

Litigation Funding 2021

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Published by

Law Business Research Ltd

Meridian House, 34-35 Farringdon Street

London, EC4A 4HL, UK

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First published 2016

Fifth edition

ISBN 978-1-83862-361-6

Printed and distributed by

Encompass Print Solutions

Tel: 0844 2480 112



Litigation Funding 2021

Contributing editors**Steven Friel and Jonathan Barnes**

Woodsford

Lexology Getting The Deal Through is delighted to publish the fifth edition of *Litigation Funding*, which is available in print and online at www.lexology.com/gtdt.

Lexology Getting The Deal Through provides international expert analysis in key areas of law, practice and regulation for corporate counsel, cross-border legal practitioners, and company directors and officers.

Throughout this edition, and following the unique Lexology Getting The Deal Through format, the same key questions are answered by leading practitioners in each of the jurisdictions featured. Our coverage this year includes new chapters on Belgium, Canada, France, Russia and Thailand.

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Every effort has been made to cover all matters of concern to readers. However, specific legal advice should always be sought from experienced local advisers.

Lexology Getting The Deal Through gratefully acknowledges the efforts of all the contributors to this volume, who were chosen for their recognised expertise. We also extend special thanks to the contributing editors, Steven Friel and Jonathan Barnes of Woodsford, for their continued assistance with this volume.



London

November 2020

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This article was first published in December 2020

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Contents

Introduction	3	Israel	56
Steven Friel and Jonathan Barnes Woodsford		Yoav Navon and Steven Friel Woodsford	
Third-party funding in international arbitration	4	Italy	60
Zachary D Krug, Adam Erusalimsky, Charlie Morris and Helena Eatock Woodsford		Davide De Vido Fideal S.R.L	
Australia	7	Mauritius	64
Simon Morris, Martin del Gallego, Gordon Grieve and Greg Whyte Piper Alderman		Rishi Pursem and Taroon Ramtale Benoit Chambers	
Austria	18	New Zealand	68
Marcel Wegmüller and Jonathan Barnett Nivalion AG		Adina Thorn and Rohan Havelock Adina Thorn	
Belgium	22	Russia	76
Isabelle Berger Nivalion AG Hakim Boularbah Loyens & Loeff		Max Odenthal Aperio Intelligence	
Canada	27	South Korea	80
Ekin Cinar and Franca Ciambella Woodsford		Beomsu Kim, Bhushan Satish and Hyungwon Nahm KL Partners	
England & Wales	31	Switzerland	84
Steven Friel, Jonathan Barnes, Alex Hickson and Fred Bowman Woodsford		Marcel Wegmueller, Isabelle Berger and Franziska Studer Nivalion AG	
France	40	Thailand	90
Isabelle Berger Nivalion AG Marina Weiss Bredin Prat		Surasak Vajasit, Melisa Uremovic, Chotiwit Ngamsuwan and Supawadee Vajasit R&T Asia (Thailand) Limited, a member firm of Rajah & Tann Asia	
Germany	45	United States – New York	94
Arndt Eversberg Omni Bridgeway		David G Liston, Alex G Patchen and Rebecca Rothkopf Liston Abramson LLP	
Hong Kong	50	United States – other key jurisdictions	101
Briana Young, Dominic Geiser, Priya Aswani and Simon Chapman Herbert Smith Freehills		Zachary D Krug, Robin M Davis, Alex Lempiner and Dan Kesack Woodsford	

Hong Kong

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REGULATION

Overview

1 | Is third-party litigation funding permitted? Is it commonly used?

Third-party funding is not generally permitted for litigation in the Hong Kong courts. Such funding is considered infringement of the doctrines of champerty and maintenance, which prohibit any party without a legitimate interest in the action from assisting or encouraging a party to that action in return for a share in the proceeds if the claim succeeds. Champerty and maintenance are both torts under Hong Kong law. They are also indictable offences at common law, punishable under section 101I of the Criminal Procedure Ordinance by imprisonment and a fine.

