

Federal Law No. (7) OF 1999
Promulgating the Pensions and Social Security Law

We, Zayed Bin Sultan Al-Nahyan, President of the United Arab Emirates,

- Having taken cognizance of the Constitution, and
- Federal Law No. (1) of 1972 regarding the jurisdictions of Ministries and powers of Ministers, and its amending laws, and
- Federal Law No. (17) of 1972 regarding Nationality and Passports and its amending laws, and
- Federal Law No. (8) of 1973 regarding the Civil Service in the Federal Government, and its amending laws, and
- Federal Law No. (13) of 1974 regarding Pensions & Retirement Bonuses for Employees and Civil Servants and its amending laws, and
- Federal Law No. (14) of 1974 regarding the Pensions & Retirement Bonuses of the Prime Minister, His Deputy & the Ministers and its amending laws, and
- Federal Law No. (7) of 1976 regarding Establishment of the State Audit Institution, and
- Federal Law No. (8) of 1980 regarding Organization of Labour Relations, and
- Federal Law No. (2) of 1982 regarding Determination of Pensions for Members of the National Federal Council and its amendments, and
- Federal Law No. (1) of 1984 regarding Retirement Pensions and Bonuses for Nationals Employed by Institutions, Establishments, Companies and Banks where the Government is a Share-holder, and
- According to what was submitted by the Minister of Finance and the approval of the

Council of Ministers and the Federal National Council as well as the ratification of the Supreme Council of the Federation,

Promulgated the following Law:

Article (1)

The provisions of the attached law regarding Pensions & Social Security shall be put into force.

Article (2)

This law shall replace the aforementioned Federal Laws Nos.: (13) of 1974, (14) of 1974, (2) of 1983 and (1) of 1984.

The private sector employers and their national employees, who are not subject to other pension and social security laws of the State, must subscribe to the Authority according to the provisions of this Law.

Article (3)

The Authority shall set up the executive rules and conditions for the benefiting from this Law by employers as well as persons working for their own account and free-lance professionals and a decision shall be issued in this regard by the Minister after the approval of the Board of Directors.

Article (3) BIS

The Authority shall establish the executive rules of applying the provisions of "regulation of extending security protection to the nationals of the GCCC outside their countries in anyone of the other GCCC" and also establish the regulation of exchange of benefits between the

pension funds operating in the country and this shall be included in a resolution from the Cabinet following the presentation of the Minister after obtaining the approval of the Board of Directors.

Article (4)

Without prejudice to the provisions of Article (20) of the attached Law, the pensions of the insured persons, whose services terminated before the enforcement of this law, as well as the pensions of those entitled on behalf of them shall be settled according to the pension actually collected by them or the pension due under the provisions of the attached Law whichever is bigger.

Article (5)

The regulations and decisions, issued in implementation of the provisions of the laws stated in Article (2) hereof shall continue to be enforced in what does not contradict with its provisions, pending issuance of the decisions and regulations implementing it.

Article (6)

The Minister of Finance and Industry shall issue the regulations and decisions necessary for implementation of the provisions of this law.

Article (7)

Each provision violating or contradicting with the provisions of this law shall be cancelled.

Article (8)

This law shall be published in the official Gazette and it shall be put into force after two

months from the date of its publishing, but for the private sector, it shall be enforced after six months from the date of its publishing.

Zayed Bin Sultan Al Nahyan

President of the United Arab Emirates

Promulgated by Us at the Presidential Palace in Abu Dhabi

Dated: 1st Dul Qa'eda, 1419 Hijri

Corresponding to: 16 February, 1999.

PART ONE

DEFINITIONS

Article (1)

In the implementation of this law, the following words and phrases shall bear the meanings ascribed to them herein, unless otherwise stated:

- State** : The United Arab Emirates
- Authority** : The General Authority for Pensions and Social Insurance
- Board of Directors** : The Board of Directors of the Authority
- Employer** : a. In the Government Sector:
The federal government bodies, the public institutions, the general establishments, the general companies and the banks in which the federal government contributes, in addition to the local government bodies which the government of the emirate desires to subjugate to this law.
- b. In the Private Sector:
Every normal or juridical person employs UAE employers for a salary of whatever kind.

- The Insured** : Every UAE national for whom these articles of the law are applicable.
- Subscription Period** : The duration of service for which the insured person deserves a pension or remuneration according the conditions and pursuant to the law.
- Pensioner** : Everybody whose service has terminated and deserves a pension according to the provisions of the law
- Pensioning off age** : The age of sixty
- Pension** : The amount of money which becomes regularly payable by the Authority every month to the pensioner or to the pensioner's deserving persons as per the articles of the law
- The deserving person** : Every person who deserves a portion in the pension due the death of the insured person or the pensioner.
- The term of service** : Every term of service the insured person spent working and during which he has been subject to the pensions system, as well as the terms he may add together as per the provisions of the law.
- Work injury** : The injury caused by an accident during performance of work or caused by it or infected by work related diseases, and the death caused by stress or exhaustion of work shall be considered work injury whenever the rules and requirements of the minister's decision are met by an agreement with the minister of health, and the injury shall be considered work injury when an accident takes place

to the insured person while going to or coming back from work.

Work related disease : The disease which spreads increasingly among people of the same occupation or different occupations, as stated in table No (1) annexed to Federal Law No (8) of 1980 referred to herein. The percentage of the disability caused by work related disease shall be estimated by the concerned medical committee, and the disease shall be deemed as an occupational disease if the insured person is infected while doing his/her work or within one year from the date of leaving work.

