

NOTARIES, LAWYERS, RECHTSANWÄLTE AND TAX ADVISORS

LQ MAGAZINE



W O R K I N G A C R O S S B O R D E R S

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Working across borders | Nr. 7 | 2024

Workplace accident | GrensInfoPunt

Dismissal of a statutory director | Platform work
in Europe | Dismissal procedures in the Netherlands
& Germany | beuken'essers

Colophon

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Foreword

Welcome to the latest edition of our magazine!

The labour market never stands still, which brings challenges as well as opportunities. In this edition, we dive into a range of topics affecting both employers and employees. From complex legal issues to practical help for frontier workers, we bring together the most important topics for you.

What if a workplace accident affects your organisation? Our opening article discusses what a workplace accident is, who is liable and what the consequences (may) be. In addition, we highlight the differences between dismissal procedures in the Netherlands and Germany. Especially in border areas and with international companies, the necessary legal questions come into play.

This edition also focuses on platform work. Are these workers self-employed or salaried? This European debate remains topical and goes to the heart of modern labour relations. Furthermore, we offer new insights with beuken'essers, which goes beyond financial security as a happiness director - an approach that shows well-being is more than a contract.

Border visitors can count on comprehensive information from the GrensInfoPunt (GIP), the contact point for anyone working or living in Belgian or German Limburg. Finally, we analyse the difference between the dismissal of a statutory director and a regular employee, an issue that concerns many employers.

Gabriel Spera

Lawyer and partner
LexQuire International Tax & Law



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[Lieke Jaminon](#), lawyer LexQuire International Tax & Law

A workplace accident, how to proceed?

Every day, accidents happen in the workplace or while performing tasks. A workplace accident can include someone slipping on a slippery floor or tripping over things lying around, but also someone injured by or even trapped in a (malfunctioning) machine. Other accidents while carrying out work include traffic accidents during work traffic or an on-site industrial accident.

What should happen after a workplace accident? Who is responsible for the consequences? Lawyer Lieke Jaminon, specialising in labour law, personal injury and liability law, among others, explains what an accident at work is, who is liable and what the consequences (may be).

WHAT TO DO IN THE EVENT OF A WORKPLACE ACCIDENT

When a workplace accident occurs, it is very important to inform the employer immediately. If you, the victim, are not seriously injured and are still conscious, it is also important to remember or write down exactly what happened and who was present. As an employer, it is important to immediately determine whether and to what extent your employee is injured and, if necessary, act appropriately in providing or seeking medical attention.

An employer should also establish how the accident could have occurred. This is partly to establish who is responsible for the accident and partly to prevent similar accidents in the future. As an employer, you should record all workplace accidents. If there is an accident in which the employee is hospitalised, suffers permanent injuries or even dies as a result of the accident, the employer is obliged to report it to the labour inspectorate. The labour inspectorate will then conduct an accident investigation. It investigates the scene of the accident and hears from witnesses involved.

LIABILITY FOR ACCIDENTS AT WORK

In most cases, the employer is liable for an accident at work and the resulting damage. The law has two articles that are relevant for this purpose.

Article 7:658 of the Civil Code states:

‘The employer is obliged to furnish and maintain the premises, equipment and tools in which or with which he causes the work to be performed in such a way and to take such measures and provide such instructions for the performance of the work as are reasonably necessary to prevent the employee from suffering damage in the performance of his work’.

This article entails a strict duty of care for the employer. The employer must ensure that the workplace is clean and free of obstacles, that machinery used to work with is well maintained and that clear instructions are given on how to work and what precautions an employee must

take. Examples include making it compulsory to wear helmets, safety glasses and proper footwear, as well as posting instructions and warnings on machinery and on dangerous parts of a construction site.

As a result of this strict duty of care, the starting point is that the employer is almost always liable for the damage suffered by the employee in the performance of his work. An employer is only not liable if he can prove that he has fulfilled his duty of care or if it can be shown that the damage is largely the result of intent or conscious recklessness on the part of the employee. Neither of these exceptions will happen easily.

