THE DUBAI INTERNATIONAL FINANCIAL CENTRE COURTS

IN THE COURT OF FIRST INSTANCE

N/A

BETWEEN

PERRIN

Claimant/ Appellant/Respondent to the Defendant's Appeal

and

PAMULA

Defendant/Appellant/Respondent to the Claimant's Appeal

ORDER WITH REASONS OF H.E. JUSTICE RENE LE MIERE

UPON the Judgment of SCT Judge Maitha AlShehhi giving judgment for the Claimant on 15 May 2026 in SCT-027-2026 (the "SCT Order")

AND UPON considering the Claimant's Appeal Notice dated 2 June 2026 seeking permission to appeal the SCT Order (the "Claimant's Application for Permission to Appeal")

AND UPON considering the Defendant's Appeal Notice dated 2 June 2026 seeking permission to appeal the SCT Order (the "Defendant's Application Permission to Appeal")

AND UPON the Order with Reasons of H.E. Justice Rene Le Miere dated 6 July 2026 in SCT- 027-2026

AND UPON hearing the Claimant and the Counsel for the Defendant at the Appeal Hearing held before H.E. Justice Rene Le Miere on 30 September 2026 (the "Hearing")

IT IS HEREBY ORDERED THAT:

1. The Claimant's application to rely on the Defendant's emails dated 23 May 2026 and the bank credit advice dated 21 September 2026 is granted, for the limited purpose stated at [12] of these Reasons.

2. The Defendant's appeal against the inclusion in the SCT Order of USD 21,039.80 as payment in lieu of notice is allowed.

3. The Claimant's appeal concerning accrued annual leave is allowed in part. The Claimant is entitled to USD 1,456.60 for three days of accrued vacation leave not taken.

4. The Claimant's appeals concerning Provident Fund Account B and the penalty under Article 19 of the DIFC Employment Law are dismissed.

5. To give effect to paragraphs 2 and 3 of this Order, paragraph 1 of the SCT Order is varied by substituting "USD 31,619.73" for "USD 51,202.93".

6. It is recorded that, on 1 June 2026, the Defendant paid the Claimant USD 30,163.13 towards the sum in paragraph 1 of the SCT Order as varied. That payment comprised:

(a) Provident Fund Account A: USD 9,684.44;

(b) ESOP redemption: USD 7,279.45;

(c) terminal allowance: USD 11,244.17; and

(d) repatriation costs: USD 1,955.07.

7. Within 14 days of the date of this Order, the Defendant shall pay the Claimant USD 1,456.60, being the balance outstanding of the sum in paragraph 1 of the SCT Order as varied.

8. The Defendant's appeal against paragraph [4] of the SCT Order, which requires it to pay the Claimant the DIFC Courts' filing fee of USD 1,024.05, is dismissed.

9. The Claimant's appeal concerning the certificate of service is allowed. Within 14 days of the date of this Order, the Defendant shall issue to the Claimant a signed certificate of service stating that:

(a) the Claimant was employed by the Defendant from 2 January 2024 to 1 January 2026;

(b) the Claimant's position was Finance Manager; and

(c) the Claimant's principal duties were those described in clause 1.2 of the employment contract.

10. Paragraphs [2] and [3] of the SCT Order, which concern the Claimant's bonus payment and the cancellation of the Claimant's employment visa, are unaffected by this Order.

11. Each party shall bear its own costs of the appeals and of the Applications for Permission to Appeal.

Issued by:
Delvin Sumo
Assistant Registrar
Date of issue: 12 October 2026
At: 10am

SCHEDULE OF REASONS

A. Introduction

1. Both parties appeal the judgment of the Small Claims Tribunal dated 15 May 2026 (the "SCT Order"). The dispute arises from the Defendant's employment of the Claimant, Perrin. The Defendant is Pamula. I refer to the parties as the Claimant and the Defendant, as they were before the Tribunal, despite their respective positions on appeal.

2. By paragraph 1 of the SCT Order, the Tribunal ordered the Defendant to pay the Claimant the sum of USD 51,202.93. Its reasons show that the sum was made up of:

(a) USD 16,963.89 for Provident Fund Account A and ESOP redemption;

(b) USD 21,039.80 as two months' pay in lieu of notice;

(c) USD 11,244.17 as a terminal allowance under the Staff Provident Fund Rules; and

(d) USD 1,955.07 for repatriation.

3. The Tribunal rejected the Claimant's claims for Provident Fund Account B, accrued annual leave and a penalty under Article 19 of the DIFC Employment Law. It made three further orders:

(a) it directed the Defendant to notify the Court by 15 June 2026 of the Claimant's bonus payment and to justify it, failing which the sum of USD 20,419 would become payable;

(b) it directed the parties to cooperate in cancelling the Claimant's employment visa; and

(c) it ordered the Defendant to pay the Claimant's DIFC Courts' filing fee of USD 1,024.05.

4. The Defendant appeals the inclusion of the notice award of USD 21,039.80 in the sum ordered. Its principal contention is that the employment contract was for a fixed term that expired on 1 January 2026, so that no notice was required. In the alternative, it contends that, if notice was required, the Tribunal overstated the amount due. It also appeals the filing-fee order, but only as a consequence of its challenge to the notice award.

5. The Claimant appeals the Tribunal's rejection of three claims: for accrued annual leave, for the balance of Provident Fund Account B, and for an Article 19 penalty in respect of sums he says were not in dispute but were withheld. He also appeals the Tribunal's failure to determine his pleaded request for a certificate of employment. Permission to appeal was granted only on the grounds identified in the order of 6 July 2026, which are set out in Section B.

6. The grant of permission established that those grounds warranted consideration on appeal. It did not decide that the Tribunal erred, that any entitlement is payable, or that any relief should be granted. I determine those matters by reference to the applicable law, the contract and the evidence properly before the Court. For the reasons that follow:

(a) the Defendant's appeal against the notice award is allowed, and its appeal against the filing-fee order is dismissed;

(b) the Claimant's appeal on annual leave is allowed in part, and his appeal on the certificate of service is allowed; and

(c) the Claimant's appeals on Account B and the Article 19 penalty are dismissed.

The sum in paragraph 1 of the SCT Order is varied accordingly.

B. Scope and approach to the appeals

7. The appeals were heard on 30 September 2026. The Claimant appeared in person, and the Defendant was represented by counsel. I have considered the parties' skeleton arguments, their oral submissions and the material in the appeal and authorities bundles. Rule 53 of the Rules of the DIFC Courts ("RDC") governs appeals from the Small Claims Tribunal.

8. Under RDC 53.87, an appeal may be allowed if the decision of the Tribunal was (a) wrong, or (b) unjust because of a serious procedural or other irregularity in the proceedings. The appeals are a review of the Tribunal's decision. They are not an opportunity to reargue the claim merely because another conclusion might have been open. Where the Tribunal erred, the Court may make any order the Tribunal could have made, or may remit the matter for further determination. Where the relevant facts are established and the parties have had a full opportunity to address the issue, it will usually be appropriate for the Court to decide the matter itself rather than remit it.

9. By the order dated 6 July 2026, the Defendant was granted permission to appeal the award of payment in lieu of notice. That permission included the Defendant's alternative argument that, if notice was required, the Tribunal had overstated the amount due. The Defendant was also granted permission to appeal the order requiring it to reimburse the Claimant's filing fee. The Court granted that permission only on a consequential basis, because a change to the notice award might call for the fee order to be reconsidered. The Defendant's appeal does not extend to the Tribunal's other awards or directions.

10. The Claimant was granted permission to appeal on six grounds of his Appeal Notice:

(a) Ground I.1: the application of the seven-day notice requirement in Article 29(2) of the DIFC Employment Law;

(b) Ground I.2: the effect of the Staff Rules incorporated into the contract;

(c) Ground I.4: whether the working days available allowed all 21 days of accrued leave to be taken;

(d) Ground II.1: whether, in substance, the Claimant's employment ended for redundancy within Rule 15(A)(I) of the Staff Provident Fund Rules;

(e) Ground [III.2]: whether the Defendant unlawfully withheld sums that were not in dispute, so that Article 19 should have been applied differently to those sums; and

(f) Ground [IV.1]: the Tribunal's failure to determine his pleaded request for a certificate of employment.