The Injured : Every injured person suffering a work related injury

The patient : A person who gets sick or has an accident shall not be considered work related injury.

Total disability : Every disability which prohibits the insured person from performing any occupation or job whether totally or permanently to earn a living, and that should confirmed by a decision from the concerned medical committee after stability of the condition, including complete loss of sight, or loss of the two arms or legs or loss of an arm and a leg and cases of mental diseases, or chronic and incurable diseases which are specified by a decision from the Minister of Health.

Partial Disability : Every disability which may permanently affect the ability

of the insured person to perform his/her job in his/her original occupation or earn a living generally, and the said disability should be caused by a work related injury by a decision from the concerned medical committee after stability of the condition, as stated in table No (2) annexed herein, which explains the degrees of disability in cases of organic loss, if the disability is not as stated in the table herein, then the percentage of disability of the injured person to earn a living shall then be estimated by the medical committee provided that the percentage of the injury is mentioned in the report of the medical committee referred to. And if the disability does have special effect on the ability of the injured person to earn a living in his/her original occupation, then the job which the injured person does should be mentioned in details explaining the mentioned in details explaining the effect of that with regard to increasing the degree of disability in those cases from the percentage referred to in table No (2) herein.

Natural death : the death which is not caused by work related injuries

The concerned medical Committee : The medical committee on whose report basis the decision of the Minister of Health is issued

Committee

The Subscription : a. As for the government sector:

Account Salary The basic salary of the injured Person added to it the monthly

allowances given to him/her as follows:

Living expense allowance, social allowance for children, social allowance for UAE nationals and accommodation allowance allocated for his/her grade, and the accommodation allowance shall be estimated on monthly basis by dividing it to the number of the months of year, provided that the **salary of the injured person should not exceed the subscription calculation salary of the Minister.**

b. As for the prime Minister, and his deputy, the Ministers and those in their grades:

The basis salary added to it housing allowance and the other monthly and annual allowances, and the annual allowances shall be estimated by dividing them into the months of year.

c. As for the President of the Federal National Council:

The salary of the subscription calculation for the Minister, and member of the federal national council shall receive membership reward.

d. As for the Private Sector:

The wage specified by the employment contract, and if the wage is less than Dhs 1000 (one thousand dirhams) monthly, this last limit shall be taken into consideration upon application of the rules of this law, and if the salary exceeds fifty thousand Dirham Dhs. 50,000 this limit shall be considered only.

Following the approval of the Board of Directors, the minister

may amend the minimum and maximum limit depending on the financial situation of the authority.

The pension account : a. In the Government Sector: **the average subscription account salary for the three final years of the insurance subscription period or the entire subscription period if it is less than that.**

b. As for the prime Minister, his deputy, the Ministers and those at the same level: the subscription account salary.

c. As for the President of the Federal National Council: the subscription account salary of the minister, the membership gratuity for the members of the Federal National Council.

d. In the Private Sector: the average of the subscription account salary for the last five years of the insurance subscription period or the entire subscription period if it is less.

PART TWO

SUBSCRIPTIONS FOR THE INSURED PERSONS

Article (2)

Contributions for the insured include the following:

1. The monthly contributions paid by the insured, which are deducted at the rate of (5%) from the contribution account salary.
2. The monthly contributions paid by the employer at the rate of (15%) of the contribution account salary for the insured employees thereof. As for the employer in the private sector, the government shall bear a rate (2.5%) of its share in

contributions, which is paid to the GPSSA in the form of support to encourage the employee to hire citizens. The Cabinet may amend or cancel this rate and set all conditions and controls related to the government bearing this rate according to what the Cabinet deems appropriate.

3. Additional amounts due because of late payment of contributions.

PART THREE

CHAPTER ONE CALCULATION OF SECURITY SUBSCRIPTION PERIOD

Article (3)

The calculation of the Security subscription period shall include the period of service stated in the pension laws, referred to in Article (2) of the law of issuance as well as the service periods spent by the insured person with an employer who is subject to the provisions of this law as well as all types of leave periods and the added periods. However, following periods must not be included in the calculation of the subscription period:

1. Periods of suspension from work without pay or absence periods for which the insured person shall be deprived of his salary.
2. The previous periods for which the insured person was deprived from his salary or remuneration by a disciplinary decision or a judicial award.
3. The periods which cannot be included according to the provisions of this Law.

Article (4)

The following periods which the insured person requests their inclusion shall be added to the current period considered in the pension or the bonus:

1. The former service period in the Government sector.
2. The former service period in the private departments which apply retirement regulations.

3. The period of military service.
4. The former service period with any employer who is subject to the provisions of this Law.
5. The service period referred to in the foregoing paragraphs (1, 2, 3 and 4), prior to acquisition of the nationality of the State.
6. The former service period in the Development Council or in Kuwait Office.
7. The former service periods at any entity approved by the Board of Directors.

Article (5)

To add the terms of service referred to in the previous article, the following conditions must be met:

1. The insured person must express in writing his /her desire to add the said terms before the end of his service, provided that the necessary certificates and documents are attached to the application.
2. The required previous terms to be added must not have ended because of any reason of total deprivation of the pension or reward.
3. The terms to be added must not be temporary or include daily-paid work or a training period prior to appointment.
4. The insured person must pay his own share and the share of his employer for the period to be added according to the subscription account salary on the date of addition in one installment. Payment may also be made in monthly installments of not less than one quarter of the salary, provided that the duration of payment does not exceed the date the insured person reaches the age of sixty. In all cases, full costs for addition must be paid before the end of service.
5. If the service of the insured person ends because of death, the commitment to pay the installments shall end if the amount he has paid reaches 50% of the total payable

amount. If the paid amount is less than 50%, the remaining percentage shall be paid from the pensions of his beneficiaries.

