

Sultan Bin Mohamed Al Qasimi
Supreme Council Member
Ruler Of Sharjah



سُلطان بن محمد القاسمي
عضو المجلس الأعلى للإتحاد
حاكم الشارقة

AMIRI DECREE NO. (٤٥) OF 2017

ON THE HUMAN RESOURCE DECREE,

We, Sultan Bin Mohamed Al Qasimi, Ruler of the Emirate of Sharjah,

Pursuant to the perusal of:

Federal Law No. 8 of the year 1980-Labour Law (as amended),

Law No. 2 of the year 1999 on the Establishment the Executive Council of the Emirate of Sharjah,

Law No.3 of the year 1998 on the Establishment and Organization of the American University of Sharjah, it's By-Laws and Amendments thereto,

Amiri Decree No. (95) for the year 2015 on Establishment of the American University of Sharjah Enterprise L.L.C,

Amiri Decree No. (38) for the year 2016 on Establishment of Research, Technology and Innovation Park “ Free Zone Authority” and Amendments thereto ,

And for the public interest purposes,

Hereby issued the following decree:

And as required for the public interest,

Have issued the following decree:

PART I

GENERAL PROVISION

1. DEFINITIONS

In application of the provisions of this Decree, the following terms and expressions shall have the meaning assigned against each, unless the context requires otherwise:

The State: United Arab Emirates.

The Emirate: The Emirates of Sharjah.

The Ruler: The Ruler of the Emirate.

Authority: Designated legal authority appointed by the Ruler by Amiri Decree No.95 of 2015 establishing AUS Enterprise LLC and person to whom the powers are lawfully delegated by such Authority.

SRTI Park Free Zone: Sharjah Research, Technology and Innovation Park Free Zone, established pursuant to Decree passed by the Ruler.

AED: The lawful currency of the State.

Decree: Decree passed by the Ruler.

Regulation: Regulation passed by the Ruler pursuant to this Decree.

Employer: Any person or any company or any other legal entity hiring and employing an individual to perform services for remuneration agreed between them.

Employee: An individual:

Who works on a contract of employment with any organization in the RTI Park Free Zone; or

Who undertakes to do or perform any work or services for an Employer on a permanent basis, and under an employer's management and control, in return for wages paid;

Or a past Employee of any organization with RTI Park Free Zone whose employment has been brought to an end by resignation or termination.

Part Time Employee: any person who is appointed as a part time Employee of any organization within the RTI park Free Zone in accordance with the Decree or any Regulation governing Part Time Employee.

Employment Contract: An agreement, whether for a limited or an unlimited duration concluded between an Employer and an Employee, whereby the latter undertakes to Work for the Employer, under his/her management and control, in return for remuneration.

Work: Any human effort, intellectual, technical or physical exerted by an Employee for a Wage, irrespective of whether such Work is permanent or of temporary nature.

Wages: It includes all payments made to an Employee by the Employer in return for Work done or services provided by the Employee under a Employment Contract.

Disability: The inability to perform all or part of one's employment duties by reason of any accident or illness that is permanent or temporary in nature.

Personnel Secondment Agreement: An agreement to be entered between the Employer and RTI Park Free Zone when the Employer is hiring any Employee under the sponsorship of the RTI Park Free Zone.

Basic Wages: The wages specified in a valid employment contract, exclusive of any allowance whatsoever.

Day: A period of twenty-four (24) hours beginning from midnight.

Complaint: Any complaint, made in writing by any person, to the Authority, being aggrieved by any breach committed under the Decree.

Complainant: Person who files a Complaint to the Authority, as enunciated under the Decree.

Project: Any specific Work undertaken by any organization within the RTI Park Free Zone involving any scientific, research and development or other assignments that contributes to the purpose of RTI Park Free Zone.

School: American University of Sharjah and any other learning institution which is recognized, under the relevant decree or legislation.

Student: Any person of 17 years of age or above, who have enrolled for any Certificate Course, any Foundation Course, Under-Graduate Diploma, Post-Graduate Diploma, any Courses on Part Time Basis, Under Graduate, Post graduate or Doctorate Courses in any particular field of study for a period not less than one year.

Termination: In relation to an Employee whose Employment Contract is terminated by notice, whether given by his/her Employer or by the Employee, means the date on which the notice expires;

In relation to an Employee whose Employment contract is terminated without notice, means the date on which the termination takes effect; and

In relation to an Employee who is employed under a contract for a fixed term, where such contract expires without having been renewed on the same date on which the term of his/her contract expires.

PART-II

2. OBJECTIVES

The objectives of this Decree is:

- (a) To ensure that Employees working in the RTI Park Free Zone Companies enjoy the working condition comparable with international standard;
- (b) To enhance innovation the flow of resources around research and development activities;
- (c) To implement fair and efficient procedures for resolving disputes between the Employer and Employee;
- (d) To foster good employment practices that will contribute to the growth and prosperity of the RTI Park Free Zone.