11. Permission was refused on four grounds, which are not before the Court as independent appeals:

(a) Ground [I.3], challenging the Tribunal's finding about the Claimant's active duties and handover;

(b) Ground [II.2], relying on the Defendant's accounting records for Account B;

(c) Ground [III.1], which argued that Article 19(4)(a) could not apply because the Defendant did not know of the proceedings when payment fell due; and

(d) Ground [III.3], challenging the Defendant's reliance on the Claimant's alleged unreasonable conduct.

Permission on Ground [III.1] was refused because of the argument then advanced about the Defendant's knowledge. Permission on Ground [III.3] was refused because the point could be argued within Ground [III.2]. The refusals do not prevent the Court from considering evidence or arguments that bear on a ground for which permission was granted, provided the limits of that permission are observed. At the Hearing, the Defendant submitted that the Claimant's case under Ground [III.2] went beyond the permission granted and reopened Ground [III.1]. I address that objection in Section G.

12. The Claimant asks to rely on the Defendant's emails dated 23 May 2026 and a bank credit advice dated 21 September 2026. Together, these record a payment of USD 49,840.66 made by the Defendant on 1 June 2026, after the Tribunal's judgment. The Claimant relies on *Ned v Nastasia* [2024] DIFC CFI 008 and *Miqal v Merani* [2023] DIFC CFI 041 for the proposition that Part 53 does not prohibit fresh evidence on an appeal from the Tribunal, and that admitting it is a matter for the Court's discretion. Neither document existed when the Tribunal gave judgment. The Defendant did not object to the material, and at the Hearing it referred to the correspondence of 23 May 2026 itself. I admit the material for a limited purpose. It does not bear on whether the Tribunal's decision was wrong, and I do not rely on it for that purpose. It is relevant only to identifying what has already been paid, so that the orders made on appeal accurately reflect what remains due and cannot produce double recovery.

13. I address the issues in the following order:

(a) Section D: whether the contract expired at the end of a fixed term or required notice to terminate the employment;

(b) Section E: annual leave;

(c) Section F: Provident Fund Account B;

(d) Section G: the Article 19 penalty, including the Defendant's objection to the scope of Ground [III.2];

(e) Section H: the certificate of service; and

(f) Section I: the variation of the SCT Order, the filing fee and the costs of the appeals.

Deciding the notice question first means the leave analysis does not assume a notice period that, on the proper construction of the contract, never arose.

C. Essential facts and contractual framework

14. The Defendant employed the Claimant as Finance Manager under a written employment contract dated 1 November 2023. The offer letter described the Defendant as a subsidiary of Petronia based in Dubai. Clause 1.5 fixed the commencement date as 2 January 2024. Clause 2.1 provided that the appointment would be, "in the first instance", for two years from the date on which the Claimant assumed duty in Dubai. Clause 20.1, headed "Renewal and termination of employment contract", repeated the two-year period from 2 January 2024. It provided that the appointment was "renewable or made permanent upon satisfactory performance and at management's discretion", and that in any case the expiry date of the employment would not exceed the retirement age.

15. Clauses 20.2 and 20.4, in substantially similar terms, provided that either party could terminate the employment contract by giving three months' notice or payment in lieu. Clause 20.3 prescribed a shorter notice period during probation, and clause 20.5 excluded payment in lieu where the contract was terminated for cause. Clause 16.3 referred to the Corporation's right, in specified circumstances, to terminate the contract "before its terminal date". The parties disagree on whether the three-month notice provisions applied when the initial two-year period ended.

16. Clause 9.1 entitled the Claimant to 30 working days of annual leave for every 12 months of continuous service, excluding applicable public holidays. Clause 18.2 fixed the normal working week as Monday to Friday. Clause 9.4 reserved the Defendant's right to require outstanding annual leave to be taken during any period of notice of termination. Clause 26.1 made the employment subject to the DIFC Employment Law. Clause 26.2 incorporated the Defendant's Staff Rules into the contract. Two Staff Rules are relevant. Staff Rule 8404 provides that a notice period shall not run concurrently with any period of leave. Staff Rule 8405 headed "Termination Documents", provides that on termination the employee is entitled to a final pay slip, accrued statutory leave and a certificate of service.

17. Clause 15.1 provides for a compulsory employee contribution of 7 per cent of basic salary, deducted at source and paid into Account A of the Staff Provident Fund, and an employer contribution of 14 per cent of basic salary, paid into Account B. Both accounts are held at the group level, and final benefits are payable in accordance with the Staff Provident Fund Rules. The Fund replaces the statutory end-of-service scheme, from which the Defendant is exempt. The Claimant signed an acknowledgement of the Fund's terms and conditions on 3 January 2024. Rule 9G sets a minimum of five years' service as a condition of entitlement to Account B. Rule 15(A) applies on a member's resignation or retirement without cause justifying termination, or on termination of the member's engagement by the Corporation for redundancy only. Under Rule 15(A), the Committee pays the member the amount credited to their Account A. Under Rule 15(A)(I), a member with less than five years' complete service loses the right to the Account B aggregate unless the termination is for redundancy or the member has reached retirement age; such a member is instead paid a terminal allowance of one month's basic salary for each completed year of service or part of a year. Rule 15(C) provides that employer contributions are recoverable on exit before five years, except in cases of retirement, death, or termination for redundancy. The Claimant's Account B balance was recorded as USD 19,368.88.

18. By a letter dated 27 November 2025, the Defendant told the Claimant that his two-year contract would not be renewed and that his services would no longer be required at the end of the current contract, which the letter said terminated on 1 January 2026. The letter described itself as notice of non-renewal. It required the Claimant to begin "terminal leave" on 1 December 2025, to be deducted from an accrued leave balance of 21 working days as at the end of December, and said that any remaining balance would be paid with his final entitlements. It also required him to immediately hand over his duties and return company property, and thanked him for his service. The letter was sent to the Claimant by email at about 7pm on Friday 28 November 2025. Monday 1 and Tuesday 2 December 2025 were public holidays.

19. The handover took place on 3, 4 and 5 December 2025. On 5 December, the Claimant's line manager confirmed receipt of all files and company property, told the Claimant that his last working day was 1 January 2026, and said that he would be contacted if anything further was needed. The Claimant's access to the premises and systems was withdrawn. In emails dated 4 and 5 December, the Claimant said he had not requested leave, that he remained available until the end of his contract, and that he objected to the period being deducted from his leave balance. In the same correspondence, he described his case as one of non-renewal, which he accepted. Human Resources replied on 5 December that it would consult internally on the issue of "terminal (garden leave)". The Claimant followed up on 19, 26, 29 and 31 December and received no reply. At the Hearing, the Defendant accepted that the Claimant had objected and that this correspondence went unanswered. The parties' dispute concerns the legal effect of the direction to take leave, not what happened.

20. From 16 December 2025, the Defendant sent the Claimant a series of computations of his final entitlements. The Claimant questioned several items, including the value of his ESOP shares, the Provident Fund statements, and the interest credited to Account A, and the Defendant revised the computations. In emails of 31 December 2025 and 1 January 2026, the Claimant set out the entitlements he claimed; for Account A and the ESOP redemption, he adopted the Defendant's own figures. On 6 January 2026, the Defendant sent a breakdown of final entitlements totalling USD 28,208.06, comprising USD 9,684.44 for Account A, USD 11,244.17 as the terminal allowance under Rule 15(A)(I), and USD 7,279.45 for the ESOP share redemption. It recorded no payment for accrued annual leave.