There are three – limited – exceptions to the general prohibition on litigation funding, namely the:

- 'common interest' cases, involving third parties with a legitimate interest in the outcome of the litigation;
- where 'access to justice considerations' apply; and
- a miscellaneous category, including insolvency proceedings.

These exceptions were set out in *Unruh v Seeberger* [2007] 10 HKCFAR 31. Where one of the exceptions applies, litigation funding will be permitted.

Litigation funding is most commonly used in Hong Kong in respect of the third category: insolvency proceedings. Hong Kong courts will permit a funding agreement where it includes an assignment of a cause of action by a liquidator (*In re Cyberworks Audio Video Technology Ltd* [2010] 2 HKLRD 1137). The liquidator's right to assign causes of action is conferred by section 199(2)(a) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32), which empowers liquidators to 'sell the real and personal property and things in action of the company by public auction or private auction'. This includes a cause of action.

Section 199(2)(a) does not require the liquidator to seek the court's consent to the funding arrangement. In practice, however, the liquidator may choose to do so (eg, *Chu Chi Ho Ian v Yeung Ming Kwong* [2014] HKEC 1901).

Even where a claim falls outside the section 199(2)(a) exception to champerty and maintenance, Hong Kong courts have been willing to facilitate litigation funding in the insolvency context, as long as there is a 'legitimate commercial purpose' (*Jeffrey L Berman v SPF CDO I Ltd* [2011] 2 HKLRD 815; *In re Po Yuen (To's) Machine Factory Ltd* [2012] 2 HKLRD 752).

As of 1 February 2019, third-party funding is also allowed for arbitration proceedings in Hong Kong. Following a lengthy consultation period and legislative process, the government introduced amendments to the Arbitration Ordinance (Cap 609) to provide that third-party funding of arbitration and related mediation and court proceedings

is not prohibited on grounds of champerty and maintenance. Similar amendments to the Mediation Ordinance have been drawn up, but are not yet in force.

Hong Kong's Secretary for Justice has also issued a Code of Practice for Third-Party Funding of Arbitration.

As funding is only permitted in limited circumstances, it is not commonly used in Hong Kong litigation. However, we are aware of some litigation funding activity, particularly for insolvency proceedings. We have seen increased interest in funding Hong Kong arbitrations, and expect levels of funding activity to increase steadily in that area.

Restrictions on funding fees

2 | Are there limits on the fees and interest funders can charge?

Fees and interest are matters for agreement between the funder and the funded party. Hong Kong law does not impose specific limitations on the amounts that third-party funders can charge.

Specific rules for litigation funding

3 | Are there any specific legislative or regulatory provisions applicable to third-party litigation funding?

Part 10A of the Arbitration Ordinance permits third-party funding of arbitration and related court and mediation proceedings in Hong Kong, as well as funding of work done in Hong Kong on arbitrations and related proceedings outside Hong Kong.

Third-party funding of mediations that are not related to an arbitration will be permitted under Part 7A of the Mediation Ordinance, but the relevant amendments are not in force as at September 2020.

Law firms are prevented from funding cases by the Legal Practitioners' Ordinance and by professional conduct rules. Section 980 of the Arbitration Ordinance expressly prohibits lawyers and law firms from funding cases in which they act for any party in relation to the arbitration.

Legal advice

4 | Do specific professional or ethical rules apply to lawyers advising clients in relation to third-party litigation funding?

Professional conduct rules prevent Hong Kong lawyers and registered foreign lawyers from entering into conditional or contingency fee arrangements to act in contentious business. This prevents lawyers themselves, or their firms, from funding clients' claims in litigation or arbitration through such fee arrangements. However, we are not aware of any rules that prevent lawyers from advising their clients on using third-party litigation funders, selecting funders or working with the funders during the proceedings.

Regulators

5 | Do any public bodies have any particular interest in or oversight over third-party litigation funding?

Section 98X of the Arbitration Ordinance empowers the Secretary for Justice to appoint an 'authorised body', which may issue a 'code of practice setting out the practices and standards with which third-party funders are ordinarily expected to comply in carrying on activities in connection with third-party funding of arbitration'. Section 98Q sets out a number of criteria that the code of practice might include.

