

# **ADGM EMPLOYMENT REGULATIONS 2019**

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### **EMPLOYMENT REGULATIONS 2019**

Regulations to provide for minimum employment standards for Employees, promote a fair balance of rights and obligations between Employees and Employers and foster employment practices that will contribute to the prosperity of the Abu Dhabi Global Market.

Date of Enactment: 16 October 2019

The Board of Directors of the Abu Dhabi Global Market, in exercise of its powers under Article 6(1) of Law No. 4 of 2013 concerning the Abu Dhabi Global Market issued by His Highness the Ruler of the Emirate of Abu Dhabi, hereby enacts the following Regulations:-

### PART 1 : HIRING EMPLOYEES

# 1. No waiver

- (1) The requirements of these Regulations are minimum requirements and, subject to subsection (2), a provision in an agreement to waive or exclude any of those requirements, except where expressly permitted under these Regulations, shall be void.
- (2) Subsection (1) shall not prevent an Employer and Employee from entering into a settlement agreement under which the Employer or the Employee agrees to waive all and any actual, threatened or potential claims that it or he may have against the other arising out of the Employee's employment (or, where applicable, the termination of the Employee's employment), including claims to enforce rights under these Regulations, provided that
  - (a) such agreement must be in writing;
  - (b) such agreement must signed by both the Employer and Employee; and
  - (c) valid consideration must be provided to the relevant party waiving such claims by the other party.
- (3) Nothing in these Regulations precludes 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 these Regulations.

### 2. 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 type of work;
- (c) the Wages; or
- (d) the conditions of employment.

### 3. Hiring children and youth

- (1) An Employer shall not employ a child who is under 15 years of age.
- (2) An Employer may employ youth between 15 and 18 years of age subject to Registrar rules.
- (3) An Employer shall take all appropriate measures to ensure that conditions for the youth's employment are safe, reasonable and appropriate for their age and wellbeing.

# 4. Visa and permits

The Employer shall be responsible for obtaining, maintaining and paying the cost of the Employee's work permit and, as applicable, the UAE residency visa and UAE identity card.

# 5. Right to a written contract

- (1) An Employee may only be employed pursuant to a written Contract of Employment which must be written in English and signed by both the Employer and the Employee.
- (2) The Employer shall give to each Employee a copy of the written Contract of Employment that has been signed by both the Employer and the Employee. The written Contract of Employment shall be provided to the Employee, within a reasonable time (as the case may be) but in any event, not later than 1 month after the commencement of the employment.
- (3) The Employer is responsible for ensuring that any Employee who does not have sufficient competency in the written English language understands the terms of the Contract of Employment before signing it.
- (4) The Contract of Employment shall include as a minimum
  - (a) the names of the Employer and Employee;
  - (b) the date when the employment began, or is to begin;
  - (c) the Employee's Wages;
  - (d) the applicable Pay Period;
  - (e) any terms and conditions relating to hours or days of work;
  - (f) any terms and conditions relating to -
  - (g) Vacation Leave and Vacation Pay, National Holidays and pay for such National Holidays; and
  - (h) sick leave and sick pay;
  - (i) the length of notice that the Employee and the Employer is obliged to give and is entitled to receive to terminate the employment;
  - (j) the title of the Employee's job or a brief description of the Employee's work;
  - (k) 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 a fixed term, the date when it is to end;
  - (I) the place of work;
  - (m) any disciplinary rules and/or grievance procedures applicable to the Employee; and
  - (n) any other matter that may be prescribed by the Board by rules.
- (5) An Employer shall expressly state in writing in the Contract of Employment those matters relating to the employment of the Employee that shall be subject to the Employer's policies (if any) which may be changed at the Employer's discretion from time to time by way of a written notice to the Employee.

# 6. Amendment of the Contract of Employment

Any amendment to the Contract of Employment of an Employee must be in writing and signed by the Employee except where such change is for the benefit of the Employee.