21. The Defendant asked the Claimant to sign an undertaking so that payment could be processed. By the undertaking, in return for USD 28,208.06 as his full and final entitlements, the Claimant would have discharged the Corporation from any further obligation to him, and USD 1,500 would have been withheld until 30 June 2026. The Defendant repeated the request on 13 January 2026, noting that the Claimant's residency visa was about to expire. The Claimant replied that he did not agree with the calculations, because material disputes remained about his contractual entitlements. He said he was willing to cooperate with the cancellation of his visa, without prejudice to his claims, but would not sign any document accepting the disputed calculations or waiving his claims. No payment was made. The Claimant filed his claim in the Tribunal on 15 January 2026. Before the Tribunal, the Defendant agreed to pay Account A and the ESOP redemption. It does not dispute the Claimant's Daily Wage of USD 485.53.

22. The principal statutory provisions are Articles 14(2)(i), 18(2), 19, 20(1), 28, 29 and 62 of the DIFC Employment Law, and the definitions in Schedule 1. In outline:

(a) Article 14(2)(i) requires a written employment contract to state whether it is indefinite or fixed-term and, if fixed-term, the Termination Date;

(b) Article 18(2) permits Additional Payments to be deferred by written agreement;

(c) Article 19 requires certain sums to be paid within 14 days after the Termination Date and provides for a penalty if they are not;

(d) Article 20(1) restricts deductions from Remuneration;

(e) Article 28 provides for payment in lieu of accrued Vacation Leave not taken;

(f) Article 29(2) permits an employer to require Vacation Leave to be taken on specified days by giving at least seven days' prior written

notice; and

(g) Article 62 prescribes minimum notice periods, which under Article 62(6)(b) do not apply where it has been agreed in the employment contract that the employment will terminate on the expiry of a fixed term.

Schedule 1 defines Remuneration as the aggregate of an employee's Wage and Additional Payments. It distinguishes the Termination Date of a contract terminated by notice from that of a contract concluded for a fixed term. Whether and how those provisions apply are questions for decision below.

23. Those facts set the scene for the appeals. They leave the following questions to be decided:

(a) whether the contract ended on expiry or by termination on notice;

(b) whether the direction to take leave was effective, and for which days;

(c) whether the redundancy exception applies to Account B;

(d) whether Account A and the ESOP proceeds fall within Article 19(1) and, if so, whether any penalty is payable; and

(e) whether the Claimant is entitled to a certificate of service.

I turn first to the character and expiry of the employment contract.

D. The Defendant's appeal: fixed term and notice

24. The Tribunal awarded the Claimant USD 21,039.80, representing two months' pay in lieu of notice. The Defendant appeals that award. It submits that the contract was for a fixed term of two years ending on 1 January 2026, and that clauses 20.2 and 20.4 applied only if either party ended the employment before then. The Claimant submits that the contract did not provide for automatic expiry, did not state a termination date as Article 14 of the DIFC Employment Law requires, and required three months' notice whenever the Defendant ended his employment.

25. Two distinct questions arise. The first is whether the parties agreed that the Claimant's employment would end when a fixed term expired. The second is whether, even if they did, the contract nevertheless required notice of non-renewal. A fixed-term contract does not prevent the parties from agreeing that notice must be given before it expires. Equally, a provision allowing either party to end a fixed-term contract early on notice does not necessarily require notice when the agreed term simply runs its course.

26. Article 62(2) of the Law prescribes minimum periods of written notice to terminate employment. Article 62(6)(b) provides that Article 62(2) does not apply "where it has been agreed in the Employment Contract that the Employee's employment will terminate on the expiry of a fixed term". The Claimant relies on Article 62(3), which allows the parties to agree a longer notice period than the statutory minimum. That provision assumes there is a contractual obligation to give notice of the event in question. It does not answer whether the parties agreed that notice was required when the term expired. That remains a question of construction.

27. Schedule 1 to the Law distinguishes the Termination Date of a contract terminated by notice, which is the date on which the notice period expires, from that of a contract concluded for a fixed term, which is the date on which the term expires. The Law therefore treats the expiry of a fixed term as different from the exercise of a right to terminate on notice. The same distinction underlay the decision in *Mussaab Tag Elsir Abdelsalam v Expresso Telecom Group Limited* [2019] DIFC CFI 015 under the earlier Employment Law. The current definitions have not materially altered it.

28. Clause 2.1 provides that the appointment will be, "in the first instance", for two years from the date the Claimant assumes duty in Dubai. Clause 1.5 fixes the commencement date as 2 January 2024. Clause 20.1 repeats that the appointment is for two years from 2 January 2024. On the ordinary meaning of those provisions, the initial period ended on 1 January 2026.

29. The Claimant submits that the contract cannot be a fixed-term contract because it does not state a termination date, as Article 14(2)(i) requires. The absence of a stated calendar date is relevant to construction but not conclusive. Article 14 prescribes what a written contract must contain. It does not provide that a contract which fails to state a Termination Date is to be treated as indefinite. Article 62(6)(b) asks what the parties agreed. A period of two years from a stated commencement date identifies the end of the term with certainty; the calendar date follows by arithmetic from the contract's own terms.

30. Clause 20.1 goes on to say that the appointment is "renewable or made permanent upon satisfactory performance and at management's discretion", and that in any case the expiry date of the employment shall not exceed the retirement age. The Claimant submits that this is the only provision dealing with expiry, and that a reference to retirement age would serve no purpose for an employee who joined at 39 if the contract ended after two years. I do not accept that submission. The retirement-age provision limits any renewal or permanent appointment. It has work to do precisely because the contract contemplates that the employment may continue beyond the initial term. It does not fix the end of the initial term, which clauses 2.1 and 20.1 define. The words "in the first instance" allow for continuation; they do not make the initial two-year period indefinite.

31. Clause 16.3 refers to terminating the contract "before its terminal date" in specified circumstances. Although the drafting is imperfect, that expression is consistent with an agreed end point to the initial term.

32. The Claimant relies principally on clauses 20.2 and 20.4. Each allows either party to terminate the contract on three months' notice or payment in lieu, without expressly confining the provision to termination before expiry. He submits that the presence of two such clauses shows that notice was intended to bind both parties in all cases. He notes that clause 20.5 expressly excludes payment in lieu on termination for cause, and says that if the parties had intended a further exception for non-renewal they would have said so. He also relies on Staff Rule 8401, under which notice periods apply as provided in the individual contract, and on the 90-day notice period the Staff Rules prescribe for professional staff.

33. Those arguments have force, but they do not give sufficient effect to the distinction between ending a contract during its agreed term and allowing that term to expire. Clauses 20.2 and 20.4 give either party a right to end the employment by notice. They have substantial work to do during the initial two years and, if the appointment were renewed or made permanent, afterwards. The duplication of the three-month provision is a feature of the drafting; it does not change what the provisions are about. Neither clause requires notice to prevent the initial term from continuing. Clause 20.5 qualifies the right to terminate on notice where there is cause; it does not purport to list every way in which the employment may end. Staff Rule 8401 likewise governs the length of notice where notice is required. It does not create a notice requirement on expiry.

34. Nor does the seven-day notice period for probation in clause 20.3 require a different conclusion. It sets the notice applicable to early termination during probation. It does not imply that expiry of the agreed two-year period requires notice unless expressly excluded.

35. The Defendant relies on *Abdelsalam*. There, the Court held that a clause allowing the employer to end a fixed-term contract by six months' notice before the term ended did not require notice to bring the contract to an end on expiry. The Claimant points out that the contract in that case stated its end date expressly. That is a difference in form, not in principle. The reasoning in *Abdelsalam* turned on the distinction between expiry and early termination, not on whether the end date was expressed as a calendar date or as a period running from a stated date. I do not treat that decision as deciding the construction of the present wording, but its reasoning applies with equal force.

