**THE DUBAI INTERNATIONAL FINANCIAL CENTRE COURTS**

**In the name of His Highness Sheikh Mohammed Bin Rashid Al Maktoum, Ruler of Dubai**

**IN THE SMALL CLAIMS TRIBUNAL OF DIFC COURTS**
**BEFORE H.E. JUSTICE NASSIR AL NASSER**

BETWEEN

**LAIRD**

Claimant

and

**LAMIS**

Defendant

---

Hearing : **9 June 2021**
Judgment : **17 June 2021**

---

**JUDGMENT OF H.E. JUSTICE NASSIR AL NASSER**

---

**UPON** the Claim Form being filed on 19 May 2021

**AND UPON** a Hearing being held before H.E. Justice Nassir Al Nassir on 9 June 2021, with the Claimant and the Defendant's representatives in attendance.

**AND UPON** reviewing the documents and evidence filed and recorded on the Court file

**IT IS HEREBY ORDERED THAT:**

1. The Claimant's claim shall be dismissed.

2. Each party shall bear his own costs.

Issued by:
**Ayesha Bin Kalban**
SCT Judge and Deputy Registrar
Date of issue: 17 June 2021
At: 11am

**THE REASONS**

**The Parties**

1. The Claimant is Laird (the "Claimant"), an individual filing a claim against the Defendant regarding his employment at the Defendant company.

2. The Defendant is Lamis ( (the "Defendant"), a company registered and located at, DIFC, Dubai, UAE.

**Background and the Preceding History**

3. The underlying dispute arises over the employment of the Claimant by the Defendant on 9 November 2011 pursuant to an Employment Contract (the "Contract").

4. On 19 May 2021, the Claimant filed a claim in the DIFC Courts' Small Claims Tribunal (the "SCT") seeking payment of amounts allegedly owed to him pursuant to the Contract and compensation for an alleged arbitrary termination of his employment in the sum of AED 480,000.

5. On 26 May 2021, the Defendant filed its Acknowledgment of Service setting out its intention to defend all of the claim.

6. On 30 May 2021, a consultation was held before SCT Judge Delvin Sumo, however, the parties failed to settle.

**The Claim**

7. The Claimant's case is that he joined the Defendant company on 9 November 2011 in the position of `Trainee Associate' for a period until 31 October 2012. Subsequently, he entered into another contract with the Defendant dated 1 January 2013 in the position of `Associate' and was then promoted to the position of `Vice President' with a monthly remuneration of AED 60,000.

8. On 1 February 2021, the Claimant received a termination notice from the Defendant stating that the Claimant's employment with the Defendant

is to end on 2 May 2021.

9. The Claimant alleges that the termination of his employment was carried out in an unfair illegal manner and submits that he is eligible to receive on account the sum of AED 120,000 in light of this alleged unlawful termination, in accordance with the DIFC Employment Law.

10. The Claimant further submits that he is eligible to receive payments in the form of commission in the sum of AED 360,000, in accordance with the Employment Contract.

11. Therefore, the Claimant proceed to file a claim seeking payment in the amount of AED 480,000.

**The Defence**

12. In response to the Claimant's claim, the Defendant submits that, on 10 May 2021, the Claimant signed a declaration on a DIFC Application for Internal Transfer form confirming that:

> "I, the undersigned, do hereby certify that I have received all my dues in respect of my salary and leave from the Defendant and verify that I have no rights to make any claim after this date."

13. The Defendant submits that the Claimant is not entitled to any payments in the form of commission or compensation, in light of the declaration signed on 10 May 2021.

**Discussion**

14. This dispute is governed by DIFC Law No. 2 of 2019, as amended by DIFC Law No. 4 of 2020 (the "DIFC Employment Law") in conjunction with the relevant Employment Contract.