3. POWER AND FUNCTION OF THE AUTHORITY

- 3.1 The Authority has the power to do or cause to be done whatever it deems necessary or desirable, in connection with, or is reasonably incidental to or necessary for the performance of its functions pursuant to;
- (a) Decree
 - (b) Regulation
 - (c) Other law or Decree made or passed by the Ruler from time to time.
 - (d) Exercise of any residuary powers vested upon the Authority to make any provisions necessary for the effective management and/or implementation of the Decree.
 - (e) Requirement for prescribing any forms to be used for any of the purpose contemplated under this Decree or any legislation.
 - (f) Any administrative order from the chief executive officer of the RTI Park Free Zone.
- 3.2 The requirement for taking any steps necessary for the Companies to conform to any of the compliance and regulations.
- 3.3 The requirement for initiating any action for the implementation of any Decree passed by the Ruler.
- 3.4 Taking any required action against any Company, association or any other entity violating any law or Decree passed by the Ruler.
- 3.5 Maintaining the register of Companies including the register of Shareholders.

- 3.6 Taking any measure to issue, suspend, revoke or cancel any License issued by the Authority to any License Holder.
- 3.7 Need to give directions to any Company, Branch, or Entity to produce its records, Electronic Documents as may be required.
- 3.8 Issuing any guidelines from time to time, as may be required, for regulatory and implementation purposes.
- 3.9 Appointing, discharging and/or suspending any officer appointed in its office.
- 3.10 Executing any acts as may be authorized or required by any law or Decree.
- 3.11 Making endeavor to take all such broader steps as are necessary and/or expedient to serve the objectives of the RTI Park Free Zone, any Company, University, research body or institution within the RTI Park Free Zone, for the purpose of conforming to the laws or regulation outside RTI Park Free Zone.
- 3.12 Any decision for executing any Memorandum of Understanding with any other free zones or other authorities

4. HIRING OF EMPLOYEES

- 4.1 Any Employer is permitted to hire any person as its Employee under the sponsorship of this RTI Park Free Zone after complying the following conditions:

- (a) Employer shall enter into a Personnel Secondment Agreement with RTI Park Free Zone, in the form prescribed by the Authority.
 - (b) Ensure that the Employee hired have the requisite professional skill, qualification and work experience prescribed by the Authority.
 - (c) The Employer shall Submit all relevant documents of the Employee hired to the Authority for obtaining its approval.
- 4.2 The Authority shall have sole and absolute discretion to approve or reject the sponsorship of the Employee. The decision of the Authority, in this regard shall be final.
- 4.3 Subject to Federal Laws pertaining to Employment in the State, an Employee sponsored by the RTI Park Free Zone is only permitted to work within the RTI Park Free Zone and he/she shall be allowed to work outside the RTI Park Free Zone, only after obtaining a prior approval from the Authority.
- 4.4 Pursuant to the terms and conditions of the Personal Secondment Agreement, Employer shall submit bank guarantee with Authority or any government office, in a standard form approved by the Authority in respect of the obligations of the Employer to each anticipated non UAE national employee, and Non Gulf Co-operation Council (GCC) Employee, to be sponsored by the RTI Park Free Zone on behalf of the Employer.

- 4.5 The Authority shall fix the amount of bank guarantee and shall have the right to waive the requirement of bank guarantee on a case-by-case basis.

5. NO FALSE REPRESENTATION

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 or nature of work;
- (c) The Wages; or
- (d) The conditions of employment.

6. HIRING OF JUVENILE

A person or a Employer shall not employ a child who is under the age of fifteen (15).

7. HIRING OF STUDENTS

Subject to prior approval of the Authority, the Employer is permitted to hire any Students in UAE.

8. PAYROLL RECORD

8.1 For each Employee, an Employer shall keep records of the following information:

- (a) The Employee's name, date of birth, occupation, telephone number, nationality and residential address;
- (b) The date of commencement of the employment;
- (c) The Employee's Wage rate, whether paid on an hourly basis or any other basis, commission or other incentives;
- (d) The hours worked by the Employee on each day, regardless of whether the Employee is paid on an hourly or other basis;
- (e) The benefits paid to the Employee by the Employer;
- (f) The Employee's gross and net Wages for each pay period;
- (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 annual vacation taken by the Employee, the amounts paid by the Employer and the days and amounts owing;

- (j) The record of sick leave and other special leaves of absence taken by the Employee.

8.2 Payroll records shall be:

- (a) In Arabic or English or any other language approved in writing by the Authority;
- (b) It shall be maintained at the Employer's principal place of business in the RTI Park Free Zone;
- (c) The Employer shall retain it for a minimum of two (2) years after the employment termination;
- (d) The above record can be maintained electronically or by other means acceptable to the Authority.

PART- III

9. EMPLOYMENT CONTRACT WAGES

- 9.1 The Employment contract shall be written in duplicate. One copy shall be handed over to the Employee and the other to the Employer.
- 9.2 An Employment Contract may be for a limited or unlimited term. A limited contract shall not exceed four years.