# 7. Right to a pay statement

- (1) An Employer shall give to an Employee when, or before, an Employee is paid any Wages, a written pay statement 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 subsection (1) if it provides electronic access to the pay statement and the Employee may print such statement.

# 8. Short-term employment

Sections 5(4) and 7 do not apply to an Employee if the employment is for less than 30 Days.

#### 9. Probation

- (1) The Employer may subject the Employee to a probationary period, provided that such period does not exceed 6 months and is specified in the Contract of Employment.
- (2) During the probationary period either the Employer or the Employee may terminate the Contract of Employment without cause on 1 week's written notice to the other or for cause without notice.

### 10. Employee's duties

Employees shall, except as and to the extent specified in the Contract of Employment, during the employment (and, where specified below in this section, following the termination of the Employee's employment) –

- (a) perform their employment duties with reasonable diligence and care;
- (b) obey the orders of the Employer to the extent that
  - (i) the orders are consistent with the Employee's employment duties;
  - (ii) the orders will not expose the Employee to danger;
  - (iii) the carrying out of such orders will not constitute a contravention of any regulation or other legislation of the Abu Dhabi Global Market or any legislation or regulation that is applicable within the Abu Dhabi Global Market;
- (c) comply with the health and safety instructions of the Employer;
- (d) take reasonable care of any of the Employer's property which is in the Employee's possession or control or which is accessed or used by the Employee;
- (e) not accept any gifts or advantage from any person in return for the performance of the Employee's employment duties;
- (f) not compete with the business of the Employer; and
- (g) not disclose to any third party any confidential information of the Employer (which obligation shall apply both during the Employee's employment and indefinitely following termination of employment), unless such disclosure is compelled by a competent court or by the applicable law.

### 11. Employment records

- (1) For each Employee, the Employer shall keep records of the following information
  - (a) a copy of the Employee's Contract of Employment;
  - (b) the Employee's name, date of birth, occupation, telephone number and contact address (both residential and postal);
  - (c) the date on which the employment began;
  - (d) the Employee's Wages (gross and net, where applicable), and the applicable Pay Period;
  - (e) the contractual hours which the Employee has agreed to work;
  - (f) the benefits paid to the Employee by the Employer;
  - (g) each deduction made from the Employee's Wages and the reason for it;
  - (h) the dates of the National Holidays taken by the Employee and the amounts paid by the Employer;
  - (i) the dates of the Vacation Leave taken by the Employee, the amounts paid by the Employer and the Days and amounts owing;
  - (j) sick leave and other special leaves of absence; and
  - (k) the amount of any end-of-service gratuity payment and any other severance payment paid to the Employee on termination of the employment.
- (2) Records prescribed in subsection (1) shall be
  - (a) in English and English language shall have precedence over any other language used in the records;
  - (b) kept at the Employer's principal place of business in the Abu Dhabi Global Market; and
  - (c) retained by the Employer for a minimum of 2 years after the employment terminates.
- (3) Records prescribed in subsection (1) may be retained in electronic format.

### PART 2 : PROTECTION OF WAGES

# 12. Pay Period

- (1) The Employer must pay the Employee a Basic Wage.
- (2) The Pay Period during which the Employee's Basic Wages are paid shall not exceed 1 month and the Basic Wages (and Vacation Pay) must be paid within 7 Days of the end of the relevant Pay Period.

# 13. Payment where the employment is terminated

On termination of employment, an Employer shall pay all Wages and any other amounts owing to an Employee within 14 Days of such sums becoming due.

# 14. No unauthorised deductions

(1) An Employer shall not deduct from an Employee's Wages or accept a payment from an Employee, unless

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- (a) the deduction or payment is required or authorised under legislation that is applicable in the Abu Dhabi Global Market or the Employee's Contract of Employment;
- (b) the Employee has previously agreed in writing to the deduction or payment;
- (c) the deduction or payment is a reimbursement for an overpayment of Wages or expenses; or
- (d) the deduction or payment has been ordered by the Abu Dhabi Global Market Court.
- (2) The Employer may not request or demand or accept any sum from the Employee as reimbursement for costs incurred by the Employer in respect of its obligations pursuant to section 4.

