Where an Employee is entitled to a rest period, rest break, special 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.

## 31. Entitlement to Public Holidays

- (1) An Employee is entitled to leave on each Public Holiday that is announced in the UAE by the relevant Competent Authority for the public sector or the private sector, whichever is 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 31(1).
- (3) An Employee's leave entitlement in respect of a Public Holiday may be replaced by:
  - (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 of the Employee's Daily Wage based on the time period worked on each Work Day during a Public Holiday.

## 32. Special leave

A Muslim Employee, who has completed at least one (1) year of employment with an Employer, shall be entitled to special unpaid leave not exceeding twenty one (21) days to perform the Haj pilgrimage once during the period of employment.

#### 33. Sick Leave

- (1) An Employee is entitled to Sick Leave of sixty (60) Work Days in aggregate in a 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 requires leave under this Article 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 thereof; 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 33(2) are satisfied, pay to the Employee a Daily Wage for each day of Sick Leave in accordance with Article 34.

## 34. Sick Leave pay

Subject to Article 33(2), an Employer shall, as a minimum, pay the following percentages of an Employee's Daily Wage in respect of Sick Leave taken:

- (a) for the first ten (10) Work Days of Sick Leave taken in a twelve (12) month period, one hundred percent (100%);
- (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 Employee.

#### 35. Termination for excessive Sick Leave

- (1) Where an Employee takes more than an aggregate of sixty (60) Work Days of Sick Leave in a twelve (12) month period, the Employer may terminate the Employment Contract 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: PARENTAL LEAVE AND RELATED RIGHTS

## 36. Maternity Leave

- (1) A female Employee shall be entitled to a minimum Maternity Leave of sixty five (65) Work Days.
- (2) A female Employee shall be entitled to Maternity Pay in accordance with Article 37 during Maternity Leave 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 that she is pregnant at least eight (8) weeks before the expected week of childbirth;
  - (c) provides a medical practitioner's certificate stating the expected or actual birth date; and
  - (d) notifies her Employer 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 also 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) Vacation Leave shall continue to accrue during Maternity Leave and may be taken consecutive to Maternity Leave.
- (5) 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) Work Days of Maternity Leave; and
  - (b) fifty percent (50%) of the Employee's Daily Wage for the next thirty two (32) Work Days of Maternity Leave.
- (2) An Employee cannot receive compensation in lieu of Maternity Leave.

## 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.
- (5) Any Public Holiday falling on a Work Day during a Paternity Leave period shall be treated as additional leave thereby having the effect of extending the Paternity Leave by the period of the Public Holiday.

## 39. **Right to return to work**

- (1) An Employer shall not, because of an Employee's pregnancy or Parental 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 Parental Leave to the same role, or a suitable alternative position, on the same terms and conditions of employment and with the same level of seniority the Employee had immediately prior to taking Parental Leave.
- (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 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 clean 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.

### 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 pursuant to the provisions of Article 51(1):
  - (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 whether directly or indirectly; or
  - (b) 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 provided always in the case of indirect discrimination, the Employer must also demonstrate objective justification for the relevant act, attempted act or omission, requirement or condition.

#### 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 employment, the Employer shall pay compensation to the Employee in accordance with Schedule 2.
- (2) Where an Employee dies as a result of an accident or illness arising out of or in the course of employment, the Employer shall pay compensation to his deceased estate equal to two (2) years' Annual Wage.
- (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 time to time by 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

- (1) Subject to Article 55(2), an Employee who receives a notice of termination of employment in accordance with Article 60(2) is entitled to take a reasonable period of time off during the Employee's working hours during such notice period to look for new employment without having to apply for any form of leave in respect thereof.
- (2) Article 55(1) does not apply if an Employee is dismissed for cause by an Employer pursuant to Article 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) An 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 55 and 56

An Employee who is permitted to take time off under Articles 55 or 56 is entitled to be paid the normal Hourly Rate during any period of absence.

## **PART 8: EMPLOYEE'S OBLIGATIONS**

## 58. General duties of Employees

- (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; 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) 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), 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), a provision, criteria or practice is discriminatory in relation to any of the grounds specified in Article 59(1) 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 is a justified and proportionate means of achieving a legitimate aim.
- (4) An Employer may apply a genuine occupational qualification to Article 59(2)(a), (b) or (c).

