Employment Contract

between

[Insert name of employer]

(the **"Company"**)

and

[Insert name of employee]

(the **"Employee"**)

[Insert the date the employment contract is signed]

**Disclaimer: This Employment Contract is not to be deemed, considered or relied upon as a legal advice and should not be treated as a substitute for specific advice concerning individual employment situations obtained from your own independent legal advisers. This Employment Contract sets out the minimum employment standards applicable in Abu Dhabi Global Market pursuant to ADGM Employment Regulations of 2019 (which may be amended from time to time without notification). The Employer may provide terms and conditions of employment that are more favourable to the Employee than those required by the ADGM Employment Regulations of 2019, which can be found** [**here**](https://en.adgm.thomsonreuters.com/sites/default/files/net_file_store/ADGM1547_20046_VER010120.Employment_Regulations_2019.pdf)**.** [AI NOTE #1: Potentially ambiguous language found. Replace with stronger terms.]

**Instructions**

**Please refer to the following instructions to aid in finalizing your employment contract:**

* Any bolded text in these highlighted square brackets, [ ], must be reviewed by the Employer. The Employer will need to choose between different options provided or include information specific to the employment relationship.

* Once the Employer has included the correct information or has made a selection on the text options provided, please make sure to delete any square brackets and remove any highlights as well as any instructive text.
* The footnotes are there to provide additional information regarding certain clauses or terms. Please make sure they are deleted prior to signing the contract.
* **Before signing this contract, please make sure:**
  + **All inserted information is correct (\*If you have added any new clauses or deleted provided clauses, please ensure that cross-references are correctly updated)**
  + **All highlights are removed**
  + **All footnotes are deleted**
  + **All square brackets are removed**
  + **This page is deleted in its entirety**

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**THIS CONTRACT OF EMPLOYMENT** is made and entered into on this [**insert day**] of [**insert month**] [**insert year**] (the “**Contract**”)

**BETWEEN**:

1. [**Insert name of Company**], a [**insert type of Company (e.g., Private Company limited by Shares)**] company duly registered with the Registration Authority of ADGM and licensed under commercial licence number [**insert commercial licence number**], having its registered office at [**insert address**] (the "**Company**"); and
2. [**Insert full name of Employee as per passport**], a [**insert nationality**] national, holder of passport no. [**insert passport number**] of [**insert full home address of employee**] (the **"Employee"**).

**WHEREAS:**

1. The Company has made an offer of employment to the Employee.
2. The Employee has accepted the offer of employment in accordance with the terms of this Contract.

**THE PARTIES AGREE** as follows:

# **DEFINITIONS AND INTERPRETATION**

* 1. In this Contract, unless the context otherwise requires, the following expressions shall have the following meanings:

**"ADGM”** means the Abu Dhabi Global Market, a financial free zone established by virtue of Abu Dhabi Law no. 4 of 2013 whose address is ADGM Authorities Building, ADGM Square, Al Mariyah Island, P. O. Box 111999, Abu Dhabi, United Arab Emirates;

**“Basic Wage"** shall have the meaning set out in clause 6.2;

**"Commencement Date"** shall be [**insert start date**][[1]](#footnote-1);

**"ADGM Employment Regulations"** means the ADGM Employment Regulations 2019, as amended;

**“Registration Authority**” means the Registration Authority of ADGM;

**"Parties"** means parties to this Contract and the expression **"Party"** shall mean either one of the Parties;

**"Monthly Remuneration"** shall have the meaning set out in clause 6.2;

**"UAE"** means the United Arab Emirates;

**"Year"** means the period of 12 months in a Gregorian calendar starting on 1 January and ending on 31 December.

* 1. The recitals and schedules form part of the operative provisions of this Contract and references to this Contract shall, unless the context otherwise requires, include references to the recitals and schedules.

# **EMPLOYMENT TERM**

* 1. The Company shall employ the Employee as **[insert position]** and the Employee shall serve the Company in such position in accordance with the terms of this Contract.
  2. **[Please use this clause for “unlimited employment contracts” and delete the remaining options below entirely:]** [The appointment shall commence on the Commencement Date and shall continue until terminated in accordance with this Contract.]