#### 15. 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) 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.
- (3) A payment received by a person in contravention of this section is deemed to be Wages owing or a debt due to the person seeking employment.

#### PART 3 : WORKING TIME AND LEAVE

### 16. Maximum weekly working time and overtime

- (1) Subject to the following subsections, an Employee's working time shall not exceed an average of 48 hours for each 7 Day period.
- (2) Subject to subsection (6), Employees are entitled to overtime compensation in respect of time worked in excess of the Threshold over a Reference Period. Vacation Leave and National Holidays that fall on a normal working day for the Employee during the Reference Period shall not be counted towards the Threshold.
- (3) Calculations in relation to overtime compensation for a partially completed Reference Period shall be done on a pro rata basis.
- (4) Subject to subsection (6), the Employer is obliged to keep time records for Employees who are likely to work hours close to or in excess of the Threshold.
- (5) Overtime compensation is either monetary or by time in lieu, or a combination of both, as decided by the Employer. Monetary overtime compensation is in addition to the Daily Wage and shall be payable at the rate of 25% of the Hourly Rate (or time in lieu as appropriate). For overtime worked between 9:00 p.m. and 4:00 a.m., the overtime compensation rate is 50% of the Hourly Rate (or time in lieu as appropriate). Monetary overtime payments shall be paid no later than 1 month after the expiration of the Reference Period in which they accrued.
- (6) Employees in managerial or supervisory positions, as well as those in positions where it is reasonably expected within that industry internationally that overtime compensation is not payable, are exempted from overtime compensation.

### 17. 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 detrimental to the Employee's health or safety.

# 18. Reduced hours during of Ramadan

During the Holy month of Ramadan, a Muslim Employee who observes the fast shall have his normal working hours reduced by 2 hours each day. There shall be no reduction in compensation as a result.

# 19. Daily rest

An Employee is entitled to a rest period of not less than 11 consecutive hours in each 24 hour period.

# 20. Weekly rest period

Except where otherwise provided by Registrar's rules, an Employee is entitled to an uninterrupted rest period of not less than 24 hours in each 7 Day work period.

### 21. Rest breaks

Where an Employee's daily working time is more than 6 hours, the Employee is entitled to rest and prayer breaks of not less than 1 hour in aggregate. The rest and prayer breaks may be spent away from the Employee's workstation.

#### 22. Vacation Leave

- (1) Subject to section 25, an Employer shall give an Employee a minimum paid Vacation Leave of 20 Business Days per year to be accrued pro rata for Employees who have been employed for at least 90 Days.
- (2) An Employee is entitled to carry forward his accrued but untaken Vacation Leave up to a maximum of 5 Business Days into the next year for a maximum period of 12 months after which the unused leave shall expire.
- (3) An Employer shall allow an Employee who is entitled to a Vacation Leave to take it in periods of 1 or more weeks.
- (4) Vacation Leave is exclusive of National Holidays to which an Employee is entitled.
- (5) An Employee is not entitled to a payment in lieu of Vacation Leave earned except where -
  - (a) the Employee's employment is terminated; or
  - (b) the Employer agrees otherwise.

# 23. 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. In the event that the Employee has taken more Vacation Leave than has accrued at the termination date, the Employee shall repay the Employer the corresponding sum.
- (2) Compensation in lieu of Vacation Leave shall be calculated using the Employee's Daily Wage applicable on the Employee's last Day of employment.

# 24. Dates on which leave is taken

- (1) An Employee electing to take Vacation Leave shall do so by giving at least 7 Days' prior written notice to the Employer specifying the days on which leave is to be taken and subject to any requirement imposed by the Employer under subsection (2).
- (2) The Employer may require an Employee to take Vacation Leave on specified days by giving at least 7 Days' prior written notice to the Employee.