36. The Defendant also relies on English authorities, including *Dixon v British Broadcasting Corporation* [1979] ICR 281, *London Underground Ltd v Fitzgerald* [1997] ICR 271, *Department for Work and Pensions v Webley* [2004] EWCA Civ 1745 and *Kilraine v Lion Academy Trust* [2020] EWCA Civ 551. The Claimant submits that, under Article 8 of the Application Law, English law may supplement DIFC law only where DIFC law does not address the matter. My conclusion does not depend on importing English law. It rests on the terms of the contract, Article 62(6)(b), the definition of Termination Date and *Abdelsalam*. The English authorities are consistent with that analysis and illustrate it. *Dixon* recognises that a contract for a stated period remains a fixed-term contract even though either party may end it on notice within that period. *Fitzgerald* draws a clear distinction between telling an employee that a contract will end by effluxion of time and exercising a contractual power to end it. *Kilraine* explains that informing an employee in advance of non-renewal may be good practice, but does not justify implying a formal notice obligation.

37. Reading the contract as a whole, I find that the parties agreed an initial fixed term ending on 1 January 2026, subject to earlier termination or to renewal or conversion to permanent employment. There was no renewal or conversion. Clauses 20.2 and 20.4 govern termination by a party's exercise of a contractual right, not expiry of the initial term. Accordingly, Article 62(6)(b) excludes the statutory minimum notice requirement, and the contract imposes no separate requirement to give three months' notice of non- renewal.

38. Article 51(c) of the DIFC Contract Law requires regard to be had to the parties' conduct after the contract was concluded when interpreting it. I have therefore considered the non-renewal letter and the Claimant's response, not only to determine what the letter did, but also for any light they shed on the parties' understanding of the contract.

39. The Defendant's letter stated that the Claimant's two-year contract would not be renewed and that his services would no longer be required at the end of the current contract, identified as 1 January 2026. In his 4 December 2025 response, the Claimant described the matter as a non-renewal, which he accepted, and said he remained available until the end of his contract. That contemporaneous language is consistent with an understanding that the appointment had an end date and that continuation required renewal. It reinforces, but does not decide, the construction I have reached from the contract terms.

40. The Claimant, for his part, points to the Defendant's own conduct. The Defendant relied before the Tribunal on clause 9.4, which concerns leave during the notice period. Its Human Resources department described the Claimant's remaining period as "garden leave". He says the Defendant's representative at the Tribunal hearing accepted that a notice period existed. Those matters show that the Defendant was inconsistent in how it described the position, and may explain why the Tribunal framed the issue as how much notice was due. But a party's own characterisation, whether in correspondence or in argument, does not alter the meaning of the contract. Equally, the Defendant cannot establish the meaning of the contract by describing its decision as non-renewal.

41. I do not treat the Claimant's acceptance of non-renewal as an acceptance that no payment in lieu of notice was due. His response was directed principally at the proposed treatment of his remaining period as leave and at his bonus. Whether notice was required depends on the construction of the contract as a whole. For these reasons, I find that it was not.

42. The letter did not purport to exercise the right under clause 20.2 or 20.4 to terminate the employment before 1 January 2026. Its directions about terminal leave and handover raise separate questions about how the Claimant was treated during the remainder of the term. Without more, they do not amount to an earlier termination.

43. The Tribunal framed the issue as whether the Claimant was entitled to one month's notice or three (at [33] of its reasons). Having described the Defendant's interpretation as "somehow logical", it held at [36] and [37] that, in the absence of an express provision excluding notice on non-renewal, three months' notice was required whether or not the contract was for a fixed term. Accordingly, the question of whether the contract was for a fixed term could not be set aside. It was the decisive question. The Tribunal did not determine it, did not address Article 62(6)(b), and treated an express exclusion of notice as necessary when the contract, properly construed, imposed no notice requirement on expiry. That was an error of law, and the conclusion was wrong.

44. I therefore allow the Defendant's appeal against the notice award and set aside the award of USD 21,039.80. Because no notice was required, it is unnecessary to consider the Defendant's alternative argument that the Tribunal miscalculated any shortfall. I consider the effect of this conclusion on the filing-fee order in Section I.

E. The Claimant's appeal: accrued annual leave

45. The Claimant appeals the Tribunal's dismissal of his claim for payment in lieu of 21 working days' accrued annual leave. Permission was granted on three grounds: the application of the seven-day notice requirement in Article 29(2), the effect of the incorporated Staff Rules, and the

finding that all 21 working days were taken before the employment ended.

46. The facts relevant to this ground are set out at [18] and [19] and are not in dispute. Three bear emphasis. The letter directing leave to begin on 1 December 2025 was sent at about 7 pm on Friday 28 November 2025. Monday 1 and Tuesday 2 December were public holidays. The Claimant carried out the handover on 3, 4 and 5 December, and was not called upon to work after that.

47. Article 29(2) permits an employer to require an employee to take vacation leave on specified days in the current vacation leave year by giving at least seven days' prior written notice to the employee. The required notice is of the days on which leave is to be taken. The Tribunal held that the Claimant received more than seven days' notice because the letter was sent more than seven days before the employment ended. That measured the period against the wrong date. The question is whether there was at least seven days' notice before each day on which leave was required to be taken, not before the end of the employment.

48. The parties disagree about when the notice was given. The Claimant submits that because the email was sent after working hours on a Friday, followed by a weekend and two public holidays, he was in substance notified on 1 December. The Defendant submits that Article 29(2) does not treat notice as given only during working hours or on a working day, and that at most the notice should be treated as given on 1 December. It is unnecessary to resolve that difference. If notice was given on 28 November, the earliest day on which leave could be required was 5 December; but on that day the Claimant was completing the handover the letter itself required, so it could not be treated as a day of vacation leave. If notice was given on 1 December, the earliest day was 8 December. Either way, 8 December is the first working day that could count as vacation leave.

49. The Claimant's primary submission is that because the direction did not comply with Article 29(2) at the outset, it had no effect at all. The Defendant submits that the consequence of short notice is confined to the days for which seven days' notice had not been given: those days do not count as vacation leave, but later days do. I prefer the Defendant's construction. Article 29(2) is directed to notice of specified days, and its requirement applies to each day the employer requires to be taken as leave. A day for which seven days' notice has not been given cannot validly be counted against the employee's balance. Nothing in Article 29(2) makes the whole direction void because its first days came too soon. The purpose of the requirement, which is to give the employee a reasonable opportunity to arrange their affairs before leave is imposed, is met for days falling more than seven days after the notice.

50. In reply, the Claimant submitted that the letter specified only a start date, so that no later days were specified, and that counting days from 8 December would apply the direction retrospectively. I do not accept either submission. The letter required leave to begin on 1 December, to be deducted from a balance expressed in working days, with any remaining balance to be paid with the final entitlements. Read with clause 9.1 and the contract's end date, it required consecutive working days of leave from its commencement until the balance was used or the contract ended. The days could be identified from the face of the letter. Nor is there any question of retrospectivity. The Defendant gave the written direction in late November. With the passage of time, the seven-day requirement was met for the working days from 8 December onwards.

51. At the Hearing, the Defendant did not maintain its written submission that the Claimant had agreed to or acquiesced in the arrangement. It accepted that he objected and that his correspondence on the point went unanswered. It submitted instead that consent is irrelevant under Article 29(2), and it pleaded no estoppel. I accept that submission. Article 29(2) gives the employer the power to require leave to be taken; it does not depend on the employee's agreement. The Claimant's objection therefore did not prevent a validly notified direction from operating. Human Resources' statement on 5 December that it would consult internally did not withdraw the direction, and the line manager's email that day was consistent with the Claimant remaining away from work unless called upon.

52. The Claimant also relies on Staff Rule 8404, which provides that a notice period shall not run concurrently with leave. The Tribunal held that clause 9.4 prevailed over that rule because the Staff Rules were an internal policy. That reasoning did not address clause 26.2, which incorporates the Staff Rules into the contract and deals with any conflict between them and the contract. To that extent, the Tribunal's analysis was incomplete. The omission does not affect the outcome. For the reasons given in Section D, the contract expired at the end of its fixed term. The letter gave notice of non-renewal; it did not begin a contractual notice period. Staff Rule 8404 was therefore not engaged, and clause 9.4 was not the source of the Defendant's power to direct leave. That power arose under Article 29(2), subject to its conditions. The Defendant further submitted that contractual terms are irrelevant to a claim under Article 29. It is unnecessary to decide that submission.