**[Please use one of these clauses for “limited employment contracts” and delete the remaining options entirely:]** [The employment shall commence on the Commencement Date and subject to clause 13, shall continue for a period of three (3) years (“**Initial Term**”). At the end of the Initial Term, the employment shall be renewed automatically and on the same terms for a further term of one (1) year from the expiry of the Initial Term and thereafter, for such further periods as the Parties may agree in good faith not less than one (1) month prior to the end of the one (1) year extension of the Initial Term]. [AI NOTE #2: Potentially ambiguous language found. Replace with stronger terms.]

* 1. The Company shall obtain, maintain and pay the cost of the Employee’s work permit, UAE residency visa and UAE identity card, as applicable.

# **HOURS OF EMPLOYMENT**

* 1. The Employee's normal working hours shall be **[insert time]** a.m. to **[insert time]** p.m. **[Monday to Friday][[2]](#footnote-2)** together with such additional hours as are necessary for the proper performance of the Employee’s duties.
  2. The Employee shall be entitled to overtime compensation for work performed outside the Employee’s normal working hours in accordance with Section 16 of the ADGM Employment Regulations.

# **PROBATIONARY PERIOD**

The Employee’s employment will be probationary for a period of **[insert number][[3]](#footnote-3)** months from the Commencement Date. The Employee may be dismissed at any time during this probationary period without cause on one (1) week’s notice or for cause without notice or pay in lieu of notice. [AI NOTE #3: Potentially ambiguous language found. Replace with stronger terms.]

# **PLACE OF EMPLOYMENT**

The Employee’s place of employment shall be in the Emirate of Abu Dhabi, but the Employee may be required to work at such other places in the UAE or elsewhere as the Company may from time to time determine. [AI NOTE #4: Potentially ambiguous language found. Replace with stronger terms.]

# **WAGE AND ALLOWANCES**

* 1. The Employee shall be paid a wage of AED **[insert amount]** per month subject to such deductions as are permitted by the ADGM Employment Regulations (the "**Remuneration**").
  2. The Remuneration is inclusive of allowances and allocated as follows:

1. basic wage of AED **[insert amount]** (the "**Basic Wage**");
2. accommodation allowance of AED **[insert amount]**; and
3. transport allowance of AED **[insert amount][[4]](#footnote-4)**.
   1. The Remuneration shall be payable on the **[insert date]** of every month by bank credit transfer.
   2. For the avoidance of doubt, only the Basic Wage referred to in clause 6.2(a) above shall be used for the calculation of any end of service gratuity payable under the ADGM Employment Regulations.
   3. If the Employee is a UAE or GCC national, the Employee shall be enrolled in the relevant UAE pension scheme in accordance with applicable legislation.

# **VACATION LEAVE**

* 1. Subject to clause 7.3, the Employee shall be entitled to 20 business days as vacation leave in each Year in addition to the UAE national holidays declared as public holidays, during which the Employee will receive Remuneration.
  2. Vacation leave shall be taken at such time or times as may be approved in advance by the Company. [AI NOTE #5: Potentially ambiguous language found. Replace with stronger terms.]
  3. During the Year in which the Employee's employment commences, the Employee shall be entitled to a proportion of the Employee’s vacation leave entitlement as shall have accrued on a pro rata basis. During the Year in which the Employee's employment terminates, the Employee shall be entitled to a proportion of the Employee’s vacation leave entitlement as shall have accrued on a *pro rata* basis.
  4. On termination of this Contract:

1. the Employee shall be entitled to receive payment in lieu of any vacation leave entitlement which has accrued prior to the date of termination but is unused; or
2. the Company shall be entitled to make deductions from the Employee's yearly Remuneration in respect of any vacation leave taken in excess of the entitlement accrued prior to the date of termination.

# **SICK LEAVE AND SICK PAY**

* 1. The Employee shall be entitled to sick leave not exceeding a maximum of 60 business days in aggregate in any 12 month period.
  2. The Employee shall be entitled to his sick pay based on his Daily Wage (as defined in the ADGM Employment Regulations) as follows: full pay for the first 10 business days; half pay for the next 20 business days and the remaining 30 business days with no pay.
  3. The Employee shall comply with the ADGM Employment Regulations and internal requirements of the Company concerning notification, self-certification and the provision of medical certificates.
  4. The Company may at least once every 7 days during a period of absence due to sickness, require the Employee to provide a medical opinion that states that the Employee cannot fulfil the duties reasonably expected in the Employee’s position. [AI NOTE #6: Potentially ambiguous language found. Replace with stronger terms.]