(3) The Employer and Employee may mutually agree on the specified days to be taken as Vacation Leave, in which case the notice requirements in subsections (1) and (2) shall not apply.

# 25. 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 amount deemed to have accrued at that time, less the amount of Vacation Leave already taken during that year, unless the Employer agrees otherwise.
- (2) For the purposes of this section, leave is deemed to accrue over the Employee's first year of employment at the rate of one-twelfth of the amount specified in section 22(1) on the first day of each month of that year.

### 26. Entitlements under other provisions

Subject to sections 33(4), 34(3) and 35(4), where an Employee is entitled to a rest period, rest break, Vacation Leave, Maternity Leave or Paternity Leave under both these Regulations and a Contract of Employment, the Employee may elect to take the more favourable provisions but not both.

### 27. Entitlement to National Holidays

- (1) Every Employee is entitled to the National Holidays that are announced in the UAE for the public sector (if the Employer is a public sector entity) or the private sector (if the Employer is a private sector entity), falling on a Business Day.
- (2) An Employee is entitled to be paid a Daily Wage for National Holidays under subsection (1).
- (3) Leave to which an Employee is entitled under subsection (1) may be replaced by
  - (a) a day in lieu;
  - (b) a payment in lieu; or
  - (c) a pro-rated amount relating to the period of time worked, where each of the Employer and the Employee so agree in writing.

### 28. Special leave

A Muslim Employee, who has completed 1 year or more of continuous employment, shall be entitled, not more than once during the period of employment, to special leave not exceeding 30 Days without pay, to perform the Haj pilgrimage.

# 29. Sick leave

- (1) An Employee is entitled to sick leave not exceeding a maximum of 60 Business Days in aggregate in any 12 month period.
- (2) An Employee who requests leave under this section shall personally, or have someone on the Employee's behalf
  - (a) as soon as reasonably practicable 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, at least once every 7 Days during a period of absence due to sickness, provide a medical opinion that states that the Employee cannot fulfil the duties reasonably expected in the Employee's position.

(3) An Employer who would, apart from subsection (2), be liable to pay sick pay to an Employee, is entitled to withhold the sick pay if the Employee failed to give the notice (and the medical opinion, if required by the Employer) to the Employer as required under subsection (2).

### 30. Sick pay

- (1) Subject to section 29, an Employer shall pay an Employee sick pay based on his Daily Wage as follows: full pay for the first 10 Business Days, half-pay for the next 20 Business Days with the remaining 30 Business Days being unpaid. For the avoidance of doubt, subsection (1) refers to either consecutive or non-consecutive Business Days.
- (2) Subsection (1) shall not apply if the Contract of Employment is for 1 month or less.

#### 31. Termination for excessive sick leave

- (1) Where an Employee takes more than an aggregate of 60 Business Days of sick leave in any 12 month period, the Employer may terminate the employment immediately with written notice to the Employee.
- (2) Subsection (1) does not apply where an Employee takes sick leave on account of a Disability.

# 32. Pro-rata entitlements for part-time Employees

For Employees employed on a part-time basis, the rights of the Employee to take leave under sections 22, 29, 33, 34 and 35 (and the rights of the Employer under section 31 to terminate for excessive sick leave) shall apply but shall be calculated on a pro-rata basis.

### PART 4 : MATERNITY AND PATERNITY RIGHTS

### 33. Maternity Leave

- (1) An Employee shall be entitled to a minimum Maternity Leave entitlement of 65 Business Days.
- (2) An Employee shall be entitled to be paid in accordance with section 34 during the minimum Maternity Leave in subsection (1) if she
  - (a) will have been continuously employed with her Employer for at least 12 months preceding the expected or actual week of childbirth;
  - (b) notifies her Employer in writing that she is pregnant at least 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; and
  - (d) notifies her Employer in writing at least 21 Days before the Day the Employee proposes to begin her Maternity Leave.
- (3) The maternity rights granted under sections 33 and 34 also apply to a female Employee who is adopting a child of less than 3 months old and, in such case, references to childbirth are treated as references to the date of adoption.
- (4) Vacation Leave shall continue to accrue during Maternity Leave and may be taken separately.