53. Nor does describing the remaining period as "garden leave" determine whether the Claimant took vacation leave. The letter expressly directed that accrued leave be used. The Claimant's lack of access to the premises and systems after the handover does not, of itself, prevent a validly designated period from counting as vacation leave.

54. Clause 9.1 expresses the entitlement in working days, excluding public holidays, and clause 18.2 fixes the normal working week as Monday to Friday. The Tribunal did not calculate the days available. There were 18 working days from 8 to 31 December 2025 inclusive. 1 January 2026 was both a public holiday and the Termination Date. A balance of 21 working days could not be used in a period containing only 18. The Tribunal's finding that the whole balance was used cannot stand. At the Hearing, the Defendant accepted that, on this analysis, three days remained.

55. None of 3, 4 and 5 December could count as vacation leave. Those days either fell within the seven-day period required by Article 29(2) or were days on which the Claimant carried out the handover the letter required. It is therefore unnecessary to determine the precise extent of the handover duties performed on those days. This conclusion does not reopen the refused standalone ground concerning the Claimant's active duties.

56. Accordingly, 18 of the 21 working days were validly taken, and three remained accrued but untaken when the employment ended. Under Articles 28(1) and 19(1)(c), the Defendant was required to pay a Daily Wage for each of those days. The Defendant does not dispute the Daily Wage of USD 485.53. On that basis, the amount due is USD 1,456.60.

57. I therefore allow the Claimant's appeal on annual leave to that extent. I set aside the Tribunal's finding that all 21 days were used and substitute an award of USD 1,456.60. I dismiss the claim in respect of the remaining 18 days. The treatment of this sum under Article 19 is considered in Section G.

F. The Claimant's appeal: Provident Fund Account B

58. The Claimant appeals the Tribunal's rejection of his claim to the balance of Provident Fund Account B. His permitted ground is that the Tribunal failed to determine whether, in substance, his employment ended for redundancy within Rule 15(A)(I) of the Staff Provident Fund Rules. The Court refused permission for a standalone appeal based on the Defendant's accounting records. He seeks USD 8,124.71,being the recorded Account B balance of USD 19,368.88 less the terminal allowance of USD 11,244.17 already awarded, or alternatively a remittal of the redundancy issue.

59. Clause 15.1 of the contract provides for the Claimant's contribution of 7 per cent of basic salary to Account A and the Defendant's contribution of 14 per cent to Account B, with final benefits payable in accordance with the Fund Rules. The Claimant acknowledged the Fund's terms and conditions on 3 January 2024. The Fund Rules are therefore part of the contractual arrangement governing his benefits.

60. Rule 15(A) applies on the resignation or retirement of a member without cause justifying termination, or on termination of a member's engagement by the Corporation for redundancy only. Under Rule 15(A)(I), a member with less than five years of complete service loses the right to the Account B aggregate unless the termination is for redundancy or the member has reached retirement age, but is paid a terminal allowance of one month's basic salary for each completed year of service or part of a year. Rule 15(C) likewise excepts termination for redundancy from the recovery of employer contributions on an exit before five years. The five-year service condition is therefore subject to an express redundancy exception.

61. The Tribunal held at [51] of its reasons that the non-renewal letter did not mention redundancy and could not be read as doing so, and that the Defendant was entitled not to renew for reasons other than redundancy. At the Hearing, the Defendant accepted that the wording of the letter is not determinative and submitted that [51] should be read as a finding either that the termination was not for redundancy or that redundancy had not been established.

62. The Defendant also submitted that the redundancy argument emerged late and that the Tribunal could do little more than decide it on the letter. I do not accept that characterisation. The Claimant raised redundancy in his reply of 4 March 2026, and the Tribunal recorded and decided the point at [49] to [52] of its reasons. The issue was properly before the Tribunal, and the Defendant had the opportunity to adduce evidence on it.

63. The Defendant's primary submission is that redundancy is a statutory construct, absent from the DIFC Employment Law, and that the Fund Rules, which apply across several jurisdictions, refer to redundancy only where a statutory regime exists. I do not accept that submission. The Defendant rightly accepted at the Hearing that parties may attach contractual consequences to redundancy without any statute. The exception is a contractual term and must be given its ordinary meaning in context. In that sense, an employee's engagement ends for redundancy where the employer's requirement for employees to carry out work of the kind the employee did has ceased or diminished, or is expected to do so, and that is the reason the engagement ends. The work need not disappear altogether: it may continue but require fewer employees, for example where duties are absorbed into existing positions. The Defendant accepted that the formulation in *Safeway Stores plc v Burrell* [1997] ICR 523 is broadly similar to that ordinary meaning, while maintaining that redundancy has no application in the DIFC. That decision is a useful analogy for the factual distinction involved, but the question remains how to construe and apply the Fund Rules.

64. The Defendant further submitted that Rule 15(A) speaks of termination by the Corporation, and that the expiry of a fixed term without renewal is not such a termination. In light of Section D, that submission has some force. On the other hand, the Defendant itself paid the terminal allowance under Rule 15(A)(I), which applies only to a member whose exit falls within Rule 15(A). It is unnecessary to resolve that tension, because on any view, the Claimant has not established that his engagement ended for redundancy.

65. In the alternative, the Defendant submitted that if redundancy has a contractual meaning, the closest analogue is the termination benefit in Staff Rule 8403, which it said is tied to completed service. That does not assist. Staff Rule 8403 concerns a different benefit. The Fund Rules contain an express redundancy exception to the five-year condition, and it cannot be cut down by reference to a separate provision of the Staff Rules.

66. The conclusion in Section D, that the fixed term expired without any requirement for notice, does not itself explain why the Defendant decided not to renew the contract. The expiry of the term and the reason for non-renewal are distinct questions. The inquiry under Rule 15(A)(I) concerns the substantive reason the engagement ended, not the label the employer gave it.

67. The Claimant relies on the following matters, taken together:

(a) the letter's statement that his services would "no longer be required" and its thanks for his service;

(b) the immediate handover of his duties to his line manager;

(c) the existing regional finance structure;

(d) the absence of any replacement or vacancy advertisement, contrary to the Staff Rules on advertising vacancies;

(e) the references in Staff Rules 8103 and 8301 to reorganisation, reduction of staff numbers and the cancellation or reassessment of posts;

(f) the bonuses he received, which he says show that the non-renewal was not related to performance;

(g) the language of forfeiture and loss in the Fund Rules; and

(h) the Staff Rule limiting fixed-term contracts to five years in aggregate, which he says shows that a long-term relationship was contemplated.

I have considered these matters individually and cumulatively.

68. The words "no longer be required" are equally consistent with a reduced need for a separate Finance Manager and with a decision not to renew this appointment. The letter does not identify an abolished post, a reorganisation, a reduction in staff numbers or a redistribution of duties.

The handover shows that arrangements were made for the work after the Claimant left. It does not show whether those arrangements were temporary or permanent, or whether the requirement for a separate Finance Manager had diminished. The existence of a regional finance function shows a structure capable of absorbing the work, not that it did so in a way that eliminated the Claimant's position.

69. The Claimant's bonuses, and the absence of any allegation of misconduct or poor performance, show that the non-renewal was not for fault. But the Fund Rules do not distinguish between departures with and without fault. They distinguish between redundancy and other reasons. A decision not to renew a fixed-term appointment without fault is not, without more, a redundancy. The Tribunal was correct to observe that a contract may not be renewed for reasons unrelated to performance and other than redundancy.

70. The Claimant submits that the words "forfeit" and "lose" suggest a loss that follows from the member's own conduct or choice and should not apply where the employer ends the engagement. Rule 15(A)(I) applies expressly to a member with less than five years' service, whoever initiated the departure, subject only to the redundancy and retirement exceptions. The choice of words cannot create a further exception. Nor does the five- year limit on fixed-term contracts assist the Claimant. It shows that the Defendant contemplated fixed-term arrangements of up to five years; it says nothing about the reason this appointment was not renewed.