Article (6)

The service period, prior to benefiting from the provisions of this Law in respect of citizens employed with local government authorities which the government of the concerned emirate requests them to be subjected to this Law within the period of subscription to this security system from the date of employment up to the date of enjoying the benefits of its provisions, provided that said authorities shall bear payment of the total share of subscriptions indicated in Article (2) of this Law pertaining to the share of the employer and the insured person according to the salary of the subscription account at the date of enjoying the benefits of its provisions. The payment method shall be decided by a decision from the Minister.

Article (6) BIS

The Cabinet may, based on the recommendation of the GPSSA Board of Directors, issue a resolution by virtue of which it entrusts the Emirates Investment Authority to invest the contributions stipulated in this Law or part thereof, within the limits and in accordance with the rules, conditions and controls specified by this Resolution.

Article (7)

If the insured person acquires the nationality of the State during his service with authorities subject to the provisions of this Law, his service period prior to obtaining the nationality shall be included in the pension or bonus account, provided that he shall bear his share and that of the employer for this period as regards the subscriptions mentioned in Article (2) of

this Law, and the salary of the subscription account at the date of acquiring the nationality.

Article (8)

Employers who are committed to better end of service bonus systems shall bear the excess value of the difference between what they used to bear under said systems and the end of service bonus which is calculated according to the provisions of this Law and also the bonus deserved for the difference between the salary of the maximum limit of the subscription of the private sector to this security and the salary for computation of the bonus in their systems if it is higher. Such excess shall be calculated for the entire service of the insured persons whether including the periods of service prior or subsequent to subscription to the Authority and it shall be paid to the Authority within one month from termination of the insured persons service in full and it is to be paid to the insured or entitled persons on termination of the service.

CHAPTER TWO

RULES OF COMPUTING SUBSCRIPTIONS ACCOUNT

Article (9)

Subscriptions shall be payable for the following periods according to the rules and provisions shown against each:-

1. Periods of foreign secondment without pay or private leaves: The insured person must pay to the Authority his share in the subscriptions and the share of his employer in one payment within one year from the end of the secondment or leave. However, he may pay them in installments throughout a period equal to that of the leave or secondment under the approval of the Authority's Director.
2. Private leaves for a spouse accompanying the other:

(a) If the private leave is for accompanying a diplomat, the Government sector shall pay his share and that of the insured person.

(b) If the private leave is for accompanying a person sent on a scholarship, the Government sector shall pay his share and that of the insured person.

(c) If the private leave is for accompanying an insured person employed with the private sector the insured person shall bear his share and that of the employer. However, the insured person shall pay to the Authority the amounts due in one installment within one year from the date of expiry of the leave. He, may also pay the amount in installments in a duration equal to the period of the leave.

3. Periods of academic leaves without pay: The employer in Government sector shall undertake to pay his share in the subscriptions on regular dates, while the insured person shall undertake to pay his share in the manner stated in Paragraph (1). With regard to the private sector, the insured person shall bear the two shares in this case.

4. In-house secondment: The secondee authority, if it pays the salary, shall bear the employer's share in the subscriptions and the insured shall pay his share. However, the shares shall be paid to the Authority on the regular dates based on the salary of the insured person at the seconding organization.

5. Periods of sick leave: The insured person shall pay his share based on the actual salary received by him for it, while the employer shall pay his share according to the full salary whether the leave is with or without pay.

Article (10)

A. The subscriptions paid by the employer in the private sector and those which are deducted from the salaries of the insured persons employed by him during one calendar year shall be computed according to the salaries received by them in January of each year.

B. Employees who join the service of the private sector after January, shall have their subscriptions computed according to the salary of the month in which they joined the service up to January next and thereafter they shall be treated on the basis shown in the foregoing paragraph. The subscriptions shall be computed in full for the month on which the service starts, and they are not payable for the part of the month on which the service ends.

C. The subscriptions paid by the employer in Government sector and those deducted from the salaries of the insured persons shall be computed according to the salary paid every month.

Article (11)

1. The employer in the private sector must submit to the Authority in January of each year details of the salaries of his employees for said month together with their monthly subscriptions and he shall monthly furnish the Authority with any changes in the number and salaries of his employees on the forms defined by the Authority and such details must comply with the books and records maintained by the employer according to the Labour Law.

2. If the employer does not submit the details provided for in the foregoing paragraph according to the decided conditions, situations and timeframe according to the payable subscriptions shall be computed as per the last statement submitted to the Authority pending calculation of the actual subscriptions.

3. In case the details are not provided or if those provided are not in conformity with the reality, or if records and documents which must be maintained by the employer according to the provisions of this Law are unavailable, the calculation of the subscriptions shall be made according to the Authority's decision as per the outcome of its investigations.

Article (12)

The private sector employer must register his employees who are subject to the provisions of this Law with the Authority within one month maximum from the date of their joining the service. The employer must furnish the Authority with the names of his employees whose services are terminated within one month at most from the date of service termination.

Article (13)

Subscriptions are payable at the beginning of the month following the maturity month. However, they can be extended to the fifteenth day of said month. These subscriptions are nonrefundable.