- (5) Further, for the purposes of this Article 59:
  - (a) an Employee has a disability for the purposes of Article 59(1)(h) if the Employee has a mental or physical impairment which has a substantial and long term adverse effect on the Employee's ability to carry out duties 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 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 59 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 60(3) and (4), the notice required to be given by an Employer or Employee to terminate the Employee's employment 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 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.
- (3) Article 60(2) shall not prevent:
  - (a) an Employer and Employee from agreeing to a longer or shorter notice period in an Employment Contract; or
  - (b) an Employer waiving an Employee's notice 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 excessive Sick Leave in accordance with Article 35(1).

### 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

- (1) If so requested by an Employee within a period not later than thirty (30) days after the Termination Date, an Employer shall provide the Employee with a written statement of the reasons for the 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 ensure that:
  - (a) the Employee is enrolled in the UAE pension scheme required by Federal 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 a Gratuity Payment on termination of employment.

#### 64. **Gratuity Payment**

- (1) An Employee who is not eligible to be enrolled in a pension scheme under Article 63 and 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) An Employee's Gratuity Payment shall be calculated as follows:
  - (a) an amount equal to twenty one (21) 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 of the Employee's Basic Wage for each additional year of service,

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

- (3) For purposes of Article 64(2):
  - (a) an Employee's Basic Wage shall not be less than fifty percent (50%) of the Employee's Annual Wage; and
  - (b) the daily rate of an Employee's Basic Wage shall be calculated by dividing the Employee's Basic Wage by three hundred and sixty five (365).
- (4) Where the Effective Date of Termination occurs prior to the end of any full year of employment, the Gratuity Payment shall be calculated on a proportionate basis.
- (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.

#### **SCHEDULE 1**

#### 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 a Public Holiday, 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) 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. 6 of 2018 as amended and restated, made by the Ruler;
- (e) the Regulations are legislation made by the Board of Directors of the DIFCA 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:

Term	Definition
Allowance	means any allowance payable to an Employee pursuant to an Employment Contract, which includes (but is not limited to) housing, travel, education, social and entertainment and any benefit received in kind by an Employee and, where such allowance (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 divided by the number of Pay Periods for that Employee over a twelve (12) month period for purposes of determining an Employee's Wage for a Pay Period.
Annual Wage	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.
Additional Payment	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.
Basic Wage	means, subject to the provisions of Article 64(3)(a), an Employee's Annual Wage, excluding any Allowance or Additional Payment.
Board of Directors of the DIFCA	means the Board of Directors of the DIFCA appointed by the President from time to time.
Companies Law	means the Companies Law, DIFC Law No. 5 of 2018.
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.
Daily Wage	means an Employee's Annual Wage divided by two hundred and sixty (260).
DIFCA	means the entity established as the DIFC Authority under Dubai Law No. 9 of 2004 or, where permitted, its delegate.
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 $4(1)(a)$ .
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.
Gratuity Payment	means the end of service gratuity payment entitlement under Article 64.
Hourly Rate	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.
Inspector	means any inspector appointed by the Board of Directors of the DIFCA under Article 67.
Maternity Leave	means the maternity leave entitlement under Article 36(1), or such greater period as may be provided by an Employer to an Employee under an Employment Contract.
Maternity Pay	means the payments to an Employee in accordance with Article 37(1) during Maternity Leave.
Monthly Wage	means an Employee's Annual Wage divided by twelve (12).
Parental Leave	means Maternity Leave or Paternity Leave, whichever applies.
Part-Time Employee	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.
Paternity Leave	means the paternity leave entitlement under Article 38, or such greater period as may be provided by an Employer to an Employee under an Employment Contract.
Pay Period	means:
	(a) the hourly, daily, weekly or monthly period, where Employees are paid by the hour, day, week or month or as agreed in the Employment Contract; or
	(b) if an Employee is paid on a flat rate, piece rate,