71. The Staff Rules on advertising vacancies regulate how vacancies are filled. The absence from the record of evidence of an advertisement or replacement does not establish that no replacement occurred or was intended. The references in Staff Rules 8103 and 8301 identify circumstances in which redundancy may arise; they do not show that any of them occurred here.

72. The Defendant gave no positive explanation, either in evidence or at the Hearing, of why the contract was not renewed or how the Claimant's work was to be performed after 1 January 2026. That silence may be weighed. But the burden is on the Claimant to bring himself within the exception, and an inference adverse to the Defendant is warranted only where the evidence raises a case calling for an answer. Here, the evidence is consistent with both redundancy and an exercise of the discretion not to renew that clause 20.1 reserves to management. The Defendant's silence does not tip the balance.

73. The Defendant's recorded contributions to Account B do not resolve the question. The Fund Rules contemplate an account balance that may or may not become payable on departure. The accounting material confirms that the balance exists and its amount, not the reason for the non-renewal. Treating it as an admission of entitlement would also reopen the ground on which permission was refused.

74. I therefore differ from the Tribunal's reasoning insofar as it treated the absence of any reference to redundancy in the letter as decisive. Applying the substantive inquiry, however, I am not satisfied on the evidence that the Defendant's requirement for a separate employee to carry out the Claimant's work had ceased or diminished, or that any such change was the reason for the non-renewal. The evidence permits that inference but does not establish it over non-renewal for another reason.

75. I decline to remit the issue. Both parties had a full opportunity to put in evidence before the Tribunal and to make submissions on appeal. There is no indication that further evidence is available that could not have been adduced, and a remittal would be disproportionate to the sum in issue. A remittal is not justified merely because the existing evidence does not prove the Claimant's case.

76. The Claimant has not established an entitlement to Account B under the redundancy exception. I dismiss his appeal on this ground. The Tribunal's award of the terminal allowance of USD 11,244.17 stands.

G. The Claimant's appeal: Article 19 penalty

77. The Claimant appeals the Tribunal's refusal to award a penalty under Article 19 of the DIFC Employment Law. Permission was granted on Ground [III.2], that the Defendant unlawfully withheld undisputed funds. He seeks one penalty of a Daily Wage of USD 485.53 for each of the 136 days from 16 January to 31 May 2026, a total of USD 66,032.67.

78. Article 19(1) requires an employer to pay an employee certain sums within 14 days after the Termination Date. These are all Remuneration, excluding any Additional Payments deferred in accordance with Article 18(2); any accrued Gratuity Payment not transferred to a Qualifying Scheme; a Daily Wage for each day of accrued Vacation Leave not taken; and outstanding amounts not yet paid to a Qualifying Scheme. Under Article 19(2), and subject to Articles 19(3) and 19(4), the employer must pay a penalty equal to the employee's Daily Wage for each day it is in arrears of those obligations. Article 19(3) allows a penalty only if the amount due and not paid is held by a Court to exceed the employee's Weekly Wage. Article 19(4) requires a Court to waive the penalty for any period during which (a) a dispute is pending in the Court regarding any amount due to the employee under Article 19(1), or (b) the employee's unreasonable conduct is the material cause of the employee failing to receive the amount due.

79. The Termination Date was 1 January 2026, so Article 19(1) sums were payable by 15 January 2026. The Claimant filed his claim in the Tribunal on that same day. The Tribunal held that, because the claim was filed on the day payment fell due, Article 19(4)(a) required the penalty to be waived for the whole period of the proceedings. It therefore refused any penalty (at [62]-[63] of its reasons).

G1. The scope of the permitted ground

80. The Defendant submits that the Claimant's case goes beyond the permission granted. On its submission, Ground [III.2] concerns only Article 19(4)(b). A penalty claimed for the whole period during which the proceedings were pending therefore reopens Ground [III.1], on which permission was refused.

81. I do not accept that submission. Permission on Ground [III.1] was refused because of the argument then advanced, which was that the Defendant did not know the proceedings had been filed. That argument did not engage with the language of Article 19(4)(a). Permission on Ground [III.2] was granted on the basis that there is an arguable distinction between disputed entitlements and amounts the Defendant accepted were payable. It was also granted on the basis that, if the Defendant withheld admittedly payable amounts until the Claimant signed a release of broader claims, the Tribunal should arguably have treated Article 19 differently, at least for those undisputed sums. That ground necessarily raises whether Article 19(4)(a) applies to sums that were not in dispute, as well as whether Article 19(4)(b) applies. The Claimant does not revive the

argument based on the Defendant's knowledge of the proceedings.

82. The ground also requires the Court to decide, as a first step, whether the sums relied on fall within Article 19(1) at all. A penalty under Article 19(2) can arise only from arrears of the obligations in Article 19(1). Both parties addressed that question at the Hearing.

G2. The sums relied on

83. The Claimant relies on two sums: the balance of his Provident Fund Account A and the proceeds of redemption of his shares under the employee share ownership plan (ESOP). He confirmed at the Hearing that these are the only sums he says were undisputed and withheld. In its computation of final entitlements, the Defendant valued Account A at USD 9,684.44 and the ESOP redemption at USD 7,279.45. Before the Tribunal, the Defendant agreed to pay both sums (at [27]-[28] of its reasons). The Tribunal ordered payment (at [32]), and they were paid on 1 June 2026.

84. A third sum must also be considered. In Section E, I held that the Claimant is entitled to USD 1,456.60 for three days of accrued Vacation Leave not taken. That sum falls within Article 19(1)(c). However, it was disputed from the outset and has been in dispute in the Court since the claim was filed. Article 19(4)(a) therefore requires the penalty to be waived for that period. In any event, the sum is less than the Claimant's Weekly Wage, so Article 19(3) precludes a penalty based on it alone. The Claimant did not argue otherwise.

G3. Do Account A and the ESOP proceeds fall within Article 19(1)?

85. The Claimant submits that the Account A balance is Remuneration within Article 19(1)(a) because it consists of his own compulsory monthly contributions, deducted from his salary at source. He submits that the ESOP proceeds derive from part of his bonus, which was used to buy the shares, and therefore fall within Article 19(1). The Defendant submits that neither sum is Remuneration. In its submission, Account A is a balance in a separate savings fund that replaces the statutory scheme, and the ESOP proceeds are the value of an investment.

86. As the Court of Appeal explained in *Expresso Telecom Group Ltd v Rahamtalla* [2022] DIFC CA 002, Article 19(1) is not the source of an employee's entitlement. It imposes a time limit for paying entitlements that arise elsewhere, under the contract or the Law. The question is therefore whether the entitlements relied on fall within the categories listed in Article 19(1).

87. Remuneration is defined as the aggregate of an employee's Wage and Additional Payments. The Account A contributions were part of the Claimant's Wage when earned. But clause 15.1 of the contract provided for them to be deducted at source and paid into his Account A in the Staff Provident Fund. This deduction was agreed in the employment contract, and Article 20(1) permits such deductions. When each contribution was deducted and paid into the Fund, the Defendant's obligation to pay that part of the Claimant's Wage was discharged. The Claimant does not suggest that any contribution was deducted but not paid into the Fund.

88. After that point, the Claimant's entitlement was to the balance standing to the credit of his Account A, payable on leaving in accordance with the Fund Rules. Rule 15(A) provides that the Committee of the Fund is to pay the member the total amount he subscribed and standing to the credit of his A Account. That entitlement arises under the Fund Rules and is a savings balance held in the Fund. It is not Wage that remained unpaid at the Termination Date. Nor does it fall within Article 19(1)(d). That provision concerns contributions an employer has failed to pay into a scheme; it does not apply to a balance already held in the Fund to the employee's credit. The fact that the Account A balance came from the Claimant's own money and was payable even if he had been dismissed for cause, explains why it was not in dispute. It does not make it Remuneration.