Article (14)

The employer shall undertake to pay his share and that of the insured person in the subscriptions due to the Authority and in case Payment is deferred, he shall be forced to pay an additional amount of (0.1%) of the due subscriptions for each day of delay without need for warning or notice. The Board of Directors shall determine the cases and conditions of exemption from this additional amount

Article (15)

The private sector employer who does not deduct subscriptions from all or some of his employees, or does not pay subscriptions according to actual salaries shall undertake to pay an additional amount of (10%) of the due subscriptions without need for warning or prior notice.

CHAPTER THREE

ENTITLEMENT TO OLD AGE, DISABILITY & DEATH PENSION

Article (16)

The pension shall be payable in the following cases:

1. End of the service of the insured person because of death or total disability. Such disability shall be confirmed by the medical committee.
2. End of the service of the insured person in the government sector for health unfitness. Such unfitness shall be confirmed by the medical committee.
3. End of the service of the insured person in the private sector due to health reasons which shall threaten his life if he continues his job, provided that the decision of the medical committee is prior to the date of the service end.
4. End of the service of the insured person because of the company dissolution, bankruptcy or liquidation, provided that his period of subscription to this insurance is 15 years at least.
5. End of the service of the insured person because he has reached pensioning off age if his insurance subscription period is fifteen years at least.
6. End of the service of the insured person because of termination of service or pensioning off by a disciplinary decision or judicial ruling if his insurance subscription period is fifteen years at least.
7. End of the service of the insured person because of resignation if his insurance subscription period is twenty years and he has reached fifty five years of age at least.
8. End of the service of the insured woman, whether she is married, divorced or a widow, due to resignation if she has children under eighteen years of age if the period of her subscription to insurance is twenty years.
9. End of the service of the insured woman if her period of subscription to insurance is

twenty years and she has reached fifty years of age or more.

10. End of the service of the insured person by a federal decree or by a local decree provided that the treasury of the concerned Emirate government bears the actual costs incurred as a result, and the president shall issue a resolution on the methods of calculating the said costs.

11. End of the service of the insured person for reasons other than those stated in the previous articles if the period of his subscription to insurance is twenty years at least.

In all cases, the retirement pension shall not be paid to the insured persons whose services have ended by resignation unless they reach fifty years of age, provided that this provision applies first to those who reach forty years of age on the date of application of this law. This age shall then be increased year after year till it reaches fifty.

The retirement pension shall be calculated in the cases stated in article (1, 2, 3, 4, 5, 6, 10) on the basis of subscription period of fifteen years, or the actual subscription period, whichever is longer. Three considerable years or a period complementary to the age of sixty, whichever is less, shall be added to the period of subscription calculated in the insurance in the case where the service ends because of death or total disability.

The retirement pension shall also be calculated in the remaining cases on the basic of an actual period of subscription of not less than twenty years.

In the event that a pensioner pensioned off on retirement due to lack of health fitness or health disability returns to work, the pension assessed for him due to such reason shall be cancelled, and the remaining provisions of the law shall apply.

Article (17)

The insured person may request to buy a considerable term of service to be added to the actual term of service according to the following conditions:

- The insured person must express his desire in writing to buy the said period prior to the end of his service.
- He must have spent a period of twenty years at least.
- The period to be bought must not exceed five years for the insured man or ten years for the insured woman.

In all cases, the insured person shall bear his share and the employer's shares for the period to be bought, as per the subscription account salary on the date of applying for purchase, provided that payment is made in one or more installment, and that the period of installment does not exceed the date when the insured person reaches sixty years of age.

In all cases, the full costs of purchase must be paid before the end of service. In the event that the insured person dies, the installments shall continue to be collected from the pensions of his beneficiaries.

Article (18)

If a court decision is issued considering the insured person missing, the persons entitled on behalf of him shall be paid a temporary monthly pension equal to their pension entitlement on assumption that his death occurred during the service. If it is discovered thereafter that the missing insured person is alive, payment of the pension to beneficiaries shall be suspended and his status shall be adjusted in the light of the result of legal investigations. If it is demonstrated that the insured person's situation is unlawful, the Authority shall have the right to recourse to him for the amounts previously paid. If his situation is proved to be sound, a clearance shall be made between his dues and the amounts paid to the persons entitled on behalf of him.

However, if his dues exceed the amount paid to them, the difference shall be paid to him.

Article (19)

If the insured service is terminated due to death or total disability as a result of a work-related accident in both cases, the pension shall be settled on assumption that the period of his subscription reached thirty-five years.

Article (20)

The pension shall be computed on monthly basis at the rate of 60% of the pension account salary for the subscription periods calculated in the security system which amounts to fifteen years and it shall be increased by (2%) for every year exceeding said period up to a maximum of 100% of the pension account salary.

If the service period exceeds thirty-five years, the insured person shall be granted bonus for the excess period equal to the salary of three months for each year to be calculated as per the salary of the pension account

It is to be taken in consideration with regard to the insured person in the private sector, that the last salary of the pension account must not be more or less than 20% of the average salary of the subscription account in the preceding four years or the actual subscription period, if it is less.

Article (21)

Without violating the provisions of article No (19) of this Law, (10%) shall be deducted from the entitlement of the insured person to whom either of clauses (6 or 11) of article (16) of this law shall be applied, provided that his term of service has not reached twenty five years.

Article (22)

In the computation of the subscription period, the part of the month shall be considered one

whole month.

Article (23)

In the Government sector, the pension of the insured person who is in Grade Four of the Third Link and above or its equivalent, must not be less than Dhs. 3,750 (three thousand seven hundred fifty Dirhams) monthly nor shall the retirement pension of the insured person in other grades or their equivalent be less than Dhs. 2,500 (two thousand five hundred Dirhams) monthly.