	commission or other incentive basis, the Employee's applicable pay period stated in the Employment Contract.
Personnel Sponsorship Agreement	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.
President	means the President of the DIFC appointed by the Ruler pursuant to Dubai Law No. 9 of 2004.
Public Holidays	means the public holidays referred to in Article 31(1).
Regulations	has the meaning given in paragraph 2(e) of this Schedule 1.
Relevant Calculation Period	means a period of seventeen (17) weeks immediately prior to the date of the relevant calculation, or as otherwise prescribed by the Regulations.
Remuneration	means the aggregate of an Employee's Wages and Additional Payments.
Ruler	means the Ruler of the Emirate of Dubai.
Secondment	means any agreement or arrangement permitted by the Regulations allowing for:
	(a) the temporary transfer by an Employer of an Employee to its place of business in the DIFC; or
	(b) part of an Employee's duties to an Employer being performed from a place of business in the DIFC.
Short Term Employee	means an Employee whose work or services provided to an Employer, or any affiliate of that Employer, does not exceed an aggregate of thirty (30) days over a twelve (12) month period.
Sick Leave	means the sick leave entitlement under Article 33, or such greater period as may be provided by an Employer to an Employee under an Employment Contract.
Termination Date	means:
	(a) in relation to an Employment Contract terminated by notice under Article 60(2), the date on which the notice expires;
	(b) in relation to an Employment Contract terminated without notice during probation or pursuant to Articles 35 or 61 the date on which the termination takes effect; and
	(c) in relation to an Employment Contract concluded for a fixed term, the date on which the term expires.
UAE	means the United Arab Emirates.

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Vacation Leave	means the vacation leave entitlement provided by the Employer in accordance with Article 26(1), or such greater period as may be provided by an Employer to an Employee under an Employment Contract.	
Wage	means any payment made to an Employee in return for work done or services provided under an Employment Contract, including any Allowance but excluding any Additional Payment.	
Work Day	means a working day for an Employer as defined in an Employment Contract and, if not defined in an Employment Contract, every calendar day which is not a Friday, Saturday or a Public Holiday.	
Work Week	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.	

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# SCHEDULE 2

## PERMANENT DISABILITIES / DISMEMBERMENT/ INJURIES

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

- (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 two (2) 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

Article	General nature of contravention	Maximum Fine*
11	Misrepresenting to an Employee any of the matters referred to under Article 11(1)(a) to (d)	\$5,000
12	Employing a child under sixteen (16) years of age	\$10,000
13(1)	Failing to provide an Employee with a written contract in the English language within seven (7) days of the commencement of employment	\$2,000
13(2)	Failing to include in an Employment Contract any of the items referred to in Article 13(2) (a) to (m)	\$2,000
14	Failing to provide an itemised pay statement within three (3) days after being requested by an Employee	\$2,000
15	Failing to keep an Employee's payroll records in the manner stipulated	\$2,000
17	Failing to pay Remuneration to an Employee within seven (7) days after the end of a Pay Period	\$2,000
19	Making unauthorised deductions from an Employee's Remuneration	\$2,000
20	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	\$2,000
21	Requiring or allowing (directly or indirectly) an Employee to work excessive hours detrimental to their health or safety	\$2,000
22	Requiring or allowing (directly or indirectly) a Muslim Employee to work in excess of six (6) hours during Ramadan	\$2,000
31	Failing to allow an Employee any Public Holiday entitlements	\$2,000
32	Failing to allow a Muslim Employee Haj leave	\$2,000
34	Failing to pay an Employee Sick Leave pay	\$2,000
36, 37, 38 & 39	Failing to provide any Parental Leave benefits provided for in these Articles	\$2,000
40, 41, 42, 43, 44, 45, 46, 47, 48, 49 & 50	Failing to meet any obligations provided for in these Articles	\$2,000
53	Failing to provide an Employee with health insurance cover as required by applicable law	\$2,000
54	Failing to meet any of the requirements of this Article or as may be required by the Competent Authority or the Personnel Sponsorship Agreement.	\$2,000
62	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	\$2,000
67	Failing to cooperate with an Inspector or to provide them with reasonable access to an Employer's work premises in the DIFC or its Employee records as may be reasonably required in the circumstances	\$2,000

<sup>\*</sup>The fines imposed in this Schedule 3 may be levied for each instance of breach.