Similarly, an employer is expected to take into account a certain degree of thoughtlessness and inattention on the part of an employee, so the fault ratio may vary from case to case. For example, where one employee notices a warning sign and acts accordingly, another employee may

overlook it or think it is not too bad. The answer to the question of whether an employee acted deliberately recklessly or simply clumsily then lies in a grey area.

Article 7:611 of the Civil Code stipulates in that context: ‘The employer and employee are obliged to behave as a good employer and a good employee’.

When an accident does not fall under Article 7:658, when the employer has fulfilled its duty of care or the accident is to a significant extent attributable to the employee, in some cases, based on the duty of good employment practice, the employer may still be liable.

An important example of liability based on good employment practice from case law is compulsory risk insurance. If it is easy for the employer to take out insurance to cover any consequences of an accident, the employer is obliged to do so. Not

taking out insurance is then considered not good employment practice.

DAMAGES AFTER A WORKPLACE ACCIDENT

The consequences of an accident can have a major impact on an employee. They will often be limited to a simple injury or a more serious injury that recovers after a few months. However, it can also happen that an employee may never be able to work again or may be severely restricted in their daily life, for example in carrying out household duties.

It is important to carefully monitor the victim's damages after an accident. Usually, the employer's liability insurer will take on this task.

In the unlikely event that you need advice regarding an industrial accident or wish to obtain more information about this as an employer? Then contact one of our (employment law) specialists.

"In most cases, the employer is liable for an accident at work and the resulting damage."



"Liability based on good employer practice from case law is compulsory insurance of risks."



Lieke Jaminon, LexQuire International Tax & Law

Permanent employment contracts: Dismissal procedures in the Netherlands and Germany in view

An open-ended employment contract is a common way of entering into a working relationship in both the Netherlands and Germany. The dismissal procedure and employees' rights are fleshed out differently in each country by national legislation. In the Netherlands, the dismissal process is formal and often requires an external review (by the UWV). In Germany, on the other hand, an employer can dismiss more quickly. When an employee is dismissed by his employer, the employee can then enforce dismissal protection through the courts. However, the initiative to take action lies with the employee. The difference between the two dismissal procedures can raise legal questions, especially in border areas and with international companies. Legal assistant Lauren de Deugd elaborates on the differences between the two countries.



Lauren de Deugd, LexQuire International Tax & Law

1. NETHERLANDS

In the Netherlands, dismissing an employee with an open-ended employment contract is not easy. The employer must have a valid reason and, depending on the situation, the dismissal must be requested from the UWV (*Uitvoeringsinstituut Werknemersverzekeringen*) or the subdistrict court. Alternatively, the employer can enter into a termination agreement together with the employee.

1.1 THE UWV

When the dismissal is based on business economic reasons or long-term disability, an employer must first obtain permission from the UWV. The UWV assesses whether the employer has met all legal conditions. Only after obtaining UWV permission can the employer proceed to terminate the employment contract. It is important that the employer observes the statutory notice period when doing so. This term depends on the duration of the employment, unless there are other agreements in the collective agreement or employment contract. For the right to an unemployment benefit after dismissal, it is important that the employer observes the notice period.

1.2 SUBDISTRICT COURT

If the dismissal is not based on business economic reasons, but, for example, on dysfunction, culpable actions, or a disturbed working relationship, the employer should go to the subdistrict court. The subdistrict court reviews the dismissal request based on the circumstances of the case. This means, among other things, the nature of the conflict, the efforts made to improve the employee's performance, and whether redeployment is possible. The subdistrict court then assesses whether the dismissal is reasonable and fair.

If the subdistrict court grants the dismissal request, the employment contract is dissolved. The subdistrict court will then set the termination date. An employee who is dismissed is entitled to a transitional payment, unless he or she has acted seriously culpable. If there is serious culpable conduct on the part of the employer, the court may award a fair compensation to the employee in addition to the transitional compensation.

1.3 TERMINATION AGREEMENT

When both employee and employer have decided to terminate the employment contract, they can mutually conclude a termination agreement (*settlement agreement*). In this case, no intervention by the UWV or the subdistrict court is required. Employer and employee agree to terminate the employment contract by mutual consent. However, the employee always has 14 days of reflection time to revoke this agreement without giving reasons.

"In the Netherlands, firing an employee with an open-ended employment contract is not easy."

