

## The changes to your End of Service Gratuity

### What is changing?

Following the enactment of Dubai International Financial Centre Law No. 2 of 2019 (DIFC Employment Law, as amended) and the DIFC Employment Regulations, from 1st February, 2020 the way your End of Service Gratuity (EoSG) will be calculated and paid is changing. The below table shows how your EoSG will be calculated and paid.

End of Service Gratuity payment for																
	Service UP TO 31, January 2020		Service FROM 1, February 2020													
What is EoSG based on?	It will be based on two things a) Your length of service as on 31st January, 2020 b) Your basic salary at the time you are leaving the company		It will be the value in your DIFC Employee Workplace Saving Scheme (DEWS) Account. Your DEWS account will get monthly credits from your employer and you can log-in and see the amount whenever you want.													
When will it be paid to me?	It will be paid when you leave your company.		It will be paid when you leave your company.													
Who will pay it?	It will be paid to you by your employer .		It will be paid to you by DEWS.													
How is it calculated?	<table border="1"> <thead> <tr> <th colspan="2">On 31st January if you have,</th> </tr> <tr> <th>worked in your company for less than 5 years</th> <th>worked in your company for more than 5 years</th> </tr> </thead> <tbody> <tr> <td>21 days for each year multiplied by your Basic Salary when you leave</td> <td>21 days for each year multiplied by your Basic Salary when you leave + 30 days for each additional year of service multiplied by your final basic salary</td> </tr> </tbody> </table>		On 31st January if you have,		worked in your company for less than 5 years	worked in your company for more than 5 years	21 days for each year multiplied by your Basic Salary when you leave	21 days for each year multiplied by your Basic Salary when you leave + 30 days for each additional year of service multiplied by your final basic salary	<table border="1"> <thead> <tr> <th colspan="2">Starting from 1st February 2020 if you have</th> </tr> <tr> <th>worked in your company for less than 5 years</th> <th>worked in your company for more than 5 years</th> </tr> </thead> <tbody> <tr> <td>5.83% of your basic salary is paid every month into your DEWS account</td> <td>8.33% of your basic salary is paid every month into your DEWS account</td> </tr> </tbody> </table>		Starting from 1st February 2020 if you have		worked in your company for less than 5 years	worked in your company for more than 5 years	5.83% of your basic salary is paid every month into your DEWS account	8.33% of your basic salary is paid every month into your DEWS account
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## When my money is in the DEWS (DIFC Employee Workplace Saving Scheme) account, what happens to it?



The money that your employer puts into your DEWS account is invested - so that when you leave your employment, it has potentially grown and you could have some extra on top.



We have some options available for investing – some where you can make more money, but can also lose more when the market is down. We also have options where you will make less, but will also lose less when the market is down.\*



This may not always be the case, and sometimes if the market is not doing well, you could lose some of your money. As part of the DEWS team, the investment manager, Mercer, will do their best to make sure that is not the case, but we cannot guarantee that.



If you are not sure where to invest, remember that the DEWS team has chosen one for you and you can stay with that.

You can change it if you want, but before you do that you need to be clear about what happens to your money when the market goes up and down.

\*Equiom, Zurich or Mercer will not provide any financial advice - for financial guidance, please seek advice from a financial professional.

## What happens when you leave?

If you have been working with your employer before 01-Feb, 2020, you will be eligible for two payments.

- One from your employer for the EoSG before 01st Feb, 2020.
- One from DEWS which is the total balance of your account. You can decide if you want to withdraw this or keep it and take it on a later date. If you want to withdraw it, we will transfer it to your bank account in the UAE or outside the UAE.\*\*

\*\* This will be in line with our policies and procedures.



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