# **CONFLICT OF INTEREST**

The Employee shall not during the employment, without the prior written consent of the Company, engage or be concerned or undertake in any business or occupation that competes with the business of the Company.

# **COMPANY POLICIES**

* 1. The Employee agrees to comply with the employment policies, practices, rules and instructions of the Company currently in force or which hereafter may be amended, revised or adopted in the sole discretion of the Company from time to time. [AI NOTE #7: Potentially ambiguous language found. Replace with stronger terms.]
  2. The Employee agrees to comply at all times with the ADGM Employment Regulations, any other legislation of the ADGM and any other legislation that is applicable within the ADGM.
  3. The Employee shall comply at all times with such additional duties and obligations as are set out in the Employee handbook which may be altered by the Company from time to time in its sole discretion by way of a written notice to the Employee. In the event of a conflict between this Contract and the said Employee handbook, the provisions of this Contract shall prevail. [AI NOTE #8: Potentially ambiguous language found. Replace with stronger terms.]

# **INTELLECTUAL PROPERTY**

* 1. The Employee agrees to disclose immediately to the Company all inventions, discoveries, intellectual property, ideas, innovations, developments, improvements, and all processes relating to the operations or business of the Company made or conceived by the Employee alone or with others during the term of this Contract whether made or conceived within or outside normal business hours, all of which shall be the exclusive property of the Company.
  2. At the request of the Company, whether made during or upon the termination of the Employee's employment, the Employee agrees to execute all documents necessary for the filing of applications for a trademark, patent or any other registration, both UAE and foreign, of the matters referred to above in clause 11.1.
  3. The Employee agrees to make no claim against the Company with respect to the matters referred to above in clause 11.1.

# **CONFIDENTIALITY/NON-DISCLOSURE**

* 1. The Employee acknowledges that in the performance of the Employee’s duties, the Employee will acquire detailed and confidential knowledge of the Company's operations and other confidential documents and information. The Employee agrees that the Employee shall not in any way use, divulge, furnish or make accessible to any person, either during the Employee’s employment or any time thereafter, any confidential information relating to the business of the Company, acquired by the Employee in the course of the Employee’s employment with the Company, unless such disclosure is compelled by a competent court of by the applicable law.
  2. Clause 12 shall survive the termination of this Contract and the termination of the Employee's employment.

# **TERMINATION**

* 1. Each of the Company and the Employee may terminate the employment under this Contract by giving one (1) month’s notice[[5]](#footnote-5) in writing to the other Party. [AI NOTE #9: Potentially ambiguous language found. Replace with stronger terms.]
  2. The Company may terminate the employment under this Contract with immediate effect: [AI NOTE #10: Potentially ambiguous language found. Replace with stronger terms.]

1. for cause if the Employee has committed a breach constituting a ground for summary dismissal in accordance with the provisions of Section 56 (1) of the ADGM Employment Regulations; or
2. if the Employee has breached any terms and provisions of this Contract where the Employee has failed to remedy such breach within the time period specified in a written notice from the Company specifying the breach; or
3. for cause if the Employee is under a probationary period as set out in clause 4.
   1. On termination of the employment under this Contract, the Employee shall:
4. co-operate in the cancellation, without claim for payment except as provided in this Contract or in the ADGM Employment Regulations, of the Employee’s residence visa and work permit;
5. deliver to the Company all documents made, compiled or acquired by the Employee, which are in the Employee’s possession, custody, care or control as a direct result of the Employee’s employment, including (but not limited to) business cards, credit and charge cards, security and computer passes, or other media on which information is held in his possession relating to the business or affairs of the Company; and
6. not at any time represent himself to be connected with the Company.
   1. The Company shall be entitled, at its sole discretion, to give the Employee payment in lieu of any notice of termination given to the Employee or require the Employee not to attend work during any period of such notice.