- 9.3 The Employee may be employed on a probation for a period not exceeding six months, during which the Employer have the right to terminate the Employee without notice or severance pay.
- 9.4 The Employee shall be kept under probation for a period not exceeding six months.
- 9.5 If an Employee continues his/her service with the Employer after completing the period of probation, the said period shall be calculated as a part of his/her period of service.
- 9.6 The Employment Contract entered into between an Employer and an Employee shall particularly include the following details;
- (a) State the date of commencement of work;
 - (b) Date of conclusion (if it is limited);
 - (c) The nature of work involved;
 - (d) The place of work.
 - (e) The details concerning Wages
 - (f) Other terms and conditions of employment as may be relevant

10. WAGES

- 10.1 The Wages shall be paid in legal tender or such other mode as may be prescribed by the Authority, on a working day, at the place of Work, and in the official national currency.

- 10.2 The Employees employed on a yearly or monthly Wage basis shall be paid at least once a month; all other Employees shall be paid at least once in every two weeks.
- 10.3 An Employer shall pay Wages owing to an Employee within seven (7) days after the Employer or Employee terminates the employment.
- 10.4 Evidence of payment of Wages shall be in the form of a document.
- 10.5 No unauthorized deduction shall be made from an Employee's Wages or accept payment from an Employee, unless it is towards:
- (a) Repayment of any loans, or money advance paid to the Employee;
 - (b) The Employee has previously agreed in writing to the deduction of payment;
 - (c) Fines imposed upon the Employee for any offence committed by him/her affecting the interest of the Employer.
 - (d) Any deduction or payment ordered by the Authority, any authorized governmental body or by the office of the Director of Human Resources or by a Court of Law.
 - (e) If Employee, either through his/her own fault or as a result of violating the Employer's instruction, causes a loss, damage or destruction to any tool, machine, product or material that are owned by or in the custody of the Employer.

- 10.6 The Employer, upon written consent from the Employee, may transfer to the Employee Wages of a monthly paid Employee on a daily, weekly or an hourly basis.
- 10.7 Towards any payment due from the Employer to the Employee, the Employee shall have a right to claim over the movable or immovable property of the Employer to the extent of satisfying his/her unpaid wages.

PART- IV

11. WORKING HOURS AND LEAVES

- 11.1 Working hours for an adult Employee shall be eight hours a day or 48 hours a week.
- 11.2 A Student hired as an Employee can only be made to work up to a maximum of 20 hours unless the Authority determine otherwise.
- 11.3 During the holy month of Ramadan, an Employee who observes fasting shall not be required to work more than six (6) hours a day. There shall be no deduction on Wages for such employee.
- 11.4 The Employee who observes fasting during the month of Ramadan shall also be entitled to due rest and break as mentioned in Article 11.7.

- 11.5 An Employee is entitled for a rest break of not less than One hour a day.
- 11.6 An Employee is entitled to an uninterrupted rest period of not less than twenty-four (24) hours in each seven (7) Day Work period.
- 11.7 Every Employee hired shall be entitled to a break of not less than one (1) hour, inclusive of both rest and prayer, in aggregate. The rest and prayer break allowed may be spent away from the Employee's work-station.

12. LEAVES

- 12.1 Every Employee is entitled for leave on national holidays or any other government holidays that are declared in the State.
- 12.2 Any leave entitled as per preceding Article, shall not disentitle an Employee of any pay agreed to be paid as expressly included in the Employment Contract.
- 12.3 Employee who applies for sick leave must notify to his/her Employer in writing and provide medical certificate from any medical practitioner that proves the reason for Employees sickness, if requested by the Employer.
- 12.4 Subject to Article 12.5, Employer shall pay an Employee the sick pay and the same shall be applicable to Employee hired on a permanent

or contractual basis, who has completed the probation period and a further three (3) months in the continuance of his/her service.

- 12.5 The Employee shall be entitled for sick leave not exceeding 90 days, successive or otherwise, for each year of service, subject to the following;
- (a) The first 15 days, with full pay;
 - (b) The next 30 calendar days, with half pay; and
 - (c) Any subsequent period, without pay.
- 12.6 The Employee shall be entitled, not more than once during the period of employment, to special leave not exceeding thirty (30) days without pay, to perform hajj pilgrimage.
- 12.7 The Employee shall, for each year of service, be entitled to an annual leave of not less than
- (a) Two days a month, where the Employee's period of service is more than six months but less than one year.
 - (b) 30 days a year, where Employee's period of service is more than one year.
- 12.8 If an Employee's employment with the organization stand terminated, the Employer shall pay the Employee an amount in lieu of vacation day accrued to him/her, but not taken. In any event if the Employee has taken more leaves than permissible by this Decree, prior to

his/her termination, the Employee shall be bound to repay the Employer the corresponding sum.

- 12.9 Subject to Article 12.10, the Employee may elect to take vacation leave by giving one month written notice to the Employer specifying the days on which leave is to be taken, provided, however that the Employer may grant or refuse to grant such leave at any particular time to meet with the exigencies of its business
- 12.10 The Employee may request and fix the date of commencement of annual leave and, if necessary, divide such leave into not more than two periods.
- 12.11 Holidays stipulated by Decree, Employment Contract or sick leave may fall within annual leave, however no separate leave shall be given to compensate the same.