Article (24)

The minimum share of those entitled on behalf of the insured person shall be as follows:

800 Dirahms for the widow or entitled husband.

600 Dirhams for each parent.

400 Dirhams for each one of the other entitled persons.

If the share of any entitled person is less than the minimum, his share shall be computed according to the pension account salary, provided that the total of the shares shall not exceed this salary. In case of refunding the pension of to one of the entitled persons to a third party, the refund shall be made according to his share prior to increasing it to the minimum.

CHAPTER FOUR

ENTITLED PERSONS & CONDITIONS OF THEIR ENTITLEMENT

Article (25)

The insured person's right to pension shall commence on the day following termination of his service and it shall be suspended on his death unless there are other entitled persons, in

which case the right to the pension shall be transferred according to the provisions of this Law.

However, the right of the persons entitled on behalf of the insured person or pensioner to the pension shall commence at the beginning of the month following the date of death.

Article (26)

Without prejudice to the provisions of the following Articles, the right to pension shall be transferred after the death of the insured person or pensioner to the persons mentioned in Schedule (1) which is attached herewith.

Article (27)

If the wife dies or marries on or after the death of the insured person or pensioner, her share shall be transferred on equal basis to her sons and daughters from him who are entitled to pension. However, if none of them is existing, her share shall be transferred, on equal basis, to the widows of the insured person or pensioner who are existing at the time of her death and if one of them is not existing, her share shall be transferred to the Authority.

Article (28)

If the sons and daughters of the son lose their father to death while his father is still alive and they have no pension on behalf of their father, the share of their father shall be transferred to them on assumption that he is alive.

If the sons and daughters of the son lose their father to death after becoming entitled to pension on behalf of his father, the share of their father in the pension shall be transferred to them.

However, in both foregoing cases, the provisions of suspension of payment of the pension

to the entitled sons and daughters shall be applied

Article (29)

The son's pension shall cease when he reaches the age of twenty one and, nonetheless, the pension shall continue to be paid to him after reaching this age in the following cases:-

1. If he is unable to earn, until such disability vanishes.

However, such disability must be confirmed by a report from the competent medical board, provided that the disability shall ascertained once every two years unless the said board decides impossibility of his cure.

2. If he is a student payment shall continue up to the date of his joining work or his practicing of a profession or up to the age of twenty eight whichever is nearest.

Payment of pension for a student who reaches the age of twenty eight, shall be made during he academic year and it shall continue up to the end of said year.

Article (30)

The widow's pension shall cease at her marriage and the pension of the daughter or sister shall cease at her marriage or when she joins work or practices a profession. However, the pension shall be resumed for the daughter or sister if she is divorced or becomes a widow and has no salary or other pension or if she becomes jobless.

Article (31)

If the daughter, sister or mother becomes a widow and if the son or brother becomes unable to earn after the death of the pensioner and they have no other salary or pension, every one of them shall be entitled to such portion of the pension on assumption of it being deserved

at the date of the pensioner's death, provided that it shall not prejudice the rights of the other persons who are entitled to pension. However, in the event of suspension or withholding of pension from any one of them it shall not be refunded to any one else.

Article (32)

The father shall be entitled to a share in his dead son's pension if they were dependent on him when he was alive and this shall be verified according to the rules to be set out by the Authority. However, the entitlement shall be according to the conditions and within the limits stated in Articles (29) and (30) of this Law.

Article (33)

The brothers and sisters shall be entitled to a share in the dead person's pension so long as they were dependent on it in their living when he was alive and this must be proved according to the rules set out by the Authority.

However, the entitlement shall be as per and within the limits stated in Articles (29) and (30) of this Law.

Article (34)

The mother shall be entitled to a share in her dead son's pension if she is a widow or divorced or her husband had been dependent on her dead son when he was alive and she has no salary or pension.

Article (35)

The pensioner may not combine two pensions from the Authority, and in case he deserves two pensions, he shall be paid the one that is more in value. He may not either combine his

pension and any salary he receives regularly from any other body in the State. If the salary is bigger than the pension, the payment of the pension shall be suspended until his subsequent service ends, but if the salary is less, the difference shall be paid to him, and the pension shall be re-paid upon the end of his service.

Article (36)

By way of exception from the provisions prohibiting the combination of two pensions, or the pension and the salary, combination may be permitted in following cases:

1. The cases of combining two pensions, or combining the pension and the salary, those are previous to application of the provisions of this law.
2. If the total sum of the two pensions or the pension and the salary received by the pensioner does not exceed nine thousand Dirhams, otherwise, his right shall be restricted within the permitted limits.
3. If the pensioner has spent more than twenty five years or more in the government service for which he deserves a pension, he may combine this pension and any salary regularly received from any body in the state whatever their collective amount may be, with the exception of the two cases stated in clauses 6 and 11 of article (16) of this law, to which the provision stated in clause (2) hereof shall be applied.

If the pension is payable to the widow of the pensioner, she shall have the right to combine her salary, or her pension and the pension she deserves for her husband.

Article (37)

1. In case of withholding the pension wholly or partially from one of the pensioner's children for any reason whatever, the withheld sum shall go to the rest of the sons as per their shares before raising them to the minimum limit for beneficiaries stated in Article

(24) of this law. If the reason for withholding ceases to exist, the pension of the said sons shall be reduced by the value of the sum they have received because of withholding.

2. In the absence of other beneficiaries, the unpaid pension of the children shall go to the pensioner's widow, provided in such case that the portion does not exceed three fourths of the pension. If there is more than one widow, the whole pension shall be distributed among them equally.