15. There are three issues to be addressed in this claim:

(a) Whether the Claimant is entitled to AED 120,000 in respect of "Arbitrary Termination Compensation";

(b) Whether the Claimant is eligible to commission in the sum of AED 360,000; and

(c) The validity of the declaration on the DIFC Application for internal Transfer form signed by the Claimant.

**The Claimant's claim for Arbitrary Termination Compensation**

16. The Claimant argues that he is entitled to Arbitrary Termination Compensation in the sum of AED 120,000.

17. In response to the Claimant's claim for compensation for the alleged arbitrary termination of his employment, the Defendant submits that it had terminated the Claimant's Employment by issuing a 90 days' written notice, in accordance with Article 62(2)(c) of the DIFC Employment Law, which states as follows:

> "Subject to Article 62(3), 62(4), 62(6), and 63, the written notice required to be given by an Employer or Employee to terminate the Employee's employment shall not be less than
>
> ..
>
> *(c) ninety (90) days, if the period of continuous employment of the Employee is in excess of five (5) years, including any period secondment"*.

18. The Defendant further submits that it had placed the Claimant on garden leave for the duration of his notice period in accordance with Article 62(5) of the DIFC Employment Law, which states the following:

> "An Employer may require an Employee not to attend work or undertake their duties during all or part of the Employee's notice period".

19. The Defendant relies on multiple precedents issued by the DIFC Courts that have held that there is no principle of "unfair dismissal" in the DIFC, quoting the judgment of Justice Tan Sri Dato Seri Siti Norma Yaakob in *Rasmala Investments Ltd v Rana Banal & others* [2009] DIFC CFI 006; the judgment of Sir Anthony Colman in Hana Al Herz v DIFCA [2012] DIFC CFI 011; and the judgment of Sir Anthony Colman in Marwan Lutfi v DIFCA [2012] CFI 003.

20. Having reviewed the aforementioned authorities and in accordance with the findings set out therein, I am of the view that there is no principle of arbitrary dismissal in the DIFC, and find that the Claimant has made such a claim in accordance with the principles set out in the Federal UAE Employment Law, which do not apply to the DIFC. I therefore dismiss the Claimant's claim for compensation accordingly.

**The Claimant's claim for commission**

21. The Defendant in response to the Claimant's claim for commission in the sum of AED 360,000, submits that the Claimant has failed to support his claim with evidence. In addition, the Defendant refers to Clause 4.1.4 of the Employment Contract which reads as follows:

> "the Employee may also be entitled to receive as an additional amount, a variable remuneration (bonus), whose amount will be discretionally determined by the employer. The variable remuneration is granted on an entirely discretionary basis by the employer.
>
> the payment of the variable remuneration shall occur annually, usually at the end of March of the year following the year to which the bonus refers, and is subject to the following condition: the employee is still employed by Lamis Dubai Branch and/or he is not under notice period

(for any cause the termination occurs) at the moment the variable remuneration is to be paid."

22. The Defendant submits that the Claimant is not entitled to bonus due to his poor performance during his time with the Defendant company, and submits that the Claimant was on his notice period during the point of time when the bonus payments were being paid out by the Defendant.

23. I am not satisfied that the Claimant would be entitled to a claim for bonus, seeing as the Claimant has failed to support said claim with evidence. Furthermore, the Claimant's entitlement to a bonus is governed by clause 4.1.4, which sets out that a bonus is paid to an employee under the employer's discretion. Therefore, I am of the view that the Claimant should not be entitled to a bonus and dismiss this claim accordingly.

**The validity of the declaration on the DIFC Application for internal Transfer form signed by the Claimant**

24. At the hearing, the Claimant confirmed it was his signature on the declaration filed by the Defendant whereby the Claimant has confirmed that he had received all dues owed to him by the Defendant. The Claimant also confirmed that he has received his end of service entitlements. Therefore, I find that the Claimant is not entitled to make any further claims against the Defendant.

**Conclusion**

25. In light of the aforementioned, I dismiss the Claimant's claims.

26. Each party shall bear its own costs.