89. The ESOP proceeds are further removed from Remuneration. The Claimant accepted at the Hearing that the shares were not wages once he had bought them. He submits that they were bought with part of his bonus, so that their proceeds are an Additional Payment. I do not accept that submission. The part of the bonus used to buy the shares was paid when it was applied to the purchase at his election. What became payable on his departure was the value of his shareholding, calculated by reference to the share price, not a bonus, incentive or other payment made by the Defendant to him as an employee. In any event, Article 19(1)(a) excludes Additional Payments deferred in accordance with Article 18(2). If the ESOP arrangement were treated as a deferral of part of the bonus, it would fall within that exclusion.

90. Accordingly, the Defendant's obligations to pay the Account A balance and the ESOP proceeds were not obligations under Article 19(1). Its failure to pay those sums within 14 days of the Termination Date could not attract a penalty under Article 19(2). That is enough to dispose of this ground. Because the parties argued the remaining issues fully, I address them briefly in case my conclusion in this subsection is wrong.

G4. Article 19(4)(a): sums not in dispute

91. The Defendant submits that the words "any amount" in Article 19(4)(a) mean that a dispute pending in the Court about any sum due under Article 19(1) suspends the penalty for all such sums, whether disputed or not. It relies on *Nyla v Naomi Limited* [2024] DIFC SCT 510 and *Odin v Ozzy* (CFI 063/2025). It submits that this reflects the Small Claims Tribunal's established practice and encourages concessions rather than wholesale disputes.

92. I do not accept that construction. Article 19(4)(a) waives the penalty for a period during which a dispute is pending regarding an amount due under Article 19(1). Read with Article 19(2), it naturally applies to the arrears to which the dispute relates. Its purpose is to protect an employer from a penalty on an amount it genuinely disputes while the Court resolves that dispute. That purpose does not extend to an amount the employer accepts is due. On the Defendant's construction, a dispute about a trivial sum would remove the penalty on large sums admittedly due, and an employer could avoid the penalty simply by raising a dispute about some other item. The concern that employees would have an incentive to dispute everything does not arise: the penalty is payable by the employer and only in respect of arrears.

93. That conclusion is consistent with *Expresso Telecom*. There, the Court of Appeal upheld the Court of First Instance's conclusion that live disputes in the proceedings about other amounts did not bring admitted sums within Article 19(4)(a). It held that the existence of a counterclaim that did not go to the admitted entitlements did not negate the obligation to pay them within 14 days. Nyla and Odin recite the language of Article 19(4)(a) but do not consider whether it applies to sums that are not in dispute. They do not assist on that question, and where they suggest

otherwise, I prefer the reasoning in *Expresso Telecom*.

94. The Defendant also submits that the sums were not agreed in January 2026, because the Claimant then asked for interest to be credited on Account A and rejected the computation as a whole. The correspondence shows that the Claimant questioned several items in December 2025, including the interest credited to Account A. However, in his emails of 31 December 2025 and 1 January 2026, he adopted the Defendant's own figures for Account A and the ESOP redemption. The Defendant's computation of 6 January 2026 included both sums as payable. Before the Tribunal, the Defendant agreed to pay both. Any difference about interest affected only a small part of the Account A balance and did not put the principal in dispute. Neither sum was in dispute in the proceedings. Had they fallen within Article 19(1), Article 19(4)(a) would not have required the penalty on them to be waived.

G5. Article 19(4)(b): the Claimant's conduct

95. The Defendant submits that the Claimant's conduct was the material cause of him not receiving payment. In particular, it relies on his refusal on [13 January 2026] to accept the computation, without identifying which items he accepted. It also submits that paying identified sums while other matters remained in dispute would have exposed it to the risk of the payment being appropriated to other heads of claim.

96. The Defendant accepts that its email of 6 January 2026 asked the Claimant to sign the final undertaking so that it could proceed with processing payment, and that it repeated that request. As set out at [21], the undertaking was a full and final release of all the Claimant's claims, with USD 1,500 to be withheld until 30 June 2026. Payment was therefore conditional on a release of every claim the Claimant had raised.

97. Refusing to give that release was not unreasonable. The Claimant had disputed several entitlements in writing, and he expressly offered to cooperate with cancelling his visa while reserving his claims. An employee is not required to give up disputed claims in order to receive sums the employer accepts are due. Nor does the appropriation risk the Defendant relies on justify withholding payment. An employer can tender a payment identified as payment of a specific item. The employee's reservation of other claims does not change what that payment discharges. The material cause of non-payment was the condition the Defendant attached to payment, not the Claimant's conduct. Had the sums fallen within Article 19(1), Article 19(4)(b) would not have required the penalty to be waived either.

98. On that hypothesis, a penalty would have accrued from 16 January 2026 until the sums were paid on 1 June 2026. Because the sums do not fall within Article 19(1), it is unnecessary to quantify it.

G6. Conclusion on Article 19

99. The Tribunal's reasoning was incomplete. It applied Article 19(4)(a) to all the sums claimed because a claim had been filed, without asking whether each sum fell within Article 19(1) or whether it was in dispute. However, its conclusion that no penalty was payable was correct, for the reasons given in subsection G3. The Account A balance and the ESOP proceeds were not sums the Defendant was obliged to pay under Article 19(1). The only sum within Article 19(1) that I have found due, USD 1,456.60 for untaken Vacation Leave, has been in dispute in the Court throughout and is in any event below the Weekly Wage threshold.

100. I therefore dismiss the Claimant's appeal on this ground.

H. Certificate of service

101. In his amended claim, the Claimant asked for an order that the Defendant issue a certificate of employment or work-experience letter, accurately stating his position, his period of employment and the duties he performed. The Tribunal's judgment does not deal with that request.

102. A court or tribunal must decide the claims and remedies properly put before it. Leaving a pleaded remedy undecided is an error, whatever the eventual answer to it would have been. The Tribunal should have decided whether the Claimant was entitled to the certificate and, if so, what it should contain. On appeal, the Court may make the order the Tribunal should have made. It is appropriate to do so here: the entitlement depends on the contract, and the relevant facts are not in dispute.

103. In its skeleton argument, the Defendant submitted that it had no legal obligation to provide a certificate, and that any certificate would be a matter of good practice. That submission overlooks the contract. Clause 26.2 incorporates the Defendant's Staff Rules. Staff Rule 8405 headed "Termination Documents", lists the documents to be presented on termination before the employee's final pay-out. It provides that the employee "shall be entitled to" a final pay slip, accrued statutory leave and a certificate of service. That is a contractual entitlement, not a matter of discretion or goodwill.

104. The reference to final pay-out in Staff Rule 8405 sets the timeframe for providing the documents. It does not mean the entitlement ends once final pay-out has happened. The certificate should have been provided by the time of the payment on 1 June 2026 at the latest. The Claimant told the Court that he has now been without any confirmation of his employment for about nine months.

105. At the Hearing, counsel for the Defendant accepted that the obligation is found in the Staff Rules, and said the Defendant has no objection to providing a factual certificate of employment. There is therefore no substantive dispute about the entitlement, and nothing needs to be investigated further.

106. A certificate of service is a factual record of employment. It is not a reference, recommendation or assessment of performance, and the Claimant does not ask for one. He seeks a certificate stating his dates of employment, his position and his principal duties as recorded in clause 1.2 of the employment contract. The contract establishes each of those matters, and my finding in Section D establishes when the employment ended. Including the duties as the contract records them involves no evaluation of how the Claimant performed them. The certificate should therefore state that:

(a) the Claimant was employed by the Defendant from 2 January 2024 to 1 January 2026;

(b) his position was Finance Manager; and

(c) his principal duties were as described in clause 1.2 of the employment contract.

107. I therefore allow the Claimant's appeal on this ground. The Defendant must issue a signed certificate of service in those terms within 14 days.

I. Disposition, accounting and costs

I1. The post-judgment material

108. For the reasons given at [12], the post-judgment material has been admitted for the limited purpose of identifying what has already been paid.

I2. The outcome by head of claim

109. The sum of USD 51,202.93 ordered by the Tribunal was made up as follows:

(a) Provident Fund Account A and ESOP redemption: USD 16,963.89;

(b) pay in lieu of notice: USD 21,039.80;

(c) terminal allowance under the Fund Rules: USD 11,244.17; and

(d) repatriation: USD 1,955.07.