# 34. Maternity Pay

- (1) An Employer shall pay Maternity Pay at
  - (a) the Employee's normal Daily Wage for the first 33 Business Days of Maternity Leave; and

- (b) 50 per cent of the Employee's normal Daily Wage for the next 32 Business Days of Maternity Leave.
- (2) An Employee cannot receive compensation in lieu of Maternity Leave.
- (3) Any National Holidays falling on a Business 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.

# 35. Paternity Leave and pay

- (1) An Employee who becomes a father to a newly-born child shall be entitled to a minimum Paternity Leave entitlement of 5 Business Days to be taken within 2 months of the date of birth of the child.
- (2) During the Employee's minimum Paternity Leave, the Employer shall pay paternity pay at the Employee's normal Daily Wage.
- (3) The Employee cannot receive compensation in lieu of Paternity Leave.
- (4) Any National Holidays falling on a Business Day within the Paternity Leave period shall be treated as additional leave thereby having the effect of extending the Paternity Leave by the period of the national holiday.

### 36. Right to return to work

- (1) An Employer shall not, because of an Employee's pregnancy, Maternity Leave or Paternity Leave—
  - (a) terminate the employment; or
  - (b) change the position or condition 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 section 33 to the same role or a suitable alternative on the same terms and conditions, and with same seniority rights she would have had, had she not taken Maternity Leave.
- (3) An Employee has the right to return to work at the end of Paternity Leave granted under section 35 to the same role and with same seniority rights he would have had, had he not taken Paternity Leave.

#### PART 5 : EMPLOYER'S OBLIGATIONS

### 37. 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.

### 38. Health and safety duties

- (1) Without limiting the generality of an Employer's duty under section 37, 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 any rules made by the Board.

#### 39. Ventilation

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

# 40. Temperature in indoor workplaces

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

# 41. Lighting

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

#### 42. Cleanliness

An Employer shall keep its workplace and its furniture, furnishings and fittings clean.

### 43. 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.

# 44. 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.

#### 45. Sanitary conveniences

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

# 46. Drinking water

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

# 47. No penalties for preventing health and safety risks

- (1) An Employer shall not dismiss or otherwise penalise, directly or indirectly, any Employee for
  - (a) carrying out activities that 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.

(2) An Employee is not to be regarded as having been penalised for conduct referred to in subsection (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.

# 48. Work-related injuries

The Employer shall immediately obtain, at the Employer's expense if such expense is not covered by the Employer-provided health insurance, adequate medical assistance for any Employee who suffers an injury as a result of an accident arising out of or in the course of his employment.

# 49. 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, and the Employee can show that such accident arose as a result of the Employer's negligence or actions, the Employer shall pay compensation to the Employee in accordance with any scale of compensation amounts specified for the purposes of this section by the Board in rules made by the Board.

(2) No compensation is payable under this section until such amounts have been so specified.

Where an Employee dies as a result of an accident or illness arising out of or in the course of his employment, and the Employee's estate can show that such accident or illness arose as a result of the Employer's negligence or actions, the Employer shall pay compensation to the Employee's estate equal to no less than 24 months' Wages calculated on the basis of the last monthly wage the Employee was paid before his death.

### 50. Health insurance

An Employer is required to obtain and maintain health insurance cover for its Employees.