The same section authorises the Secretary for Justice to appoint an 'advisory body' to monitor and review the operation of the Funding Ordinance, including the Code of Practice.

On 18 May 2018, Hong Kong's Department of Justice appointed Ms Teresa Cheng SC, Secretary for Justice, as the authorised body with a remit to draw up the code of practice.

On 24 August 2018, the advisory body was appointed. It comprises three senior, Hong Kong-based lawyers: Anthony Chow, Robert Pang SC and Victor Dawes SC.

On 7 December 2018, the Secretary for Justice issued the 'Code of Practice for Third-Party Funding of Arbitration'. The Code applies to any funding agreement commenced or entered into on or after 7 December 2018. Failing to comply with the Code of Practice does not, of itself, give rise to civil or criminal liability. However, the Code is admissible in evidence before a court or arbitral tribunal, which may take into account any failure to comply with it, if such failure is relevant to a question that court or tribunal is deciding (section 98S of the Arbitration Ordinance).

In addition, to the extent that funders raise capital in Hong Kong, those activities could arguably be regulated by the Securities and Futures Commission, if the sources of funds amount to a 'collective investment scheme' under the Securities and Futures Ordinance. If the funds provided by a funder are considered a loan, the funder might be considered a 'money lender' under the Money Lenders' Ordinance and require a licence to conduct business with the funded party. However, most of the funding structures of which we are aware are unlikely to be considered a loan.

Where funders operating in Hong Kong, but based elsewhere, belong to a regulatory body, such as the United Kingdom's Association of Litigation Funders, they will typically adhere to that regulator's requirements when funding proceedings in Hong Kong.

FUNDERS' RIGHTS

Choice of counsel

6 | May third-party funders insist on their choice of counsel?

In practice, yes, through their decision whether to fund the claim. Funders may decline to offer funding for a number of reasons, including that they are not happy with the party's choice of counsel. Where the funder is involved in the case before counsel is selected, the funder will generally be involved in the selection process.

Whether a funder is entitled to terminate funding during proceedings because it is dissatisfied with counsel will depend on the terms of the funding agreement.

Participation in proceedings

7 | May funders attend or participate in hearings and settlement proceedings?

Funders of arbitration proceedings may attend hearings, if the tribunal and all parties agree. Court hearings in Hong Kong are generally open to the public (apart from arbitration-related proceedings, which are not open to the public, unless one or more parties apply to be heard in

open court and can satisfy the court that there is good reason), meaning that representatives of a funder may attend if they wish. In neither case is it usual for funders' representatives to take an active part in the proceedings.

Funders may attend mediation or other settlement negotiations if the parties (and any mediator or other third-party facilitator) agree.

Veto of settlements

8 | Do funders have veto rights in respect of settlements?

A funder's rights to approve or reject a proposed settlement will depend on the terms of the funding agreement. In practice, the funded party will be guided by the terms of the funding agreement in deciding what to accept in settlement negotiations. This is because any settlement must allow the funded party to pay the funder its agreed share of the settlement amount or percentage of the funding amount (depending on the terms of the funding agreement).

Termination of funding

9 | In what circumstances may a funder terminate funding?

The circumstances in which a funder may terminate funding are a matter for agreement between the funder and the funded party, and should be recorded in the relevant funding agreement. Examples include the assessment of the merits becoming significantly worse during the case or the funder becoming aware of wrongdoing by the funded party.

In respect of arbitration, paragraph 2.13 of the Code of Practice requires funding agreements to state 'whether (and if so, how) the third-party funder may terminate the funding agreement' if the funder:

- reasonably ceases to be satisfied about the merits of the arbitration;
- reasonably believes there has been a material adverse change to the funded party's prospects of success, or recovery on success; or
- reasonably believes that the funded party has committed a material breach of the funding agreement.

This list is exhaustive. The Code of Practice stipulates that funding agreements 'may not establish a discretionary right for a third-party funder to terminate the funding agreement in the absence of the circumstances described in paragraph 2.13'.

Other permitted activities

10 | In what other ways may funders take an active role in the litigation process? In what ways are funders required to take an active role?