PART V

13. MATERNITY BENEFITS

- 13.1 Female Employee shall be entitled to a minimum maternity leave period with full pay of forty-five days, if she has completed at least 12 months of service with her Employer.
- 13.2 Employee who has exhausted her maternity leave may be absent from work without pay for a maximum period of 100 consecutive or non-consecutive days, if such absence is due to any illness

preventing her from resuming her work. A medical certificate issued by a duly authorized medical institution or authenticated by the competent health authority confirming that the illness is a result of pregnancy or delivery will be sufficient for her to be entitled to qualify for the leave.

14. HEALTH AND SAFETY

The Employer shall have obligations towards the Employee with respect to health and safety which include:

- (a) Protecting Employees against any occupational hazard or injury or disease.
- (b) Maintaining work place free from any mental or physical harassment, assuring that the workplace is safe and is devoid of any incident that can cause threat to an Employee's physical or mental health.
- (c) Provide information, instruction, training and supervision to Employees in English, Arabic or if necessary any other language understood by the Employees, to ensure their health and safety at work.
- (d) Provide all arrangements for ensuring safety and absence of risks in connection with the use, handling of articles and substances used in storage or at the work station.

- (e) Ensure that the office is clean and ventilated and shall provide adequate lighting, drinking water, toilets and any other amenities, as deemed necessary.
- (f) Provide medical care and health protection measures in accordance with this Decree.
- (g) Ensure that any person hired for rendering service to the Employer is not under the influence of alcohol or any other additives during the working hours, that may affect the course of work or may cause nuisance to other working people hired.
- (h) To mandatorily provide insurance cover on health and disability for Employees.

PART VI

15. COMPLAINTS, INVESTIGATION AND DETERMINATION

- 15.1 An Employer, Employee, former Employee or any other person may complain to the Authority that a person has committed an act in contravention to the Decree.
- 15.2 Upon receipt of the Complaint, the Authority shall conduct an investigation to ensure compliance with this Decree.
- 15.3 The Authority may entertain the complaint by exercising the following power:

- (a) Enter the business premises of such Employer during normal business hours for the purpose of inspecting and copying information or documents stored in any form on such premise.
- (b) Require such person to give, produce, procure the giving of, specified information in such form as the Authority may reasonably require.
- (c) Summon any person to attend before the Authority on a specified date, time and place to answer questions.
- (d) Seek assistance of any person who is able to provide it in relation to the investigation.
- (e) To initiate disciplinary action.
- (f) To pass any order with regard to Complaint.
- (g) The Authority shall reject the Complaint if it is false or frivolous in nature and is devoid of truth on a bare perusal of the Complaint or after conducting an investigation or inquiry it is satisfied that:
 - (i) The Complaint is contrary to any provisions of the Decree.
 - (ii) There is lack of evidence to prove the Complaint.
 - (iii) The Complaint has obtained the result from any other competent court in UAE or outside UAE.

15.4 The Authority summoning any person shall give reasonable opportunity to hear his/her matter.

15.5 The person who has been summoned by the Authority can appear themselves or through his/ her appointed legal practitioner.

PART VII

16. TERMINATION OF PERMANENT EMPLOYMENT

16.1 The Employer has absolute right to terminate the Employee on the following grounds:

- (a) The service of the Employee is engaged on probation and is dismissed at the end of probationary period.
- (b) The Employee appointed has willfully disobeyed any of the safety instruction mandated by Decree or any other relevant law, Regulation or the safety instruction issued by the Authority.
- (c) If the Employee fails to discharge his/her duties duly as required or if he/she fails to redress any material defects or damages caused at the Employers work place.
- (d) If he/she reveals any confidential business secret or other information to a third party.

- (e) The Employee has been convicted of any criminal offence or any other charges by a competent Court of Law.
- (f) If the Employee physically or verbally assaults his/her Employer, manager or any other officer appointed or hired by the Employer or his/her colleagues.
- (g) If he/she takes leave from his/her job beyond the allotted period without sufficient reasons for more than 20 non-successive working days in one single year.
- (h) The Employee appointed is suffering from any partial disability or from any permanent disability that restrains him/her from discharging his/her duties efficiently and in a timely manner.
- (i) The Employer also has the right to terminate his/her Employee for any valid reason..

16.2 The right of the Employer and the Employee to be served with minimum notice period:

- (a) Either the Employer or the Employee intending to terminate the service shall provide a notice to the other as stated below.
- (b) The notice served shall not be less than:
 - (i) One week if the period of employment is less than three months;
 - (ii) One month, if the period of employment is three months or more but less than five years;

(iii) Three months if the duration of employment is five years or more.

