

Beware of Touting Activities

From time to time, there are outsiders peddling claims recovery business discreetly near the offices of the Employees' Compensation Division of this Department and in hospitals. The so-called "recovery agents" may through acts such as maintenance and champerty carve up the compensation payable to victims of personal injury cases, jeopardizing their rights and interests to compensation.



Under the laws of Hong Kong, any person engaging in maintenance and champerty commits an offence and is punishable by a fine and up to seven years' imprisonment on conviction.

Through persuasion, "recovery agents" may draw up agreement with victims of work-related or traffic accidents, under which the "recovery agents" will fund the victims' claims (such as paying the victims' litigation costs) in return for a share of the compensation to be recovered. You should be beware of these touting activities and, if necessary, seek proper legal advice or representation, or assistance from government departments such as the Legal Aid Department, the Labour Department and the Social Welfare Department, or The Law Society of Hong Kong.

Normally, a legal representative will advise the victim clearly on whether a claim is justified, the likely litigation cost involved, and how the legal fees and disbursements are to be charged. The legal fees are usually based on the volume of professional service provided (e.g. on an hourly-rated basis) and depend on various factors including the level of complexity of the claim. Legal practitioners in Hong Kong are regulated by the relevant laws and professional codes of conduct, and are forbidden to carve up the compensation of the claimant.



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Touting activities are strictly prohibited by this department and hospitals. To safeguard your interests, if approached by “recovery agents”:



DO NOT RESPOND to their touting activities, and **DO NOT** discuss with them your injury case or disclose to them your personal particulars to avoid your personal information being abused



DO NOT SIGN any document, or you may face unanticipated legal consequences and financial liabilities later on



DO NOT BELIEVE readily propaganda such as “no win, no fee”, “free of charge”, “risk-free guarantee” and “huge amount of compensation”



DO NOT TRY them out by accepting the service of the “recovery agents”, as you may be liable to pay substantial compensation and handling fees to the “recovery agents” if you later withdraw from their services

Anyone who feels being harassed should contact the Police immediately for assistance