110. The awards for Account A, ESOP redemption and repatriation were not challenged on appeal and stand. The terminal allowance stands because the Claimant's appeal on Account B has been dismissed. The award of pay in lieu of notice is set aside for the reasons in Section D. In its place, the Claimant is awarded USD 1,456.60 for three days of accrued Vacation Leave not taken, for the reasons in Section E. The appeal on the Article 19 penalty is dismissed for the reasons in Section G.

111. The principal sum in paragraph 1 of the SCT Order is therefore varied from USD 51,202.93 to USD 31,619.73.

112. In its conclusion at [66] of its reasons, the Tribunal stated the judgment sum as USD 51,202.97. The amounts it awarded add up to USD 51,202.93, and that is the figure in paragraph 1 of the SCT Order. The four-cent difference is an arithmetical slip in the reasons. The variation is made by reference to the figure in the SCT Order.

I3. Payment and the sum outstanding

113. Of the USD 49,840.66 paid on 1 June 2026, the following sums were paid towards the Tribunal's monetary award:

(a) Provident Fund Account A: USD 9,684.44;

(b) ESOP redemption: USD 7,279.45;

(c) terminal allowance: USD 11,244.17; and

(d) repatriation: USD 1,955.07.

Those sums total USD 30,163.13. The rest of the payment, USD 19,677.53, was the Claimant's 2025 bonus. The Defendant paid neither the award of pay in lieu of notice nor the filing fee.

114. Because the award of pay in lieu of notice was never paid, setting it aside means nothing needs to be repaid. Of the varied principal sum of USD 31,619.73, USD 30,163.13 has been paid. The balance of USD 1,456.60 is the sum awarded for untaken Vacation Leave, which remains outstanding. The orders below record the payment and require only the outstanding balance to be paid. That avoids any risk of double recovery.

I4. The bonus and visa directions

115. The Tribunal directed the Defendant to notify the Court by 15 June 2026 of the Claimant's bonus payment and to justify it, and provided that, if the Defendant failed to do so, the amount claimed of USD 20,419 would become due. Neither party appealed that direction. The Defendant paid a bonus of USD 19,677.53 on 1 June 2026. Whether the Defendant complied with the direction, and whether any further sum is due under it, are not issues in these appeals. I express no view on them. The direction is unaffected by this judgment.

116. The Tribunal also directed the parties to cooperate in cancelling the Claimant's employment visa. That direction was not appealed and is unaffected by this judgment. The material before the Court does not show whether the visa has been cancelled, and the direction remains in force.

I5. The Tribunal filing fee

117. The Tribunal ordered the Defendant to pay the Claimant the DIFC Courts' filing fee "in an amount proportionate to the judgment sum", namely USD 1,024.05. The Defendant was granted permission to appeal that order only as a consequence of its challenge to the notice award. It submits that, if the notice award is set aside, the basis for the fee order is materially affected.

118. I do not accept that submission. The Claimant was substantially successful before the Tribunal. He recovered several of the amounts he claimed, though not in full, and the Defendant had contested liability for a number of them. That remains so after the notice award is set aside: he has still recovered USD 31,619.73, and on appeal he has also obtained an award for untaken Vacation Leave and an order for a certificate of service. A successful party is ordinarily entitled to recover the filing fee. That entitlement is not reduced to whatever share of the fee matches the

proportion of the claim he recovered. On that approach, a reduction in the judgment sum on appeal does not, of itself, justify reducing the fee award.

119. Approached in that way, the Tribunal's order did not overcompensate the Claimant. If anything, its proportionate approach favoured the Defendant. At the Hearing, the Claimant submitted that he paid a filing fee of about USD 1,800 and should have recovered more than USD 1,024.05. He did not appeal the fee order, however, so the Court cannot increase it. The only question is whether the order should be set aside or reduced as a consequence of the outcome on the notice award. For the reasons given, it should not.

120. The Defendant's appeal against the order requiring it to reimburse the Claimant's filing fee is dismissed. The order for payment of USD 1,024.05 stands.

I6. Costs of the appeals

121. Practice Direction No. 1 of 2025 provides that "the general rule in employment disputes shall be that each party bears its own legal costs". It states that it applies to all employment claims brought before the Court of First Instance. These are appeals to the Court of First Instance from a judgment of the Small Claims Tribunal in an employment claim. Read literally, the Practice Direction may not apply to them. However, its stated purpose is "to enhance access to justice in employment-related disputes, recognising the need for a proportionate, fair, and efficient procedural framework within the DIFC Courts". That purpose is no less relevant to an appeal in an employment claim begun in the Tribunal than to an employment claim begun in this Court. There is a respectable argument that the general rule should guide the costs of such an appeal.

122. The parties did not address that question, and it is unnecessary to decide it. I reach the same result by applying the Court's general discretion as to the costs of claims and appeals in the Court of First Instance.

123. The appeals have had mixed results. The Defendant succeeded on the largest item in the Tribunal's award: its appeal against the notice award of USD 21,039.80 is allowed. It failed on its consequential appeal concerning the filing fee. The Claimant succeeded on accrued Vacation Leave, though for a smaller sum than he claimed, and on the certificate of service. He failed on Provident Fund Account B and on the Article 19 penalty, which was the largest sum claimed in his appeal. Each party therefore succeeded on some issues and failed on others, and neither can fairly be described as the overall successful party. The Claimant represented himself at the Hearing, while the Defendant was represented by counsel. The sums at stake are modest, and the proceedings began in the Tribunal, which is designed to resolve such claims proportionately and at limited cost. The costs of the applications for permission to appeal were reserved as costs in the appeals and follow the same assessment.

124. Taking those matters into account, the just order is that each party bear its own costs of the appeals and of the applications for permission to appeal. That result is also consistent with the purpose of Practice Direction No. 1 of 2025.

I7. Orders

125. For these reasons, the Court orders that:

12. The Claimant's application to rely on the Defendant's emails dated 23 May 2026 and the bank credit advice dated 21 September 2026 is granted, for the limited purpose stated at [12] of these Reasons.

13. The Defendant's appeal against the inclusion in the SCT Order of USD 21,039.80 as payment in lieu of notice is allowed.CommentHighlight

14. The Claimant's appeal concerning accrued annual leave is allowed in part. The Claimant is entitled to USD 1,456.60 for three days of accrued vacation leave not taken.

15. The Claimant's appeals concerning Provident Fund Account B and the penalty under Article 19 of the DIFC Employment Law are dismissed.

16. To give effect to paragraphs 2 and 3 of this Order, paragraph 1 of the SCT Order is varied by substituting "USD 31,619.73" for "USD 51,202.93".

17. It is recorded that, on 1 June 2026, the Defendant paid the Claimant USD 30,163.13 towards the sum in paragraph 1 of the SCT Order as varied. That payment comprised:

(a) Provident Fund Account A: USD 9,684.44;

(b) ESOP redemption: USD 7,279.45;

(c) terminal allowance: USD 11,244.17; and

(d) repatriation costs: USD 1,955.07.

18. Within 14 days of the date of this Order, the Defendant shall pay the Claimant USD 1,456.60, being the balance outstanding of the sum in paragraph 1 of the SCT Order as varied.

19. The Defendant's appeal against paragraph [4] of the SCT Order, which requires it to pay the Claimant the DIFC Courts' filing fee of USD 1,024.05, is dismissed.

20. The Claimant's appeal concerning the certificate of service is allowed. Within 14 days of the date of this Order, the Defendant shall issue to the Claimant a signed certificate of service stating that:

(a) the Claimant was employed by the Defendant from 2 January 2024 to 1 January 2026;

(b) the Claimant's position was Finance Manager; and

(c) the Claimant's principal duties were those described in clause 1.2 of the employment contract.

21. Paragraphs [2] and [3] of the SCT Order, which concern the Claimant's bonus payment and the cancellation of the Claimant's employment visa, are unaffected by this Order.

22. Each party shall bear its own costs of the appeals and of the Applications for Permission to Appeal.