Claim No. SCT 134/2020

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 SCT JUDGE NASSIR AL NASSER

BETWEEN

LORELEI

Claimant

and

LEIA HOSPITALITY, DUBAI DESIGN DISTRICT - LEAH RESTAURANT LTD

Defendant

Hearing **: 17 June 2020**
Judgment **: 18 June 2020**

JUDGMENT OF SCT JUDGE NASSIR AL NASSER

UPON this Claim being filed on 20 April 2020

AND UPON the Claim being Amended on 29 April 2020

AND UPON the Defendant filing an Acknowledgment of Service indicating its intention to contest the jurisdiction of the DIFC Courts dated 5 May 2020

AND UPON a Jurisdiction Hearing having been held before SCT Judge Maha Al Mehairi on 17 May 2020, with the Claimant and the Defendant's representative in attendance

AND UPON the Jurisdiction Judgment of SCT Judge Maha Al Mehairi dated 18 May 2020 finding that the DIFC Courts have the jurisdiction to hear and determine this claim

AND UPON a Hearing having been held before SCT Judge Nassir Al Nasser on 17 June 2020, with the Claimant and the Defendant's representative in attendance

AND UPON reading the submissions and evidence filed and recorded on the Court file

IT IS HEREBY ORDERED THAT:

1. The Defendant shall pay the Claimant the sum of AED 12,000.

2. The Defendant shall pay the Claimant the Court fees in the sum of AED 367.50.

Issued by:
Nassir Al Nasser
SCT Judge
Date of issue: 18 May 2020
At: 11am

THE REASONS

The Parties

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

2. The Defendant is Leia Hospitality, Dubai Design District - Leah Restaurant Ltd (the "Defendant"), a restaurant located in the DIFC, Dubai, UAE.

Background and the Preceding History

3. The underlying dispute arises over the employment of the Claimant by the Defendant pursuant to an Employment Contract dated 10 February 2019 (the "Employment Contract").

4. On 1 April 2020, the Defendant terminated the Claimant's employment due to the global crisis of Covid-19. The Claimant was terminated

without notice nor payment in lieu of notice, in addition to other deductions without the Claimant's approval.

5. On 20 April 2020, the Claimant filed a claim in the DIFC Courts' Small Claims Tribunal (the "SCT") claiming AED 12,000 which includes 1-month notice period, payment in lieu of notice, end of service gratuity, annual leave in lieu and an annual flight ticket.

6. The Defendant responded on to the Amended Claim on 28 May 2020 and 17 June 2020.

Discussion

7. At the hearing, the Claimant argued that as per his Employment Contract he is entitled to the sum of AED 12,000 which consists of the following:

(a) One-month notice period in the sum of AED 6,000;

(b) End of service gratuity in the sum of AED 2,800;

(c) Annual leave accrued but untaken in the sum of AED 1,400; and

(d) Annual flight ticket in the sum of AED 1,800.

8. The Defendant did not contest the Claimant's entitlements as per the Employment Contract but argued that due to the Pandemic of Covid-19 which has affected the business and the financial position of the Defendant they are unable to pay the Claimant his notice period.

9. However, the Defendant agreed to pay the Claimant his end of service gratuity, accrued annual leave and an annual flight ticket.

Findings

10. I find that the Defendant partially settled the claim by offering the Claimant the sum of AED 6,000 which consists of payment for his end of service gratuity, accrued annual leave and an annual flight ticket.

11. In relation to payment in lieu of notice, the Employment Contract stipulates that:

"Pre-confirmation, either party (the company or the Employee) can terminate employment during the six months' probation period at any time.

Post-confirmation, two months' notice should the employee wish to resign, and one-month notice should employer wish to terminate the agreement."

12. On 1 April 2020, the Defendant terminated the Claimant's employment. Therefore, as per the Employment Contract, the Claimant is entitled to one-month notice in the sum of AED 6,000.

13. Although the Defendant argued that they are in financial difficulty due to the Covid-19 pandemic which had a negative impact on the business, I find that the Defendant is obliged to honor the agreed terms of the Employment Contract.

14. Therefore, I find that the Defendant shall pay the Claimant the sum of AED 12,000 plus the Court fees in the sum of AED 367.50.

Issued by:
Nassir Al Nasser
SCT Judge
Date of issue: 18 May 2020
At: 11am