PART FOUR

END OF SERVICE BONUS

Article (38)

The insured person who is not entitled to a pension at the end of his service according to the foregoing provisions, shall be granted a bonus as per the provisions of the following Articles.

Article (39)

The insured person shall be entitled to a bonus at the rate of one-and-a-half month's salary for every one of his first five years of subscription provided that his subscription period shall not be less than one year, then at the rate of two months salary for every one of the following five years of subscription and thereafter at the rate of three months' salary for every year in excess of that.

Article (40)

In the computation of the period of subscription to the security system the part of the month shall be considered one full month.

Article (41)

The computation of the bonus shall be made according to the salary of the pension account. With regard to the insured person in public sector it is to be taken in consideration that the last salary must not be more or less than 20% of the average salary of the subscription account in the previous four years or the actual subscription period if it is less.

Article (42)

In case of death of the insured person, the bonus due to him for his service period shall be paid to the persons entitled on behalf of him according to the provisions defined for pension in this law and as per the distribution included therein and if no entitled persons are available, it shall be distributed according to the inheritance provisions of the Islamic Law (Sharia).

PART FIVE

PENSIONS OF THE PRIME MINISTER, HIS DEPUTY & THE MINISTERS

Article (43)

The prime Minister, his deputy and the ministers shall be entitled, at the end of the service in the ministerial post, to a monthly pension according to the provisions of the following Articles.

Article (44)

If the Prime Minister, his deputy or the minister remains in the ministerial post for two years, the monthly retirement pension due shall be computed on assumption that his service period reached thirty five years provided that the government treasury shall bear the

subscription difference between the actual service period and the assumed one.

Article (45)

If a former minister is appointed in any post governed by the provisions of this Law, he shall be permitted to combine his salary for said post according to which the retirement pension shall be calculated, with the pension due to him.

Article (46)

Without prejudice to the provisions stated in this Part, the provisions of this Law shall apply with regard to the Prime Minister, his deputy and the ministers.

PART SIX

PENSIONS OF MEMBERS OF THE FEDERAL NATIONAL COUNCIL

Article (47)

The Chairman and the two deputies of the Chairman as well as the two controllers and members of the Federal National Council shall be entitled at the end of their membership term in the Council to a monthly pension according to the provisions of the following Articles.

Article (48)

If the Chairman, the two deputies, the two controllers or the member of the Federal National Council spend in the membership a complete legislative Chapter, the insured person shall be entitled to a pension to be computed on assumption that the insured person's membership period reached thirty five years provided that the government treasury shall bear the

subscription difference between the actual service period and the assumed one.

Article (49)

If the membership is terminated due to health unfitness or death, the insured person or those entitled on behalf of him, as the case may be, shall be entitled to a pension equal to the membership bonus.

Article (50)

It is permissible for the president, his deputies, the observer and the member of the Federal National Council to combine the pension due to them as per the provisions of this law and any other pension paid to them by any other body in the state other than the authority. They may also combine their membership reward and any salary paid by anybody and the pension due under the provisions of this law.

Article (51)

The salary of the subscription account determined for each of the Chairman and the two chairman deputies as well as the controllers and members of the Federal National Council, shall be taken as basis for computation of the pension. However, the percentage provided for in Article (2) of this Law shall be deducted from said salary.

Article (52)

The provisions of this Part shall apply to the former Chairman and former members of the federal National Council.

PART SEVEN

LAPSE OR SUSPENSION OF THE RIGHT TO PENSION OR BONUS

Article (54)

The insured person or pensioner must not be deprived of the pension or bonus except by a disciplinary decision and to an extent not exceeding one quarter of the pension or bonus.

No judgment may be issued depriving the pensioner according to the foregoing Article except for acts committed by him prior to termination of his service.

No deduction may be made or sequestration levied on amounts due to be made, in application of the provisions of this Law, to the owner of the pension or bonus or to the persons entitled on behalf of him except in payment of alimony adjudicated by a court or in repayment of what may be owed to the government by the insured person for a reason pertaining to the performance of his duties or in recovery of what was unlawfully paid to him.

However, what is deducted in said cases must not exceed one quarter of the pension and in case of competition priority shall be given to alimony debt.

Article (55)

On the death of the insured person or pensioner who is awarded a disciplinary judgment depriving him of part of his pension, the persons entitled on behalf of him shall be paid their full shares from the complete pension provided for in this Law.

Article (56)

The insured person or pensioner who loses the nationality of the State or from whom it is withdrawn, shall be deprived of the pension due to him and on his death, the persons entitled on behalf of him shall be paid their full shares if they have the nationality of the

State.

If the nationality of the State is withdrawn from the entitled persons or if they were originally not in possession thereof, they shall be paid half their shares.

Article (57)

Every pension or bonus whose owner or the person entitled on behalf of him fail to come forward to collect it, may not be claimed after expiry of ten years from the date of entitlement or from the date of last collection of the pension. However, the aforementioned date shall not apply when there is any reason preventing the entitled person from claiming his right and such reason is acceptable to the Director General of the Authority.

PART EIGHT

PUNISHMENTS

Article (58)

Without prejudice to any severer punishment provided for by any other law, the punishments provided for under the following Articles shall be applied to the offenses stated therein.

Article (59)

Every person who intentionally provides incorrect details or who deliberately refrains from furnishing the details provided for in this Law or in its executing decisions or regulations with intention to unlawfully obtain funds from the Authority, shall be punished with imprisonment and a fine not exceeding five thousand Dirhams or with either one of said punishments.