2. GERMANY

In Germany, no mandatory review by an external body is required before an employment contract can be terminated. A dismissal should in principle be contested by the employee (*Kündigungsschutzklage*).



2.1 COMPANIES WITH 10 OR FEWER EMPLOYEES

In companies with 10 or fewer employees, staff enjoy little dismissal protection. This means that the employer can dismiss an employee without special reason by means of written notice, as long as he observes the notice period, as stipulated in the employment contract or the law.

2.2 LARGER COMPANIES AND THE KÜNDIGUNGSSCHUTZGESETZ

For companies with more than 10 employees, stricter rules apply under the Kündigungsschutzgesetz (KSchG), which protects workers against socially unjust dismissal. In such cases, an employer cannot simply dismiss an employee without a valid reason. Dismissal is only legally valid if it is justified on the basis of personal reasons, such as long-term disability that makes work impossible, behavioural reasons, such as repeated misconduct that has previously led to warnings, or business reasons, such as reorganisation, downsizing or bankruptcy. However, notice periods should be taken into account. German employers can have a notice period of up to seven months, depending on the number of years of service. If a dismissal does not

meet these requirements and is deemed socially unjust, the employee can challenge it through the courts (Kündigungsschutzklage).

"In Germany, it is up to the employee to take action if he or she feels that the dismissal is unjustified."

Unlike in the Netherlands, an employer in Germany does not have to first seek permission from an authority such as the UWV or have the employment contract dissolved by the subdistrict court. The employer in Germany can immediately give notice of dismissal; the employee can then challenge the dismissal through the courts. It is therefore up to the employee to take steps if he or she feels that the dismissal is unjustified.



3. COMPARISON

Dutch and German employment law and dismissal law, respectively, each have their own regime regarding the protection of employees with indefinite employment contracts. Whereas the Netherlands opts for a formal and preventive review of dismissal through the UWV or the subdistrict court, unless there is mutual agreement, Germany places more trust in employers and a dismissal can be challenged afterwards. In Germany, the employee has to take action himself.

For employers, this concretely means that firing an employee in the Netherlands takes longer, while in Germany, the employee can challenge this just after dismissal.

In addition, the right to severance pay and the notice period differ between the two countries. In the Netherlands, every employee is entitled to a transitional compensation upon dismissal, provided the employee has not acted seriously culpable towards the employer. In Germany, this is less strict; severance pay often only comes if a termination agreement is negotiated or if a judge imposes one.

Both the Netherlands and Germany have their own dismissal protection rules. It is important for employers and employees working across borders to be well informed in case of a necessary or imminent dismissal, respectively.

"Dutch and German dismissal law each have their own regimes regarding the protection of employees with indefinite employment contracts."

Noud Beckers, director [beuken'essers](#)

Beuken'essers offers more than just financial security as happiness director

The company beuken'essers, located near Maastricht-Airport, is a consultancy firm that has been the reliable partner for mainly entrepreneurs and individuals for more than a century. Focusing on risk management, pensions, absenteeism, insurance and finance, the company is especially known for its personal approach and expertise. What sets beuken'essers apart, however, is its ambition to be more than a financial services provider. They see themselves as 'happiness directors' and want to contribute to their clients' happiness and financial security. We talked to managing director Noud Beckers about the origins and transformation of beuken'essers, its core values and the unique role of happiness director.

TRANSFORMATION

For over 25 years, Noud Beckers has been managing director of beuken'essers. Under his leadership, the company has transformed from a traditional insurance agency into a modern consultancy firm that supports employers and entrepreneurs on all kinds of fronts. During this period, the firm grew to a team of more than 20 specialists.

With a strong focus on innovation and customer orientation, beuken'essers has built a solid reputation. Today, they serve more than a thousand corporate clients, who value the firm for its speed, commitment and expertise. 'An important milestone was the year 2018, when we decided to redefine our services. We wanted to

not only solve financial issues, but also contribute to our clients' happiness,' says Beckers.

CORE VALUES

'Together with the team, we drew up our core values,' Beckers continued. 'Committed, Ambitious and Clear form the foundation of our services and reflect the company's mission.' These core values are reflected not only in advice, but also in the way beuken'essers builds relationships with clients. The personal touch is central, which makes a significant difference in an industry where trust is crucial.