- 16.3 Both the Employer and the Employee are free to agree upon a shorter or a longer period of notice at the time of appointing the Employee, which shall, if agreed, be included in the Employment Contract.
- 16.4 If either the Employer or the Employee fails to serve the notice of termination mentioned in Article 16.2 and is arbitrarily dismissed then the forbearing party will be entitled to “compensation in lieu of notice”, irrespective of the fact whether the other party has sustained any loss due to non-compliance with Article 16, even if the dismissal is in accordance with the Decree.
- 16.5 The “compensation in lieu of notice” shall be equal to the Wages entitled to in respect of the entire or the reduced notice period and also same shall only be calculated after taking into consideration the Wages agreed to be paid on an hourly, daily, weekly or monthly basis.
- 16.6 The Employer is entitled to terminate an Employee without notice and with immediate effect only under the following circumstances:
- (a) If the Employee submits a false identity or nationality or any forged certificates and other documents requisite for the purpose of employment at the time of hiring.

- (b) If the Employee hired has committed a serious breach that has incurred substantial loss or damage to the company.
 - (c) The Employee appointed has committed any offence involving his/her honesty, integrity or an act involving moral turpitude.
 - (d) The Employee is found to be under the influence of drug or is drunk or any other addictive influence preventing him/her from properly discharging duties during working hours.
- 16.7 The Employee is also entitled to terminate his/her service to the Employer without notice under the following circumstances:
- (a) If the Employer fails to honor any of the obligations under the Employment Contract;
 - (b) If the Employer has not duly remitted the Wages and other agreed benefits into Employees account for three consecutive months;
 - (c) If the Employee is assaulted by the Employer or by any representative appointed by the Employer either physically or verbally or by any other means.
- 16.8 The Employer shall provide a detailed reason for dismissal if he/she was employed for a period not less than one year. If the Employer defaults to provide the same then the Employee have the right to obtain a detailed statement as to the reason for his/her dismissal by giving a written request to the Employer. Upon receipt of such a request the Employer shall give a detailed statement as to the same within 7 days from the date of receipt of the request.

17. TERMINATION OF EMPLOYMENT BY CONTRACT

17.1 Where an Employer has hired an Employee's service on the basis of Employment Contract, such an Employee can only be terminated on following grounds:

- (a) On the basis of a mutual agreement, provided that the Employee has given a written consent at the time of hiring the Employee.
- (b) Upon expiry of the term agreed between the parties mentioned within the contract, which may be extended on the basis of any express provision included in the Employment Contract.
- (c) If any of the party to the Employment Contract has failed to honor its obligation duly on time.
- (d) If it is proved beyond doubt that either of the parties have willfully misrepresented or has committed fraud at the time of entering into contract, in order to induce the other party to enter into contract.
- (e) The Employment Contract shall also stand terminated if the Employee is suffering from a partial disability or any other serious disability refraining him/her from discharging his/her duties which will only be considered established by a medical certificate approved by the Authority.

- (f) The Employment Contract shall also stand terminated if either party to the contract has died without assigning his/her rights or duties to any legal representative appointed by him/her.
- 17.2 Subject to the preceding Article, the notice of termination shall be served on the Employee if the Employer intends to terminate under Employment Contract.
- 17.3 If the Employer terminates an Employee on any grounds other than the grounds specified under Article. 17.1 or without duly serving notice of termination upon him/her under the Decree, then the Employer shall be held liable to compensate the Employee taking into consideration the Wages he/she is entitled for the rest of the contractual period if the contract was still in effect.
- 17.4 If the Employee fails to provide his/her service to the Employer without any sufficient grounds or terminates the service without serving the notice on the Employer then the Employee is liable under Decree to duly compensate the Employer taking into consideration the loss incurred by him/her which may include the expenditure incurred on hiring the Employee and training him/her for any period of time, as applicable.

18. ARBITRARY TERMINATION

- 18.1 The termination of an Employee shall be considered arbitrary if the termination is based on any irrelevant grounds or arising from any

reason involving any complaint filed by the Employee against the Employer before any competent authority on any related matter.

- 18.2 If an Employee is arbitrarily dismissed without sufficient grounds, then upon a legal action initiated before the Authority by the Employee, the Authority can direct the Employer to pay the Employee the compensation, after duly considering the nature of work allotted to the Employee, the extent of damage the Employee would have suffered and also his/her period of service with the said Employer.

PROVIDED no such compensation claimed shall exceed the basic Wages of the Employee for three months, calculated on the basis of his/her last month's Wage.

- 18.3 Any arbitrary termination made by the Employer shall not prejudice the right of the Employee to claim any gratuity and other benefits available to the Employee under Article 20 of this Decree.

19. GENERAL PROVISIONS OF TERMINATION

- 19.1 The Employer shall provide the Employee with a service certificate at the end of his/her term of employment, issued free of charge by specifying any service provided by the said Employee and shall also specify his/her tenure of employment.
- 19.2 The Employer shall also return any of the certificates or other documents of the Employee which was kept under the custody of the Employer and if the Employer fails to return any such certificate or document the Employee is entitled to approach the Authority for

seeking direction from them to direct the Employer to release the same.