Furthermore every person who, by furnishing incorrect details, intends to avoid payment of the Authority's dues in full, shall be punished with the same punishment

In all cases, the court shall pass a sentence ordering repayment of all amounts unlawfully collected, or recovery of the amounts which are due to the Authority.

Article (60)

Every employer in the private sector who is subject to the provisions of this Law shall be punished with a fine of five thousand Dirhams for every employee for whom he fails to make subscription to the Authority. Moreover every employer who forces his employees to bear a share in expenses unprovided for in this Law, shall be punished with the same punishment and the court shall, of its own accord, force the violating employer to pay to the employees the value of the security expenses borne by them.

Article (61)

All fines and amounts adjudicated for violation of the provisions of this Law shall be property of the Authority.

Article (61) BIS

The authority personnel designated by the resolution of the Minister of Justice by agreement with the Minister shall have the capacity of judicial officers with regard to the crimes taking place within the sphere of their competence and relating to their duties.

PART NINE

GENERAL PROVISIONS

Article (62)

The Council of Ministers shall have the right to grant exceptional pensions or increments in pensions or exceptional bonuses to the insured persons whose services terminate for any reason or to the pensioners or persons entitled on behalf of them.

The Council of Ministers shall also have the right to grant exceptional pensions or bonuses to citizens other than those mentioned in the foregoing Article who extended great services to the country, or to the families of persons who die in accidents considered as general catastrophes.

The provisions of this Law shall apply to said exceptional pensions and bonuses without prejudice to any special provisions decided by the Council of Ministers.

The Government shall bear the value of the exceptional pensions.

Article (63)

Subject to the provisions of article (36) of this law, if the pensioner is returned to service by any employer subject to the provisions of this law, the term of his previous service may be added to the new service and he shall be treated at the end of the new service on the basis of the two terms together. The Minister shall issue the resolutions regulating the method of calculating the costs for the addition of this term.

Article (64)

On the death of the pensioner an amount equal to the pension due to him for the month of his death and the three months following it shall be paid and such payment shall be made in one installment to the persons supported by him at the time of his death and said amount

shall be considered a gratuity which may not be recovered or sequestrated in repayment of any debt and this gratuity shall be exempted from all types of taxes and charges.

Article (65)

If the insured person's service terminated by reason of natural death, his successors shall be paid, in addition to the monthly pension due under the provisions of this Law, a death compensation in one payment amounting to sixty thousand Dirhams to be distributed among them according to the legacy provisions of the Islamic Law (Sharia).

Article (66)

If the insured person dies of a work injury, his successors shall be entitled to a compensation amounting to seventy five thousand Dirhams to be distributed among them according to the provisions of Islamic Law (Sharia) and the insured person shall also be entitled to such compensation if the work injury results in total disability. However, if the injury causes partial disability the insured person shall be entitled to a compensation to be estimated pro rata to the percentage of disability inflicted on him multiplied by the compensation value.

The insured person shall be deprived of the injury compensation in the following cases:-

1. If the insured person deliberately injures himself.
2. If the injury is a result of grave misbehaviour intended by the injured person. The following shall be considered as grave misbehaviour:
 - (a) Every act committed by the injured person under the influence of liquor, drugs and mind affecting substances.
 - (b) Every intentional violation of the safety instructions displayed at obvious locations in the work place.

However, neither of the cases mentioned in (1) and (2) shall be complied with unless proved by the investigation to be carried out in this respect by the competent authorities.

Article (67)

1. The provisions of Article (66) of this Law shall not jeopardize the right of the insured person or his successors in claiming his full right to compensation before third parties.
2. If the injury has occurred due to an error, negligence or work accident by the employer, the insured person or his successors shall have the right to recourse to the employer for full compensation.

Article (68)

In case of suspension or termination of pension, the pension due for the month in which the reason for suspension or termination occurred shall be paid according to one full month and in the event of returning the pension to an entitled person or returning it to entitled persons other than him, the pension shall be returned as of the beginning of the month following the date of the entitlement incident.

Article (69)

The insured persons in whose respect Federal decrees are issued ordering their treatment in their posts with the treatment of ministers and persons of the like, shall be subject to the provisions of Part Five of this Law.

Article (70)

Every employer shall maintain books and records and shall submit to the Authority the lists, details and forms required for the implementation of this Law as per the conditions,

situations and dates defined by the Board of Directors.

Article (71)

Every employer shall establish for every insured person a special file for retirement wherein he shall deposit the documents to be defined by the decision referred to in Article (70) of this Law.

Article (72)

The employer in the private sector must pay to the Authority the end of service bonus which is due to the national citizens employed by him according to the laws and regulations organizing their work contracts, for those who wish to include their service periods from the date of their employment up to the date of benefiting from the provisions of this Law under the account of the annexation costs without prejudice to their right in continuing work and being entitled to the bonus for this period at the end of the actual service of those who request annexation.

Article (73)

the age of the insured person must not be less than eighteen years and must not exceed sixty years and he must be medically fit for work at the time of appointment as per a medical report from the medical entity approved by the Authority and the employer must submit said report when subscribing for him in the Authority.

Article (74)

The Authority shall have the right to deduct the amounts which might have been unlawfully paid to the entitled person whose share was suspended or terminated, from the frozen dues

of all the rest of entitled persons as a result of the suspension or termination as of the date of knowing the incident which caused it and it shall be made in the percentage of every one's entitlement as compared to the shares of the others.