Hong Kong's Code of Practice (paragraph 2.3(2)) requires funding agreements to 'set out and explain clearly their key features and terms of the proposed funding and the funding agreement' including 'the degree of control that third-party funders will have in relation to an arbitration'. The Code prohibits funders from seeking to influence the funded party, or its lawyers, 'to give control or conduct of the arbitration or mediation to the third-party funder except to the extent permitted by law'. It also requires the funder not to take steps that cause, or are likely to cause, the funded party's legal representatives to breach their professional duties, and not to seek to influence the arbitral tribunal or institution (see paragraph 2.9 of the Code).

In practice, some funders take a much more active role than others. At minimum, funders generally require regular updates from counsel on the progress of the case. They may also ask for updates on an ad hoc basis, or when there is a significant development in the case. Funders may also advise counsel and the funded party on aspects of the case. In England and Wales, it is generally accepted that funders must not control the conduct of the case; such control remains with the litigant.

Funders in other jurisdictions, notably Australia, exercise a higher degree of control. For example, some funders are known to have placed a representative within the counsel team for the duration of the case.

CONDITIONAL FEES AND OTHER FUNDING OPTIONS

Conditional fees

11 | May litigation lawyers enter into conditional or contingency fee agreements?

No. Hong Kong solicitors and barristers may not enter into conditional or contingency fee arrangements for acting in contentious business. The same restriction applies to foreign lawyers who are registered to practise in Hong Kong.

The restriction derives from section 64(1) of the Legal Practitioners Ordinance, Principle 4.17 of the Solicitors Guide to Professional Conduct, paragraph 124 of the Bar Association Code of Conduct, and the common law. It is confirmed by section 980 of the Arbitration Ordinance. These restrictions prevent law firms from acting as funders in Hong Kong, other than where they are providing third-party funding at arm's length in relation to a matter in which they do not act for any party.

The Hong Kong Law Reform Commission will shortly begin a public consultation on whether to permit 'Outcome related fee structures', including conditional and contingency fees, for Hong Kong arbitration and related proceedings. The Consultation is expected to be launched in the fourth quarter of 2020.

Other funding options

12 | What other funding options are available to litigants?

Litigants may fund proceedings using a bank loan, obtained on an arm's-length basis. However, a significant number of claimants who seek funding are impecunious, and may have difficulty obtaining a loan.

There is anecdotal evidence in Hong Kong of third parties who wish to fund a litigation, in which they have no legitimate interest, acquiring shares in the claimant entity, in order to create an interest and avoid liability for champerty and maintenance.

JUDGMENT, APPEAL AND ENFORCEMENT

Time frame for first-instance decisions

13 | How long does a commercial claim usually take to reach a decision at first instance?

According to the statistics on Ten Years' Implementation of the Civil Justice Reform released by the Judiciary of Hong Kong covering the period from April 2009 to March 2019, claims at first instance take an average of two to two-and-a-half years from commencement to trial. The accumulative average time from commencement to trial for the past 10 years is 855 days with 1,728 trial hearings in total. Anecdotal evidence suggests that it can take anywhere from three to six months before judgment is handed down after trial, but this can vary depending on the judge in question and general workload levels.

Time frame for appeals

14 | What proportion of first-instance judgments are appealed? How long do appeals usually take?

Data from the Hong Kong Judiciary Annual Report 2019 (the 2019 Report) shows that only a small proportion of first instance judgments under the civil jurisdiction are appealed to the Court of Appeal, despite the fact that leave is not required in every case (generally, only in the case of interlocutory judgments) to make an appeal from the Court of

First Instance to the Court of Appeal. According to the 2019 Report, only an estimated 3 per cent of first instance civil judgments were appealed to the Court of Appeal. Although the overall proportion of judgments that were appealed is small, interestingly the percentage of first instance civil judgments that were appealed to the Court of Appeal recorded in the 2019 Report has doubled since the 2017 Report. The 2019 Report recorded 89 days (ie, three months) as being the average waiting time for civil cases at the Court of Appeal from application to fix a hearing to the hearing date, which represents a 21 per cent improvement from the time reported in 2015 (ie, 112 days).

