

## **Resignation vs Termination in the UAE: Know Your Rights as an Employee or Employer**

Resignation from an establishment and termination of employment are a standard part of an individual's professional journey. To ensure fairness, the UAE government has enacted regulations to govern employment termination and resignation procedures in the country. Legal assistance from a reputed **Dubai law firm** or an experienced **corporate lawyer in Dubai** can help employees and employers navigate these processes effectively.

### **Termination versus resignation: layman's terms**

Colloquially, resignation is often referred to as the process of dissolving the employment contract, initiated by the employee. On the other hand, termination is referred to as the dissolution of the employment contract initiated by the employer. The [law firm in UAE](#), both termination and resignation are governed by the labour code under Federal Decree-Law No. 33 of 2021 on Regulation of Labour Relations.

### **Provisions regarding termination of an employment contract under the Labour Code:**

Article 42 provides the various conditions under which an employment contract can be terminated. It states that a contract can be terminated mutually by both parties agreeing in writing. The contract will also stand terminated at the expiry of the agreement, unless it is extended or renewed in accordance with the law.

**Termination of contract by either party** - Either party may unilaterally request the termination of the employment contract. In such cases, the notice period must be observed as prescribed by law. A [corporate lawyer in Dubai](#) can help draft and review termination clauses to ensure compliance.

**Termination of contract due to death or imprisonment** - A contract may be terminated due to the death of one of the parties involved. Thus, in case of death or permanent total disability of an employee, the employment may be terminated. Similarly, the death of the employer can also result in termination if the subject of the contract is related to the employer in person.

**Closure of the company** - An employment contract will be terminated if the workplace is permanently shut down, or if the employer is declared insolvent or bankrupt.

### **Providing notice of termination**

As per the labour regulations, the employer and the employee have the right to terminate the contract provided they give notice to the other party. As per the labour code, the notice period prescribed in the employment contract must be between 30 days to 90 days, and must be the same for both parties. During this notice period, the terms of the contract will continue to be applicable and the employee is entitled to his full salary. Consequently, the employee must carry out his duties in the same manner as before the notice period.

If either the employer or the employee fails to comply with the notice period, they must compensate the other party for the same even if there was no harm. This compensation will be equal to the employee's salary for the period of non-compliance.

### **The right to look for another employment during the notice period**

In a step towards protecting the interest of the employee, the law states that if the termination was carried out by the employer, the employee may take one day off per week as unpaid leave, to look for a new job. The employee may specify the day of absence, but he must inform the employer at least 3 days prior to the day of absence.

### **Termination of the contract during the probation period**

The probation period is defined by Law as the period that enables an employer to evaluate the employee's performance on the job after the expiry of which the employment contract may be continued or terminated in accordance with the provisions of this Decree-Law. If the employer wishes to terminate the employment during the probation period, he must provide a notification stating the same at least 14 days before the last working day. If the employee wishes to terminate the contract and join another work in the UAE, he must notify the employer, in writing, at least one month prior to the last working day.