HAPPINESS DIRECTOR

Beuken'essers aims not only to provide financial security, but also to contribute to the overall happiness of their clients. As a 'happiness director', they look beyond numbers and contracts. She helps clients realise dreams and goals by optimising their financial situation. 'From the cradle to the grave, we want to unburden our clients and provide overview, Beckers stresses. 'People often search and are offered "scenes" of information everywhere. We turn all these scenes into a film so that the overall picture is right,' Beckers says.

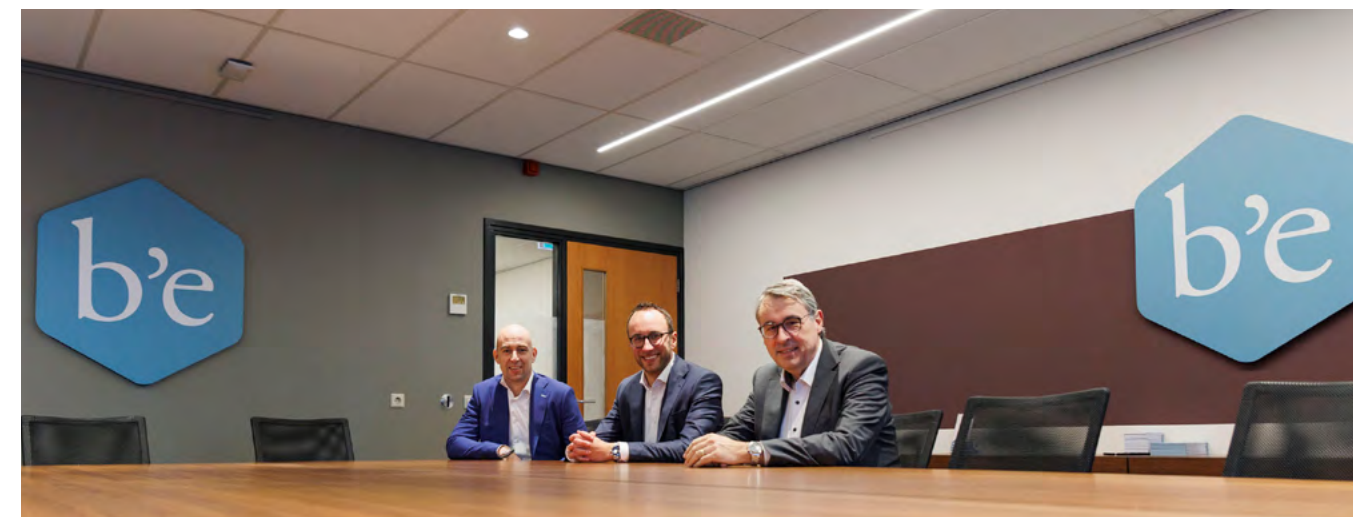
Whether it is pension advice, risk-management management or financing, beuken'essers combines expertise with a personal approach. The starting point is that financial security contributes directly to quality of life. Less financial stress means more space for things that are really important, such as family, health and job satisfaction. Beuken'essers offers clear and contemporary solutions tailored to its clients' unique needs. It directs the happiness of its relationships by making them financially fit and resilient, so they can focus on what makes them happy.

PENSION ADVICE IN A CHANGING MARKET

Pension is one of the main pillars of beuken'essers' services. At a time when the pension system is undergoing major reform, the demand for expert advice is growing. Beuken'essers is responding to these developments. With seven qualified pension experts, it supports employers and employees in navigating the complex regulations. Expertise and staying up-to-date are of paramount importance and are expressed, among other things, in the periodic voluntary WFT checks. 'For us, these checks are a stick to ensure that our operations and advice are correct,' Beckers explains.

CONCLUSION

Beuken'essers is more than a traditional financial consultancy. With its core values Committed, Ambitious and Clear and its role as happiness director, it helps clients not only with financial security, but also with realising their dreams and goals. 'Our mission is clear,' concludes Beckers: 'To contribute to a financially secure and happy future for everyone.'



Raoul Snijders Cas Bouten and Noud Beckers – beuken'essers

Platform work in Europe, self-employed or salaried?