Enforcement

15 | What proportion of judgments require contentious enforcement proceedings? How easy are they to enforce?

These statistics are not available. Whether or not a judgment may easily be enforced in Hong Kong depends on various factors, including the following:

- the availability of assets within the jurisdiction;
- the accessibility of assets that may be available;
- the type of judgment being enforced;
- whether a party is seeking to enforce a domestic or a foreign judgment; and
- in the case of a foreign judgment, whether there is a reciprocal enforcement arrangement between that country and Hong Kong.

COLLECTIVE ACTIONS

Funding of collective actions

16 | Are class actions or group actions permitted? May they be funded by third parties?

At present, there is no class action regime in Hong Kong. The only avenue that is currently available for multiparty litigation is by way of a 'representative action' brought by a party on behalf of a group of others who have the same interest in the proceedings. The 'representative action' framework, however, is inadequate for dealing with large-scale multi-party situations, and courts in Hong Kong have had to proceed on an ad hoc basis without rules designed to deal specifically with group litigation. Representative actions are not common in Hong Kong. Where they do occur, third-party funding is, in principle, permitted, where one of the recognised exceptions to champerty and maintenance applies.

In May 2012, the Law Reform Commission published a report recommending the introduction of class actions in Hong Kong with a number of key features, including:

- the regime is implemented on an incremental basis, beginning with consumer cases (ie, tort and contract claims by consumers);
- such actions may only proceed with certification by the court;
- one of the criteria of the certification should be a representative plaintiff's financial ability to satisfy an adverse costs order, which should also be required to prove to the court's satisfaction that suitable funding and costs-protection arrangements are in place at the certification stage;
- an 'opt-out' approach be adopted as the default position for local parties and an 'opt-in' approach be adopted for overseas parties; and
- a general class actions fund be established in the long term to help fund eligible impecunious plaintiffs to pursue class actions, and the Consumer Legal Action Fund be expanded in the short term to fund class actions arising from consumer claims.

The Department of Justice, in response to the report, established a working group to consider the details of the proposed regime and make

recommendations to the government. No reports have been published by the working group to date.

COSTS AND INSURANCE

Award of costs

17 | **May the courts order the unsuccessful party to pay the costs of the successful party in litigation? May the courts order the unsuccessful party to pay the litigation funding costs of the successful party?**

Order 62, Rule 6A of the Rules of the High Court and sections 52A and 52B of the High Court Ordinance empower the Hong Kong courts to order costs for or against any party to the proceedings, or a non-party, including a third-party funder. This is usually referred to as an 'adverse costs order'. The courts also have the discretion to order the extent to which the costs are to be paid. Usually the courts order that costs 'follow the event' (ie, that the unsuccessful party must pay to the successful party costs that were necessary to pursue or defend the action). It is exceptionally rare for a successful party to recover all of its costs in litigation. In practice, a party can expect to recover about half of the actual costs incurred by the litigant. It is not clear whether Hong Kong courts will be willing to order an unsuccessful litigant to pay the funding costs of its successful counterparty. English law is no longer binding on Hong Kong courts, although it is persuasive. Hence, it is at least possible that the Hong Kong courts might make such an order in appropriate circumstances, following the English case of *Essar Oilfields Services Ltd v Norscot Rig Management PVT Ltd* [2016] EWHC 2361 (Comm).

Arbitral tribunals sitting in Hong Kong have broad discretion to allocate the costs of the arbitration as they see fit. Section 74(2) of the Arbitration Ordinance provides that the tribunal may direct in its award 'to whom and by whom and in what manner the costs [of the arbitral proceedings] are to be paid'. However, the tribunal must only allow costs that are 'reasonable in all the circumstances' (section 74(7)(a) of the Arbitration Ordinance). It is most usual for Hong Kong tribunals to order that costs follow the event, but there is no universal practice.