- 19.3 If the Employee terminated is well acquainted with any of the Employers client or is one having due access or knowledge about any confidential details pertaining to the Employers business, then the Employer may request the Employee to give an undertaking to the effect that he/she shall not make benefit of any such business relations or other business secrets even after the termination of service.
- 19.4 An expatriate Employee, who abandons his/her Work without providing requisite notice or abandons Work prior to the expiry of notice period or without any sufficient grounds prescribed by law before the expiry of his/her term, on a limited term contract, is not entitled under Decree to take up any other employment within the RTI Park Free Zone or outside without obtaining prior consent from the Employer, until the lapse of one year from the date on which he/she abandons work.
- 19.5 When the Employment Contract expires the Employer shall bear the cost of repatriation to the point of his/her hire or to any other terms mutually agreed between them, but if in any case the Employer fails to meet the expense of repatriation of the Employee, then the Employee is entitled under Decree to approach the Authority to address the same, whereby the Authority may pay the cost of repatriation.

PROVIDED the Employee joins another Employer and joins locally without exiting from UAE, the Employer need not pay the cost of repatriation.

20. END OF SERVICE GRATUITY

- 20.1 The Employee who has completed one year of continuous service shall be entitled to gratuity on the end of his/her service.
- 20.2 The gratuity payment shall be calculated as follows:
- (a) 21 days Wages for each year of the first 5 years of service.
 - (b) 30 days of Wages for each additional year after the first 5 years of completed service
- PROVIDED the gratuity calculated shall not exceed the Wages for 2 years.
- (c) If the termination occurs before the expiry of any full employment year, then the gratuity shall be calculated in proportion. ,
- 20.3 The Employee's Wage received in-kind or as allowance for any other purpose or overtime pay during the course of employment shall not be taken into consideration for calculating the gratuity. The Employer is entitled to deduct any amount from gratuity, towards settlement of any amount owed by the Employee to the Employer towards any loan taken by the Employee.
- 20.4 If an Employee who is employed on an indefinite term contract resigned from his service with the Employer after working with the same Employer for a minimum period of one year and not less, and not more

than 3 years, he/ she shall be eligible for 1/3rd of 21day's Basic Wage for the number of years, (or prorata thereof as calculated for any portion of the year) he/she served the Employer, as his/her end of service gratuity. The Employee mentioned in this Article shall be eligible for 2/3rd of the 21 day's Basic Wages, if his/ her continuous service exceeds more than 3 years but less than 5 years (or prorata thereof as calculated for any portion of the year) and if his/her continuous service with the Employer exceeds more than 5 years, he shall for the first 5 years, (or prorata thereof as calculated for any portion of the year) be eligible for 21 day's Basic Wage for every year of service completed by him/her and shall be eligible for 30 day's Basic Wage for every subsequent years worked (or prorata thereof as calculated for any portion of the year) following the completion of first five years.

- 20.5 An Employee shall not be entitled to any gratuity or other benefits if terminated on the grounds stated in Article. 16.6.
- 20.6 If an Employee under a definite term contract abandons Work before the expiry of the contractual period, he/she shall not be entitled to end of the service gratuity except in such cases where the period of service exceeds 5 years.
- 20.7 The Employee is even liable to forfeit his/her end of service gratuity only under the following circumstances:

- (a) If the Employee himself/herself terminates to provide his/her service in order to prevent the Employer from dismissing him/her in accordance to the provisions of the articles.
- (b) If the Employee himself/herself terminates to provide his/her service to the Employer without duly complying with the procedure prescribed for termination by Employee.

20.8 Any Employee denied of the end of service gratuity without any valid grounds shall be entitled under the Decree to approach the Authority by filing a Complaint seeking direction from the Authority to make the payment of gratuity to the Employee or can even approach the appropriate court of law on same grounds.

20.9 Consistent with the UAE Federal Pensions and Social Security Law No.7 of 1999 (as amended), applicable to UAE National, If the Employer who appoints the Employee has got special pension schemes, insurance, retirement plans or other similar schemes, then the Employee may opt for any of the benefits provided by the Employer by giving his/her consent in writing whichever is beneficial to him/her.

PART VIII

21. DIRECTOR OF HUMAN RESOURCES

- 21.1 The Authority shall appoint any of its employee as the Director of Human Resources.
- 21.2 The director so appointed, with the approval of the Authority, shall be responsible for the administration and implementation of the Decree and he/she is also entitled under Decree to appoint any person, as he/she may deem fit, to assist and aid him/her in discharging his/her duties.
- 21.3 The Director of Human Resources may delegate his/her powers to any person to discharge the duties and responsibilities imposed or conferred on him/her under Decree but only by a written authority.

22. POWER OF THE DIRECTOR OF HUMAN RESOURCES

The Director of Human Resources has such powers conferred or imposed on him/her under Decree and any regulations made by the Authorities and shall also exercise such powers with an aim to meet the objective of effectuating any regulation passed for the benefit of both the Employer and Employee.

