Shearn Delamore & co.

Dear valued clients and friends,

We are pleased to bring you the latest update as of 18 March 2020 from our Dispute Resolution Practice Group.

Part 2: Covid 19 — Movement Control Regulations in Malaysia

Following the taking effect of the Movement Control Order ("Order") in Malaysia, the Minister, in exercise of the powers under Section 11(2) of the **Prevention and Control of Infectious Diseases Act 1988** made the Prevention and Control of Infectious Diseases (Measures Within the Local Areas) Regulations 2020 ("MCO Regulations").

When is the MCO Regulations effective?

The regulations will be in effect from 18 March 2020 to 31 March 2020.

How do the MCO Regulations affect you and your business?

In essence, the Regulations restrict all traveling unless for the purposes to perform essential services, to purchase food or to seek medical help. Funeral ceremonies are allowed but should be kept to a minimum.

Most notably there is <u>corporate liability</u> imposed on the director, manager, secretary or those in management in the commission of an offence.

A synopsis:-

1. **Regulation 3(1) of the MCO Regulations** — No person shall travel from one place to another place within any infected local area except to perform any official duty, to make a journey to and from premises providing essential services, to purchase, supply or deliver food or daily necessities, to seek healthcare/ medical services or any purposes as may be permitted by the Director General.

[Put simply: All travel within Malaysia is restricted unless absolutely necessary.]

- 2. **Regulation 3(3) of the MCO Regulations** Funeral ceremonies are an exception. However, the number of attendees have to be kept at a minimum.
- 3. **Regulation 3(4) of the MCO Regulations** No interstate travel without prior written permission of a police officer in charge of a police station.
- 4. **Regulation 4 of the MCO Regulations** Citizens/ Permanent residents of Malaysia returning from overseas shall undergo a health examination upon arrival <u>before</u> immigration clearance at any point of entry. Any order by an authorised officer shall be complied with.

- 5. **Regulation 5(1) of the MCO Regulations** Premises providing essential services may be opened. However, number of personnel and patron at the premises shall be kept to the minimum.
- 6. **Regulation 5(2) of the MCO Regulations** Non-essential services premises <u>may</u> be opened provided the owner/ occupier obtains prior written permission from the Director General subject to conditions.
- 7. **Regulation 5(3) of the MCO Regulations** Food drive-throughs, take away and delivery premises <u>may</u> be open subject to conditions imposed by the Director General.

What if you do not comply?

Non-compliance is an offence and on conviction, you will be liable to a <u>fine not exceeding</u> <u>RM1,000 or to imprisonment of a term not exceeding six months or both</u>.

What if a body corporate does not comply?

Any person who at the time of the commission of the offence was a <u>director, manager, secretary</u> <u>or other similar officer of the body corporate</u> (includes any one that is to any extent responsible for the management of the body corporate/ assists in such management) <u>may be charged</u> <u>severally or jointly</u> in the same proceedings with the body corporate.

If the body corporate is found guilty, the individuals shall be deemed guilty. This is subject to exceptions where the offence was committed without his knowledge, consent or involvement and he took all reasonable precautions and had exercised due diligence to prevent the commission of the offence.

What does all these mean?

All body corporate and individuals alike shall comply with the Order strictly.

Put simply:-

- 1. Body Corporate If your business does not provide an essential service, the premises must be shut down unless you have prior written consent from the Director General.
- 2. Essential Services Personnel and patrons to be kept at a minimum.
- 3. Individual No unnecessary travel within the state and interstate unless you fall within the exceptions.

Do also note that the list of essential services has been expanded to include fire, solid waste management, radio communication including broadcasting and television, e-commerce, wildlife, immigration, customs and hotel and accommodations. This list is subject to further addition by the Minister.

Update is expected from time to time and you may contact the National Operations Management Centre at 03-8888 2010 for any further queries.

In **Shearn Delamore & Co.**, we have activated our **Business Continuity Plan** ("BCP") and our lawyers are working remotely. We strive to continue our delivery of legal services to you and your organization timely and effectively.

Please stay safe and keep in touch.



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