Platform work is nothing more than the provision of a service by a group of workers through the same medium. Well-known examples are Uber and Deliveroo. Most platform workers in Europe are formally self-employed, but there are also platform workers who resemble a salaried employee. In 2022, there were about 28 million platform workers in Europe. This number of platform workers is expected to reach 43 million by 2025. It is very convenient to look for a handyman through an app, for example, but this way of working also raises legal questions. Legal assistant Larissa Heskamp paints a clear picture around platform work and the new directive.



Larissa Heskamp, LexQuire International Tax & Law

SHAM SELF-EMPLOYMENT

It is estimated that some 5 million people working through a digital employment platform are misqualified. They are employed as 'self-employed' by a platform, but often cannot agree on pay levels and are often in a subordinate position to the platform. These circumstances are more akin to a salaried employee than a self-employed person. The problem here is that if a platform worker is mistakenly classified as self-employed, he/she cannot claim social protection. Think of rights such as a minimum wage, working time regulations, workplace health and safety protection and better access to social protection in case of accidents at work, unemployment, sickness and old age.

SHAM SELF-EMPLOYMENT IN THE NETHERLANDS

In the Netherlands, false self-employment among platform workers has recently received attention. The *Deliveroo* judgment focused on the question whether *Deliveroo* deliverymen are working as employees or as self-employed workers. The Supreme Court ruled that *Deliveroo* delivery workers are working on the basis of an employment contract, this because of the relationship of authority between the digital platform and the platform workers. In this judgment, the Supreme Court gave a number of indicators indicating the existence of an employment contract.

A similar question was at the heart of the *Uber* judgment. Here, the question was not only whether platform workers could be seen as employees based on the indicators from the *Deliveroo* judgment, but also whether platform workers working for the same platform could be qualified differently. That question was answered in the affirmative by Advocate General De Bock. It cannot be ruled out that some platform workers, working for the same platform, work under an

employment contract and others do not. Using the indicators from the *Deliveroo* judgment, it is possible to distinguish between platform workers (within the same platform) working as employees or as self-employed workers.

With the *Deliveroo* judgment, the Supreme Court has already taken a big step towards distinguishing sham self-employed workers from self-employed workers. Because sham self-employed workers can now be qualified as employees and in that case are working on the basis of an employment contract, this group can claim social protection.

"When a platform worker is wrongly classified as self-employed, he/she cannot claim social protection."

DIRECTIVE

In April 2024, the directive on improving working conditions in platform work was adopted by the European Parliament. The aim of the directive is to ensure that people working through a platform have or can obtain the correct employment status so that they can enjoy applicable employment rights and social protection.

Member States are required to include in national law that there is a legal presumption of an employment relationship when facts indicating control and direction are established. There are five indicators for the existence of control or direction in the directive:



1. The level of compensation is actually determined or upper limits are set;
2. The person performing platform work shall be required to observe specific binding rules regarding appearance, behaviour towards the recipient of the service or performance of the work;
3. Supervision of the performance of the work or verification of the quality of the results of the work shall be carried out, including by electronic means;
4. The freedom to organise the work is effectively restricted - including by sanc-ties - in particular the freedom to choose working hours or periods of absence, to accept or refuse tasks or to use subcontractors or bring in substitutes;
5. The ability to build up a client base or perform work for third parties is effectively restricted.

Member States may add other indicators to this themselves. When at least two of the five indicators are met, platform workers can invoke the legal presumption of the existence of an employment relationship. Platform workers can

then claim that they have been misclassified. It is then up to the digital platform to prove that there is no employment relationship.

CONCLUSION

The legal presumption of an employment relationship, when two of the five indicators from the directive are met, makes it easier for false self-employed individuals to qualify as employees. This is because the digital platform must prove that no employment relationship exists. If a legal presumption of an employment relationship is established and the digital platform cannot refute it, this may have implications for social security contributions, tax obligations, or the applicability of a generally binding collective labor agreement. Therefore, it is advisable for digital platforms to assess whether their platform workers will be classified as employees under the directive.