23. REGULATIONS

The Director of Human Resources, with the approval of the Authority shall have the powers to make regulations from time to time in order to effectuate administration of any regulation pursuant to Human Resource Management specially on the following aspect:

- (a) On publication of information concerning the application and interpretation of the regulations.
- (b) The procedure for initiating and filing of Complaints.
- (c) The procedure for filing appeal and review on decision passed by the Authority on a specific matter.
- (d) The compensation payable in cases of occupational disease, employment deaths and employment accidents.
- (e) To impose fines and penalties prescribed by Decree from the Ruler, payable in case of non-compliance of regulation.
- (f) Health and safety measures to be complied with.
- (g) Minimum health insurance requirements to be complied with by the Employer and Employee.
- (h) Termination of the certificate of Incorporation, or
- (i) Imposition of a fine prescribed by the Decree passed by the Ruler regulating fines and or any other administrative measures.

24. LEGAL IMMUNITY OF THE DIRECTOR OF HUMAN RESOURCES AND OTHERS

- 24.1 Neither the Director of Human Resources nor any officer, Employee, delegate or any other personnel appointed to discharge the duties delegated to them by the Director of Human Resources shall be held liable for any act or omission done in execution of the powers, duties and functions cast upon him/her.
- 24.2 The preceding article shall not apply if it proved beyond doubt that the said act was committed with a malafide intention.

PART IX

25. COMPENSATION FOR OCCUPATIONAL INJURIES

- 25.1 If any Employee is affected by any Work related injury or is suffering from any occupational disease on a temporary or permanent basis then the Employer shall report the matter with the local police and to the office of the Director of Human Resources.
- (a) The report shall include the name of the Employee, age, registered office address of the Employer and a brief statement as to the circumstances that lead to the accident, and the medical aid and assistance provided immediately after the occurrence of the same.

(b) Upon receipt of the report specified in the preceding provision the police shall conduct necessary investigation and prepare a detailed investigation report by including the testimonies given by any person who have witnessed the occurrence of accident at the occupational site, the Employer or any of his/her representative and also of the injured person (only if health condition permits), and it shall particularly include the details pertaining to any non-compliance to health and safety measures prescribed by Decree.

25.2 On completion of the investigation, the police shall forward copy of such report to the office of the Director of Human Resources and also to the Employer.

25.2 If upon investigation it is proved beyond doubt that the Employee has sustained injuries due to any non-compliance of the safety guidelines prescribed by Decree and regulation or it has occurred during the course of Work due to any Work related activity then the Employer shall bear the cost of all treatment in any government or private hospital or any local medical center. The Employer shall bear the cost of all treatment that includes

- (a) The costs of admission to any hospital or medical centers.
- (b) Surgical operations, if any.
- (c) Any test or medical diagnosis done.
- (d) Purchase of any medicines.

- (e) Purchase and maintenance of any rehabilitating equipment
- (f) The supply of any artificial limbs or other prosthetic appliances for an Employee who is temporarily or permanently disabled.

- 25.3 If the injury occurred during the course of Work or has caused any temporary or permanent disability due to his/her Work, the Employer shall be bound by regulation to pay him/her a cash allowance equivalent to his/her full Basic Wages during the period of treatment or for a period of 6 months from the date of occurrence of accident or disease, whichever is shorter.
- 25.4 The cash allowance specified in the preceding article shall be calculated on the basis of the Basic Wages after taking into consideration the last Wage paid on monthly, weekly, daily or hourly basis.
- 25.5 Upon completion of the treatment the medical practitioner or the attending physician shall prepare a detailed report which shall specify the nature and cause of Employee's injury, the period of treatment, whether the accident occurred has caused any temporary or permanent disability, the nature of disability, the advised period of rest and other activities to be done for regaining physical or mental fitness and also the extent to which the disabled Employee may be able to contribute for the purpose for which Employee is hired after taking into consideration the current health condition and disabilities of any nature, if any.

- 25.6 In case of any dispute with regards to the preceding Article, Employee is also entitled to approach the office of the Director of Human Resources to address grievance and the Director of Human Resource may duly pass a decision after hearing both the parties to dispute on the matter within 30 days from the date of hearing.
- 25.7 If any Employee faces death as a result of any Work related injury, accident or due to any disease caused to him/her that is temporary or permanent in nature, then his/her legal heirs or legal representatives shall be entitled by regulation to avail due compensation equivalent to his/her Basic Wages for another 1 whole year. The amount calculated as compensation shall be neither less than eighteen thousand (AED 18,000) nor more than Thirty Five Thousand (AED 35,000).
- 25.8 The amounts mentioned in this Decree may be revised by the Authority whenever it deems appropriate.
- 25.9 The compensation payable to legal heirs or the legal representatives of a deceased employee shall be determined on the basis of the last Wage received by the Employee and the compensation payable shall be distributed in accordance to the provisions of law specified under Article 149 of the Federal Labour Law of UAE.
- 25.10 The Director of Human Resources may also pass regulations from time to time with regard to the payment of compensation under any of the circumstances as specified in all the preceding articles in cases of accident during the course of Work or any disability of temporary or permanent nature.