# PART 6: TIME OFF WORK

### 51. Right to time off for ante-natal care

- (1) An Employee who -
  - (a) is pregnant; and
  - (b) has, on the advice of a registered medical practitioner, made an appointment to receive ante-natal care, is entitled to take time off during the Employee's working hours in order to keep the appointment.
- (2) The Employer may request the Employee to provide
  - (a) a medical practitioner's certificate confirming the pregnancy; and
  - (b) evidence of appointments for ante-natal care.

### 52. Right to remuneration for time off under section 51

(1) An Employee who is permitted to take time off under section 51 is entitled to be paid for the period of absence at the appropriate Hourly Rate.

(2) The appropriate Hourly Rate is the Daily Wage divided by the number of normal working hours in a Business Day for that Employee under the Contract of Employment in force on the day when the time off is taken.

### PART 7 : EMPLOYEE'S OBLIGATIONS

### 53. General duties of Employees at work

An Employee has a duty, while at work, to take reasonable care of the Employee's own health and safety and that of other persons who may be affected by the Employee's conduct.

#### PART 8: NON-DISCRIMINATION

#### 54. 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) gender;
  - (b) marital status;
  - (c) race;
  - (d) nationality;
  - (e) colour;
  - (f) religion;
  - (g) age; and/or
  - (h) Disability.
- (2) Discrimination for the purposes of subsection (1) means where
  - (a) an Employee is treated less favourably than others would be treated in the same circumstances on one of the prohibited grounds in subsection (1);
  - (b) in respect of the application of the same provision, criterion, or practice, an Employee is put at a disadvantage not faced by others who are not of that gender, marital status, race, nationality, colour, religion or age, or suffering from a Disability as applicable; or
  - (c) on grounds of one of the prohibited grounds in subsection (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.
- (3) For the purposes of subsection (2)(b), a provision, criterion or practice is discriminatory in relation to any of the grounds specified in subsection (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 show it to be a proportionate means of achieving a legitimate aim.

- (4) An Employer may apply a bona-fide occupational requirement to subsections (2)(a) and (b). A bona-fide occupational requirement is a requirement reasonably necessary for the normal performance of a particular role or occupation.
- (5) For the purposes of this section 54, an Employer discriminates against an Employee with a Disability if a physical feature of the workplace or an applicable provision, criterion or practice puts the disabled Employee at a substantial disadvantage in relation to a relevant matter in comparison with persons who are not disabled, and the Employer fails to take such steps as it is reasonable to have to take to avoid the disadvantage.
- (6) For the purposes of this section 54, an Employer shall not be liable for discrimination on grounds of age if it places an Employee (A) at a disadvantage when compared with another Employee of a different age (B), in relation to the provision of any benefits, facilities or services for Employees insofar as that disadvantage is because A has a shorter length of service than B provided that the Employer can show that either
  - (a) A has continuous service with the Employer of 5 years or less; or
  - (b) The Employer reasonably believes that the arrangements for the provision of the relevant benefits, facilities or services fulfil a business need.
- (7) No provision in section 54 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 Disability.

### PART 9 : TERMINATION OF EMPLOYMENT

# 55. Rights of Employer and Employee to minimum notice

- (1) An Employer or an Employee may terminate an Employee's employment in accordance with this section.
- (2) Subject to subsections (4) to (6), the written notice required to be given by an Employer or Employee to terminate an Employee's employment, where the Employee has been continuously employed for 1 month or more, shall not be less than
  - (a) 7 Days if the period of continuous employment is less than 3 months; or
  - (b) 30 Days if the period of continuous employment is 3 months or more.
- (3) Any provision for shorter notice in a Contract of Employment with an Employee who has been continuously employed for 1 month or more has effect subject to the minimums specified in subsection (2), but this section does not prevent either an Employer and Employee from agreeing to a longer period of notice nor shall it prevent either party from waiving notice or from accepting a payment in lieu of notice.
- (4) Subsection (2) does not apply where either the Employer or Employee terminates the employment for cause in accordance with section 56.
- (5) Subsection (2) does not apply where the employment of an Employee has been terminated in accordance with section 31.
- (6) Subsection (2) does not apply where the employment of an Employee is terminated in accordance with section 9(2).