DELIVEROO CASE

In the *Deliveroo* case, the Dutch Supreme Court provided several criteria that may indicate the existence of an employment contract:

"Relevant factors may include the nature and duration of the work, how the work and working hours are determined, the integration of the work and the individual performing the work within the organization and operations of the party for whom the work is performed, whether there is an obligation to perform the work personally, how the contractual arrangement between the parties was established, how the remuneration is determined and paid, the amount of the remuneration, and whether the person performing the work bears any commercial risk. Additionally, it may be relevant whether the person performing the work acts or can act as an entrepreneur in the economic sphere."

UBER CASE

In the *Uber* case, the court submitted preliminary questions. Apart from the issue of whether identical work for the same client/employer can be classified differently, a key question was how the concept of entrepreneurship—referred to as the ninth criterion in the *Deliveroo* case—should be interpreted. Advocate-General De Bock indicated that the significance of this criterion is limited. If, based on the earlier criteria, the working relationship qualifies as an employment contract, there is no need to assess the entrepreneurship criterion. This criterion, therefore, cannot "tip the scales." As of now, the answer to the preliminary questions from the Dutch Supreme Court is still pending.



Pascalie Pechholt, coordinator [GrensInfoPunt Maastricht](#)

GrensInfoPunt (GIP): The first guide for cross-border commuters

Working, living, or running a business across borders offers unique opportunities but also entails a maze of regulations. How do taxes, social security, or labor rights apply when you cross the border? To support cross-border commuters with these questions, GrensInfoPunten (GIPs) have been established. These information points serve as the first point of contact for anyone working or living in Belgian or German Limburg.

GIP Maastricht plays a key role in this network, offering dedicated consultation hours and collaborating with other experts. We spoke with Pascalie Pechholt, coordinator at GIP Maastricht, to learn more.

CONSULTATION HOURS FOR CROSS-BORDER WORKERS

The labor market is more dynamic than ever. The traditional cross-border worker is almost a thing of the past. Working abroad, remote work, or having multiple employers in different countries is now the norm. But how does this affect labor law, social security, and tax matters? Do you pay

income tax in your country of residence or where you work? And what happens if you decide to emigrate to your new country of employment?

Starting in 2024, the GrensInfoPunt (GIP) Maastricht, in collaboration with Team Grensarbeid, will offer cross-border consultation hours in Maastricht, Geleen, and Heerlen.

Job seekers, employees, and employers can visit these sessions with questions about cross-border work in Belgian and Dutch Limburg, as well as Germany. "The focus is on combining information services and matchmaking to make cross-border employment easier," explains Pascalie. "The free consultation hours provide immediate advice and prevent people from being sent from pillar to post."

COLLABORATING WITH EXPERTS

The GIP works closely with a broad network of experts, including municipalities, trade unions, the Social Insurance Bank (SVB), and the tax authorities. This collaboration enables quick and targeted responses to complex questions. GIP Maastricht, together with the Bureau for Belgian Affairs (SVB) and Team GWO (Tax Office), organizes consultation hours for cross-border commuters.

These sessions are not just for employees but also cater to retirees or benefit recipients with pensions or allowances from multiple countries, as well as students, self-employed professionals, and more. The goal is to make cross-border commuting as seamless as possible by offering a "one-stop-shop" service. "We also maintain close and regular contact with our colleagues across the border, which makes everything significantly less complex," Pascalie explains.

In addition, the GIP frequently organizes webinars on current topics, such as the tax and social security implications of remote work.

"The aim is to make things as easy as possible for cross-border commuters by offering a 'one-stop-shop' service."

LexQuire often contributes to seminars on international family and inheritance law. Through this collaboration, cross-border commuters are better informed and less likely to encounter bureaucratic obstacles.

ASSISTANCE IN NAVIGATION

Living, working, or doing business in a neighboring country raises many questions. The GrensInfoPunt (GIP) makes it easier to navigate through the regulations and provides clear answers.

"Whether it concerns an active or passive cross-border worker, an employer, or a student, the GIP is ready to assist with practical solutions and expert advice," explains Pascalie.

Thanks to close collaboration with experts and an accessible approach, the GrensInfoPunten can efficiently address all kinds of questions or direct individuals to the appropriate partner organization.