25.11 The Employer however shall not be held liable to pay any such compensation under any circumstances if proved upon investigation or inquiries by the Authorities that the Employee has committed such an act by willfully disobeying any safety guidelines to be followed by the Employee or has acted with a malicious intention to obtain any benefits including leave or compensation or if he/she was under the influence of any narcotic drugs or other additives during the course of Work.

26. DUTIES OF THE EMPLOYER AT THE TIME OF LABOUR INSPECTION

The Employees hired and employed by the Employer shall be subjected to labour inspection in accordance with the provisions of this Decree similar to Article 166 of the Federal Labour Law of the UAE. The following are the set of duties to be carried out by the Employer at the time of labour inspection by a labour inspector.

- (a) The Employer shall ensure that the entire recruitment and employment process is done in due conformity with Decree passed and also in accordance with all the regulations stipulated by the Director of Human Resources of the RTI Park Free Zone. If any act substantiating non-compliance of any regulation is observed, then the labour inspector shall exercise all his/her power to execute or penalize for the same in accordance with the provisions of this Decree and the Federal Labour Law.

- (b) The Employer is also duty bound to cooperate and provide any document as required by the labour inspector at the time of inspection.
- (c) At the request of the inspectors, the Employer shall provide the sample of raw material utilized for industrial and other operations for analyzing and assessing the degree of danger involved by giving the samples for tests in laboratories. The Employer shall also facilitate any other kind of inspection in order for the labour inspector to assure that no harmful product or raw materials are being used causing temporary or permanent health issues for Employees.
- (d) At the request of the inspectors, the Employer shall also provide any other assistance as may be required by the labour inspector for discharging his/her duties as per Decree.

PART X

27. ENFORCEMENT

- 27.1 If the Director of Human Resources considers that the business, trade or undertaking are carried on through one or more corporations, firms or other business entities or by any combinations of one or more of them then the Director of Human Resources shall consider such association or combinations as one single Employer for the purpose of the Decree.

27.2 If an association or a combination is considered as one single Employer, then they shall be jointly and severally liable for payment of any amount determined by the Director of Human Resources or by any order of the court and this Decree shall equally apply to all of them.

27.3 If an Employer or an Employee contravenes any of the order or direction passed by the Director of Human Resources or by the Court or by any officer, agent or any representatives authorized by the Director of Human Resources, to pass such order or direction shall be subjected to penalties prescribed by this Decree.

28. PENALTIES

28.1 Any Employer contravening or violating any conditions of employment specially with regard to licensing of a worker and the mandatory insurance provisions shall be liable to pay a penalty amount of AED 2000 to the Authority.

28.2 Anyone who obstructs or prevents the Employer from complying with any statutory provisions or guidelines at the time of hiring the

Employee by any means of actual threat or by any threatened use of force shall also be liable to pay the penalties prescribed by the Authority.

- 28.3 If an Employer defaults in paying the Wages and other benefits agreed by him/her at the time of recruitment then such Employer shall be liable to pay an interest determined by the Authority along with the Wages or other benefits due from Employer till date.
- 28.4 If an Employer employs an Employee who has been sponsored by another Employer, such an Employer shall be liable to pay an amount of AED 50,000 as fine.
- 28.5 An Employer shall not be liable to pay penalty or be subjected to any imprisonment if the Employee has obtained that employment by any unfair, fraudulent or any illegal means.
- 28.6 The penalty to be paid by the Employer shall be included in the statement of determination by the Authority.

28.7 Any fine imposed by the Authority shall be considered as a debt due to the RTI Park Free Zone Authorities.

29. DETERMINATION AND ORDERS TO BE FILED AND ENFORCED AS JUDGMENTS

- 29.1 The Director of the Human Resources may at any time, as he/she deem fit and proper, shall file before the court his/her determination, the copy of the settlement agreement between the parties or any other order or direction passed by Director of Human Resources, which includes any penalty amount prescribed under the Decree.
- 29.2 If any variation or cancellation is to be done on the directions or order passed by the Director of Human Resources with regard to any determination or settlement agreement then the same shall not be filed before the competent Court of Law for execution. If any variation or cancellation has been made to any of the above by the Director of Human Resources after filing the same before the competent Court of Law then he/she shall duly notify the same to the court registry at the earliest requesting to either suspend the execution of judgment in case of variation, or to cancel the entry as is required.

Sultan Bin Mohamed Al Qasimi
Supreme Council Member
Ruler Of Sharjah

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

سُلْطَانُ بْنُ مُحَمَّدٍ الْقَاسِمِي
عضو المجلس الأعلى للإتحاد
حاكم الشارقة

28 FINES

The Ruler may pass appropriate Decree regulating fines and other administrative measure to be applied by the Authority against the Companies or individuals who are in breach of this Decree or any regulation passed pursuant to this Decree.

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Wednesday : 18 Ramadan 1438
: 13 June 2017

Sultan Bin Mohamed Al Qasimi

Ruler Of Sharjah