### 56. Termination for cause

- (1) The Employer may terminate an Employee's employment without notice for cause. Termination by the Employer for cause means termination due to the Employee's conduct in circumstances where a reasonable Employer would consider immediate termination to be warranted.
- (2) The Employee may terminate his employment without notice for cause. Termination by the Employee for cause means termination by reason of the Employer having
  - (a) committed a crime, the commission of which has a material and detrimental impact on the Employee;
  - (b) committed a repudiatory breach of a provision of the Contract of Employment; or
  - (c) materially contravened these Regulations, which contravention has a material and detrimental impact on the Employee.
- (3) Termination for cause does not include termination under section 31.

#### 57. Right to written statement of reasons for dismissal

Upon the written request of an Employee who has been continuously employed for a period of not less than 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.

#### 58. Pension for UAE and GCC nationals

Where an Employee is a UAE or GCC National, the Employer shall enrol him in the relevant UAE pension scheme in accordance with applicable legislation and he shall not be eligible to receive an end-of-service gratuity as prescribed in section 59 on termination of employment unless such Employee has the written approval of the applicable pension authority not to participate in the Employee's UAE pension scheme and has provided a copy of that written approval to the Employer prior to the termination of employment.

### 59. End-of-service gratuity

- (1) Subject to subsections (5) and (6), an Employee who completes continuous employment of 1 year or more is entitled to a gratuity payment at the termination of the Employee's employment, whether such termination is implemented by the Employer or the Employee but subject to subsection (4).
- (2) The gratuity payment shall be calculated as follows
  - (a) 21 Days' Basic Wage for each year of the first 5 years of service; and
  - (b) 30 Days' Basic Wage for each additional year of service, provided that the total of the gratuity shall not exceed the Wages of 2 years of service.

The daily rate for the Employee's Basic Wage shall be calculated based on the number of days in the year and by reference to the Basic Wage payable to the Employee as at the date of termination of the Employee's employment. The Employer may deduct from the gratuity any amounts owed to the Employer by the Employee.

- (3) Where the termination occurs prior to the end of any full year of employment, the gratuity payment shall be calculated on a proportionate basis.
- (4) An Employee is not entitled to a gratuity payment where the employment of the Employee has been terminated by the Employer for cause as defined in section 56(1).

- (5) Where an Employer has established a pension scheme for his Employees, he shall provide in writing to the Employees the option to choose between participating in the pension scheme or receiving the end-of-service gratuity payment.
- (6) Where an Employee has received a document under subsection (5), he shall expressly state his choice in writing and submit it to the Employer.

### 60. No other compensation rights on termination

Other than rights under these Regulations and the Employee's Contract of Employment, an Employee shall have no other rights to compensation or payments from the Employer on the termination of the Employee's employment.

### **PART 10: GENERAL**

# 61. Rule-making power of the Board and the Registrar

- (1) The Board may make rules setting out applicable fines and/or appropriate limits of compensation for non-compliance with obligations under these Regulations.
- (2) Subject to subsection (1), the Registrar may make rules for carrying out these Regulations or for the purpose of furthering one or more of the Regulations' objectives.
- (3) Without prejudice to the generality of subsection (2), the Registrar may make rules with respect to the application of these Regulations to Employers.

### 62. Administration of the Regulations

- (1) These Regulations and any rules, made for carrying out the purpose of the Regulations, shall be administered by the Registrar.
- (2) The Registrar shall, where necessary and appropriate, administer by way of rules, any activities related to the provision of services in Abu Dhabi Global Market by natural persons who are not Employees.

# 63. Repatriation Flight

On termination of an Employee's employment, the Employer is required to provide the Employee with a one-way repatriation flight to the Employee's country of origin unless (i) the Employee obtains alternative employment or visa sponsorship in the UAE within 30 Days; or (ii) the Employee has been dismissed for cause in accordance with these Regulations.