# **END OF SERVICE BENEFITS**

* 1. On termination of this Contract as provided for in clause 13.1 above, the Company shall pay the Employee such end of service gratuity as may be payable in accordance with the ADGM Employment Regulations. [AI NOTE #11: Potentially ambiguous language found. Replace with stronger terms.]
  2. If this Contract is terminated in accordance with clause 13.2(a), the Employee shall not be entitled to end of service gratuity.

# **REPATRIATION**

* 1. On termination of the Employee’s employment, the Company shall provide the Employee with a one-way repatriation flight to the Employee’s country of origin, or any other destination as agreed by the Parties.
  2. Clause 15.1 above will not apply if the Employee:

1. obtains alternative employment or visa sponsorship in the UAE within 30 days from the date of termination; or
2. has been dismissed for cause in accordance with clause 13.2(a) of this Contract.

# **NOTICES**

Any notice to be given hereunder shall be in writing. Notices may be given by either Party by personal or electronic delivery, or post addressed to the other Party (in case of the Company) its registered office for the time being and in case of the Employee, the Employee’s last known address. Any such notice given by letter shall be deemed to have been served at the time at which the notice was delivered personally or transmitted or (if sent by post) would be delivered in the ordinary course of post. For the avoidance of doubt, the Parties may agree to any alternative form of delivery of written notices. [AI NOTE #12: Potentially ambiguous language found. Replace with stronger terms.]

# **ENTIRE AGREEMENT**

This Contract supersedes all previous agreements and arrangements (if any) between the Company and the Employee relating to the Employee’s employment by the Company which is hereby terminated by mutual consent and the Employee acknowledges that the Employee has no claim whatsoever against the Company in respect of such termination.

# **AMENDMENTS**

No modification, variation or amendment to this Contract shall be effective unless such modification, variation or amendment is in writing and has been signed by or on behalf of both Parties.

# **GOVERNING LAW**

This Contract is governed by and construed in accordance with the laws, regulations and rules applicable in Abu Dhabi Global Market and the parties hereto submit to the exclusive jurisdiction of the courts of Abu Dhabi Global Market.

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| --- |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signed by [**Employee Name**] |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signed by [Company representative name]  for and on behalf of [**Company Name**]  [Company Signature & Stamp] |

# AI NOTES

**[AI NOTE #1]** Paragraph index: 12. Potentially ambiguous language found. Replace with stronger terms.

**[AI NOTE #2]** Paragraph index: 83. Potentially ambiguous language found. Replace with stronger terms.

**[AI NOTE #3]** Paragraph index: 92. Potentially ambiguous language found. Replace with stronger terms.

**[AI NOTE #4]** Paragraph index: 94. Potentially ambiguous language found. Replace with stronger terms.

**[AI NOTE #5]** Paragraph index: 116. Potentially ambiguous language found. Replace with stronger terms.

**[AI NOTE #6]** Paragraph index: 133. Potentially ambiguous language found. Replace with stronger terms.

**[AI NOTE #7]** Paragraph index: 138. Potentially ambiguous language found. Replace with stronger terms.

**[AI NOTE #8]** Paragraph index: 142. Potentially ambiguous language found. Replace with stronger terms.

**[AI NOTE #9]** Paragraph index: 157. Potentially ambiguous language found. Replace with stronger terms.

**[AI NOTE #10]** Paragraph index: 159. Potentially ambiguous language found. Replace with stronger terms.

**[AI NOTE #11]** Paragraph index: 178. Potentially ambiguous language found. Replace with stronger terms.

**[AI NOTE #12]** Paragraph index: 192. Potentially ambiguous language found. Replace with stronger terms.

1. This will be the employee’s first day of work. [↑](#footnote-ref-1)
2. Please include the relevant working days. [↑](#footnote-ref-2)
3. In accordance with Section 9(1) of the ADGM Employment Regulations, probationary period shall not exceed 6 months. [↑](#footnote-ref-3)
4. Please amend as necessary if the Employee is paid on a flat rate, piece rate, commission or other incentive basis. [↑](#footnote-ref-4)
5. Please refer to Section 55(3) of ADGM Employment Regulations for more information on required notices. [↑](#footnote-ref-5)