

**LAW NO. 4/2019, of 27 August 2019**

4. The Bayu-Undan Contractor shall have a period of 12 months as of the effective date of this statute to bring its operations in compliance with the employment rules set forth in this law, and no infraction proceedings, fines or other penalties shall be imposed upon the Bayu-Undan Contractor for breach of employment rules during the said 12-month period.
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2. The absence of a written instrument shall not invalidate the employment contract or affect the rights and obligations of both the employer and employee under the contract.
3. In the absence of any reference to the date on which contract execution commences, it is presumed that the employment contract enters into force on the date it is concluded.
4. Employment contracts shall be entered into for a fixed term (where there are reasons to justify the stipulated duration) or open-ended term, subject to the rules applicable under the terms of the Labour Law.
5. The duration of traineeship contracts entered into with participants in vocational training or qualification programmes shall not exceed 18 months, unless otherwise justified by duly grounded reasons, including but not limited to situations of formal certification of employees that require a longer period.

**Article 5**  
**Rotational Work Schedule**

1. Timor-Leste Employees engaged in offshore Petroleum Activities shall be subject to a rotational work schedule consisting of a maximum and consecutive period of work of four (4) weeks of effective work followed by an equal amount of rest weeks.
2. The system of work referred to in Article 5.1 above shall comply with the following rules:
  - (a) The period of rest shall include the time spent with travel home and return to the place of work;
  - (b) The regular working hours cannot exceed the maximum limits of eighty four (84) hours per week and twelve (12) hours per day, and on an average basis cannot exceed the general limits of forty four (44) hours per week over a reference period of six (6) months;
  - (c) In the month following the end of a reference period, time that exceeds the average working time limit of forty four (44) hours per week shall be paid as overtime work as set out in Article 4.5;
  - (d) Weekly rest days, complementary weekly rest days and public holidays comprised within the period of work shall be regular working days, and Employees will enjoy them as part of the following rest period;
  - (e) If due to the regime set out herein, the annual duration of work performed exceeds forty four (44) hours per w

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2. Employees are entitled to sick leave to be enjoyed in accordance with the rules set forth in the Labour Law.
3. Any other absences, unless authorized by the Bayu-Undan Contractor shall be considered unjustified absences.

### **Article 8**

#### **Suspension of Employment Contract in a Force Majeure Event**

1. In an event of force majeure that seriously affects the normal activity at the Bayu-Undan Field, the Bayu-Undan Contractor may temporarily suspend an employment contract, or reduce the normal hours of work, provided that such measures taken by the Bayu-Undan Contractor are shown to be essential to the viability of operations in accordance with international oilfield practice.
2. For the purposes of Article 8.1 above, “event of force majeure” means an event beyond the reasonable control of the Bayu-Undan Contractor, which prevents the Bayu-Undan Contractor from complying with any of its obligations, including but not limited to:
  - (a) fire, chemical contamination, earthquakes, lightning, cyclones, hurricanes, floods or such other extreme weather or environmental conditions, unanticipated geological or ground conditions, epidemic or other natural calamities and acts of God;
  - (b) explosion, accident, breakage of plant or equipment, structural collapse, or chemical contamination (other than resulting from an act of war, terrorism or sabotage);
  - (c) acts of war (whether declared or undeclared), invasion, acts of terrorism, blockade, embargo, riot, public disorder, violent demonstrations, insurrection, rebellion, civil commotion and sabotage; and
  - (d) blockades, lockouts, labour disputes, and such other industrial action by employees.
3. The suspension of any employment contract due to an event of force majeure shall be communicated to the ANPM within 24 hours.
4. Notwithstanding Articles 8.1 and 8.2 above, employment contracts cannot be suspended for periods longer than 6 months, except for exceptional justified reasons related with the Bayu-Undan Contractor’s normal activities, in accordance with international oilfield practice, and subject to approval of the ANPM when such period exceeds the initial 6 months.

### **Article 9**

#### **Disciplinary Action, Termination and Compensation for Termination**

1. The Bayu-Undan Contractor may suspend Timor-Leste employees without loss of remuneration as from the date a disciplinary proceeding is initiated. In cases of suspension the Bayu-Undan Contractor shall make all appropriate arrangements to transfer the employee onshore while the suspension is in force.
2. The rules on disciplinary proceedings, disciplinary measures and termination set forth in the Labour Law shall apply.
3. In cases of termination for cause Timor-Leste employees shall not be entitled to compensation due to length of service.

**Article 10**  
**Employment Agencies**

All employment agencies that hire Timor-Leste national employees for Petroleum Activities in the Bayu-Undan Field shall register a presence in Timor-Leste in accordance with the commercial law.

**Article 11**  
**Employment of Expatriates**

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