Team GrensInfoPunt Maastricht (beeld: GIP)

Differences between dismissal of a statutory director and a regular employee

A director often has to deal with two inseparable legal relationships: a corporate law relationship and an employment law relationship.

The employment contract of a worker, in this case, the director, can be terminated in various ways. On one hand, it is possible to terminate it by mutual agreement, and on the other hand, it can be unilaterally terminated.

In this article, attorney Stefanie Senden explores the implications of corporate law dismissal for both the corporate and employment law relationships, as well as the options available to the director to contest the dismissal. The focus will not be on the unilateral termination of the employment relationship, as regular labor law applies in such cases.



Stefanie Senden, LexQuire International Tax & Law

In regular labor law, the district court or the UWV (Employee Insurance Agency) will assess the validity of the termination. This assessment also takes into account exceptional cases such as illness (dismissal bans) or other agreements between the director and the employer. Depending on this assessment, the employment relationship may or may not be terminated.

This article focuses on the situation where a director has been validly appointed and subsequently dismissed. If a director has not been validly appointed, they cannot be dismissed under corporate law. In such cases, regular labor law applies at the time of dismissal.

CORPORATE LAW DISMISSAL

The 'corporate law' dismissal of a director is carried out by the body that is also authorized to appoint the director. This could be the general meeting of shareholders or the supervisory board. To effect a valid corporate law dismissal, several legal rules must be followed. These include:

- Adhering to the proper decision-making procedure, such as through a shareholders' meeting or outside of a shareholders' meeting, or through the supervisory board.
- Respecting the statutory notice periods for these meetings.
- Achieving the required statutory majority to reach the decision.
- Providing the director with an opportunity to present their view on the intended dismissal decision (right to be heard).
- Informing the works council about the intention to take this decision.

- Following dismissal bans as outlined in Article 7:670 of the Civil Code, such as in cases of illness.

- Adhering to other agreements between the employer and the director.

These rules are not exhaustive and must be carefully followed for a valid dismissal. Failure to meet these requirements can result in the dismissal decision being invalidated. Additionally, the presence of valid grounds for dismissal, such as a lack of trust or a difference of opinion, may be important when contesting the dismissal (further details below).

"These rules of dismissal should be carefully followed for a legally valid dismissal."

DISMISSAL AS A DIRECTOR

When a director has been legally dismissed, this automatically leads to the termination of the employment relationship. This has been established by the Dutch Supreme Court in the so-called '15-April cases'. As a result, there is no need for prior evaluation by the district court or the UWV.

If the director disagrees with their dismissal, they can challenge the decision in court. The director can contest both the employment law aspect of the dismissal and the corporate law aspect.

If the director wishes to challenge the employment law aspect, the court will assess whether there were valid grounds for dismissal, such as a disrupted working relationship or performance issues. The court will review this marginally. However, these grounds are not a requirement

for corporate law dismissal. Consequently, these grounds will not undo the dismissal. In other words, based on these grounds, reinstating the employment contract is not possible. The director may, however, claim a fair compensation for the wrongful dismissal, alongside the statutory severance pay. In this regard, the dismissal framework and implementation rules provided by the UWV serve as guidelines to evaluate whether there are valid grounds for dismissal.

If the director wants to contest the dismissal with the aim of undoing the termination of the corporate law relationship—meaning they want to resume their position—then they can challenge the validity of the corporate law dismissal. The court will then assess whether the dismissal decision was valid. This involves checking whether the aforementioned legal rules were properly followed by the competent body.

INITIATING A PROCEDURE

When the dismissal of the director is on the agenda during a meeting, the director has typically already had the opportunity to be heard. At that stage, an agreement may be reached with the general meeting or the supervisory board regarding the director's exit. However, if the director is dismissed and their employment

relationship also ends, they have the option to initiate a procedure after dismissal.

In practice, the relationships between the director and other members involved in the company are often strained, making re-entry undesirable. Additionally, various factors may influence the amount of the fair compensation, such as the presence of valid grounds or the holding of a similar position in another company.

Beyond the legal implications regarding a valid corporate law dismissal, there are various factors that both the competent body and the director must take into account. Therefore, it is essential to seek timely legal advice to avoid unnecessary costs and risks.

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