#### 64. National and Reserve Service

To the extent to which it does not contradict with the provisions of these Regulations, the provisions of Federal Law No. 6 of 2014 Concerning the National and Reserve Service (as amended from time to time) and its executive regulations, resolutions and directives shall be applicable in Abu Dhabi Global Market.

# 65. Interpretation

In these Regulations, unless the context indicates otherwise, the defined terms listed below shall have the corresponding meanings –

"Business Day" means a normal business day for the Employer as defined in the Contract of Employment;

"Basic Wage" means the Employee's Wage excluding any portion of an Employee's Wage received in kind or as allowance for housing, travel, currency exchange (cashier), children's education, social and entertainment or any other type of allowance, bonus or commission payment, or overtime pay. The Basic Wage shall be calculated taking into consideration the total number of Days in a year;

"Contract of Employment" means the contract of employment provided under section 5;

"Daily Wage" means the compensation received by an Employee as Wages for services performed during a Business Day. The Daily Wage shall be calculated taking into consideration the total number of Business Days in a year;

"Day" means a calendar day, unless expressly stated otherwise;

"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. An impairment has a long-term effect if it has lasted at least 12 months or it is likely to last at least 12 months;

"Employee" means an individual who:

- (a) works or will work in the service of another person under an express or implied Contract of Employment under which the Employer has the right to control the details of work performance;
- (b) holds an Abu Dhabi Global Market work permit; and
- (c) is based within, or ordinarily working within or from the Abu Dhabi Global Market.

"Employer" means any person employing an individual to perform services for remuneration of any kind;

"GCC National" means a person who is a national of a country that is a member of the Cooperation Council for the Arab States of the Gulf;

"Hourly Rate" means the rate under section 52(2);

"Maternity Leave" means the maternity leave entitlement under section 33(1), or such greater period as may be offered by the Employer under a Contract of Employment;

"Maternity Pay" means the pay provided by the Employer in accordance with section 34(1) during the Maternity Leave;

"National Holidays" means the national holidays as provided under section 27(1);

"Paternity Leave" means the paternity leave entitlement under section 35(1), or such greater period as may be offered by the Employer under a Contract of Employment;

"Pay Period" means -

- (a) the hourly, daily, weekly or monthly period, where Employees are paid by the hour, day, week or month; or
- (b) if an Employee is paid on a flat rate, piece rate, commission or other incentive basis, the Employee's applicable Pay Period;

"Reference Period" means a period up to 4 months for assessing overtime in accordance with sections 16(2) and 16(3);

"Threshold" means 832 hours over a Reference Period of 4 months, pro-rated for shortened Reference Periods;

"UAE" means the United Arab Emirates;

"Vacation Leave" means the vacation leave entitlement provided by the Employer in accordance with section 22(1), or such greater period as may be offered by the Employer under the Contract of Employment;

"Vacation Pay" means the Daily Wage payable during the Vacation Leave; and

"Wages" means all payments made to an Employee in return for work done or services provided under the Contract of Employment.

# 66. Short title, extent and commencement

- (1) These Regulations may be cited as the Employment Regulations 2019.
- (2) These Regulations apply to
  - (a) an Employer which is,
    - (i) or was, a licensed person (as defined in the Commercial Licensing Regulations 2015); or
    - (ii) the Abu Dhabi Global Market as governed by the ADGM Founding Law; and
  - (b) an Employee.
- (3) With the exception of section 61, these Regulations shall come into force on 1 January 2020. Section 61 of these Regulations shall come into force on the date of publication of the Regulations. The Board may by rules make any transitional, transitory, consequential, saving, incidental or supplementary provision in relation to the commencement of these Regulations as the Board thinks fit.
- (4) The Employment Regulations 2015 and the Employment (Amendment) Regulations 2015 are repealed.