

How to accept a job in a GCC state while working in another



LEGAL VIEW Ashish Mehta

I am an Indian mechanical engineer working in Kuwait. My company is planning to obtain a dual work visa for me in the UAE. My salary in Kuwait is 1,500 dinars per month and for my UAE visa, the proposed basic salary is Dh18,000. I have received another job offer in the UAE. Will I face any problems if I accept this job?

Pursuant to your question, you may change your job, provided you terminate your employment contract with

your employer in the UAE and Kuwait as per the provisions of prevailing labour law of the UAE and Kuwait. As per the existing regulations, a person holding residence/employment visa issued by any one member country of the GCC should not be issued an employment visa by another employer of any other member country of the GCC. Therefore, in order to obtain a new employment visa from your prospective employer in the UAE, you should cancel the employment visa held by you from

Kuwait and the UAE if you already possess a visa from the UAE.

What is legality of 'side agreements' to LLC?

In the UAE, what is the enforceability of a 'side agreement' to a limited liability company (LLC) agreement which states that the LLC fully owned by the expat investor and that the local sponsor is a nominee to the beneficial owner?

This agreement will be in addition to a court agreement (notarised at the Dubai Courts) of the company that states that 51% shares of the company are held by the local sponsor and

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the rest by the expat investor.

UAE nationals shall hold at least 51 per cent of the shares in the share capital of an LLC as per Article 10 (1) of the Federal Law No. 2 of 2015 (Company Law), which states, "With the exception of Partnership Companies and Simple Limited Companies where all the joint partners of any of such companies shall be UAE nationals, any company established in the State shall have one or more UAE partners holding at least 51 per cent of the share capital of the company."

The remaining 49 per cent shares in the LLC can be held by the foreign investor/s.

Pursuant to the aforesaid, a UAE national is required to hold 51 per cent shares in the capital of an LLC whether he is an actual partner or acts only as a nominee of the foreign investor to comply with the aforesaid law. In case the UAE national is only a nominee of the foreign investor, the nominee and the foreign investor shall enter into certain side agreements to protect the investment of the foreign investor.

On numerous occasions, the courts of various jurisdictions in the UAE have upheld the validity of the side agreements. You may obtain the services of a legal practitioner in the UAE to further discuss this matter in detail.

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