Article (75)

The dissolution, liquidation, shutting down, bankruptcy or merger of any authority which is subject to security or its transference by inheritance will, donation, sale, assignment or by any other action, shall not prevent payment of all dues of the Authority.

The successor shall be jointly responsible with the former employers for execution of all liabilities due on them to the Authority.

However, in case of transference of ownership of the authority which is subject to security by inheritance or will, the joint responsibility of the successors or legatees shall be within their share of the legacy.

Article (76)

The retirement pensions and bonuses paid under this Law shall be exempted from all taxes and charges.

Article (77)

The amounts paid to the Authority under the provisions of this Law shall have right of preference over all funds of the debtor and they shall have priority over all debts after the legal expenses and alimony debt. The authority shall have the right to collect them according to the Governmental Funds Collection Regulations in force.

However, all or part of said funds may be paid in installments according to the conditions to be determined by the Board of Directors.

Article (78)

The cases lodged by the Authority, the insured persons or those entitled on behalf of them under the provisions of this Law, shall be exempted from the legal charges at all degrees of litigation and they shall be looked into summarily. In all cases, court shall have the right to order summary execution without bail and in the event of rejecting the case, it shall have the right to order the claimant to pay all or part of the expenses.

Article (79)

The periods provided for in this Law shall be calculated as per the Gregorian calendar.

Schedule No. (1)

Share entitlements in the pension		Persons entitled to shares in the pension			
		Widow or widows or entitled husband	Sons	Parents	Brothers
1	widow or widows or entitled husband and one son or more, as well as father or mother or both further to one brother or more.	3/8	3/8	1/8	1/8
2	widow or widows or entitled husband and one son or more as well as father or mother or both.	3/8	4/8	1/8	-
3	widow or widows or entitled	3/8	4/8	—	1/8

	husband and one son or more.				
4	widow or widows or entitled husband and one son or more.	1/2	-	1/4	1/4
5	widow or widows or entitled husband as well as one son or more.	3/8	5/8	-	-
6	widow or widows or entitled husband as well as father or mother or both.	1/2	-	1/2	-
7	widow or widows or entitled husband and one brother or more.	1/2	-	-	1/2
8	widow or widows	3/4	-	-	-

	or entitled husband.				
9	one son or more and a father or mother or both as well as one brother or more.	-	6/8	1/8	1/8
10	one son or more and a father or mother or both.	-	3/4	1/4	-
11	one son or more and one brother or more	-	3/4	-	1/4
12	more than one son	-	Whole pension	-	-
13	one son	-	3/4	-	-
14	father or mother or both and one brother or more.	-	-	1/2	1/2

15	father or mother or both	-	-	3/4	-
16	one brother or more	-	-	-	1/2

1. The term son or brother in this schedule includes male and female.
2. If more than one person share the same portion of pension, it shall be distributed among them on equal basis.
3. The husband shall not be entitled to a share in his wife's pension unless at the time of the death of his wife he suffers from a health deficiency preventing him from earning and such deficiency must be confirmed by a decision from the Medical Board and said deficiency shall be checked once every two years unless the Medical Board decides impossibility of his recovery.
4. In case of death of one of the parents his share shall be transferred to the other and in case of their death, their share shall be transferred to the sons of the pensioner.
5. In case of suspension of a brother's pension, his share shall be transferred to the rest of his brothers and in the event of non-existence of any -one of them, their share shall be transferred to the pensioner's children.
6. In the event of suspension of the brother's pension and non-existence of entitled persons other than the parents, the share of the brothers shall be transferred to the parents in a ratio not exceeding the share fixed for the parents in the case No. (15) i.e. 3/4.
7. In case of suspension of the parents pension and non-existence of entitled persons other than the brothers, the parents share shall be transferred to the brothers in a ratio not

exceeding the share fixed for them in the case No. (16) i.e. 1/2.

8. In the event of suspension of the brothers pension and non-existence of entitled persons other than the widow, their share shall be transferred to the widow in a ratio not exceeding the share fixed for her in the case No. (8) i.e. 3/4.

9. In case of suspension of the share of the parents and non-existence of entitled persons other than the widow, their share shall be transferred to the widow in a ratio not exceeding the share fixed for her in the case No. (8) i.e. 3/4.

10. The share which is due to any single individual on behalf of the pensioner must not exceed three quarters of the pension.

11. In die event of cessation of die cause of suspension of all or part of the pension, the shares shall return to their former state.

12. The share which is not assigned to any one shall be the property of the Fund.

Schedule No. (2) Estimation of Disability Percentage in Cases of Limb Loss

Serial No.	Ensuing Disability	Percentage of Disability
1	Amputation of right arm up to the shoulder.	80%
2	Amputation of right arm above the elbow	75%
3	Amputation of right arm under the elbow	65%
4	Amputation of left arm up to the shoulder	70%
5	Amputation of left arm above the elbow	65%
6	Amputation of left arm under the elbow	55%
7	Amputation of leg above knee	65%

8	Amputation of leg below knee	55%	
9	Complete deafness	55%	
10	Loss of one eye	35%	
Left	Right		
11	Amputation of thumb	25%	30%
Amputation of thumb end falanx	15%	18%	
Amputation of index finger	10%	12%	
12	Amputation of index finger end falanx.	5%	6%
Amputation of end and middle falanxes of index	8%	10%	

finger.			
Amputation of middle finger.	8%	10%	
13	Amputation of middle finger end falanx.	4%	5%
Amputation of middle and end falanx.	6%	8%	
Amputation of a finger other than index, thump and middle.	5%	6%	