In arbitration-related court proceedings in Hong Kong, the courts have developed a practice of ordering costs on a higher basis (known as the 'indemnity' basis) against a party that fails in an arbitration-related application. This has been applied in applications to challenge arbitral agreements, set aside arbitral awards, and resist enforcement of awards (among others). On the ordinary basis, the unsuccessful party will generally pay 50 to 75 per cent of the other side's actual expenditure. An indemnity costs order requires the unsuccessful party to pay all of the successful party's costs, except where they are unreasonable in amount or have been unreasonably incurred (Order 62, Rule 28(4A) of the Rules of the High Court).

Liability for costs

18 | **Can a third-party litigation funder be held liable for adverse costs?**

In Hong Kong litigation, Order 62, Rule 6A of the Rules of the High Court and sections 52A and 52B of the High Court Ordinance empower the courts to order any third-party, including a third-party funder, to pay costs. The court's order is known as an 'adverse costs order'. In the recent Hong Kong decision of *Re A* [2020] HKCFI 493, Marlene Ng J stated that the novelty of commercial litigation funding in Hong Kong means the effectiveness of safeguards against the litigation funders (eg, adverse costs orders) is as yet untested. Even if these measures are applicable in Hong Kong, their vitality turns on whether there is adequate disclosure to the opposing parties and the court about the litigation funding, which is also untested in Hong Kong.

In arbitration, the funder is generally not a party to the arbitration agreement. As a result, the tribunal lacks jurisdiction over the funder and cannot order it to pay adverse costs. Instead, the tribunal may make the adverse costs order against the funded party. Whether the funder will fund (or reimburse) the funded party in respect of any adverse costs paid will depend on the terms of the funding agreement. Paragraph 2.12 of the Code of Practice requires funders to ensure that the funding agreement stipulates whether, and to what extent, the funder will be liable to the funded party for adverse costs orders made against the funded party. Funders' practices with respect to accepting liability for adverse costs vary.

Security for costs

19 | **May the courts order a claimant or a third party to provide security for costs? (Do courts typically order security for funded claims? How is security calculated and deposited?)**

Order 23, Rule 1 of the Rules of the High Court provides that the court can order security for costs against the plaintiff only. The court has no power to order security for costs against a third-party funder. However, the funding agreement can provide for the funder to reimburse the plaintiff for any amount paid into court in compliance with a security for costs order. This is a matter for agreement between the funder and the funded party. In the recent decision of *Re A* [2020] HKCFI 493, Marlene Ng J stated that security for costs against a third party funder in Hong Kong is arguably not an available procedural safeguard to withstand potential abuse of third party litigation funding. This lacuna in the Hong Kong procedural rules in fact highlights the importance of regulation over litigation funders' capital adequacy requirements.

Unless the parties agree otherwise, arbitral tribunals sitting in Hong Kong can order security for costs against a party to the arbitration (section 56(1)(a) of the Arbitration Ordinance). The tribunal has no jurisdiction to make such an order against a third-party funder. However, funding agreements will typically provide that a funder will pay any security for costs order, because, if such order is not paid, the claim will not proceed. Paragraph 2.12 of the Code of Practice requires funders to ensure that the funding agreement stipulates whether, and to what extent, the funder will be liable to the funded party for security for costs orders made against the funded party.

20 | **If a claim is funded by a third party, does this influence the court's decision on security for costs?**

As far as we are aware, this question has not arisen in funded litigations in Hong Kong. Arbitral tribunals sitting in Hong Kong may order the claimant to give security for the costs of the arbitration. However, they may not make such an order only on the grounds that the claimant is not based in Hong Kong (section 56(2) of the Arbitration Ordinance). These decisions are usually confidential, so it is not possible to say whether a tribunal is likely to be influenced by the existence of third-party funding in deciding whether to order security for costs.

Insurance

21 | **Is after-the-event (ATE) insurance permitted? Is ATE commonly used? Are any other types of insurance commonly used by claimants?**

There is no legislative or regulatory prohibition on ATE insurance in Hong Kong. However, third-party funding is a nascent market in Hong Kong. We are not aware that ATE or any other type of insurance are commonly used at present, but this is likely to change.

DISCLOSURE AND PRIVILEGE

Disclosure of funding

22 | Must a litigant disclose a litigation funding agreement to the opposing party or to the court? Can the opponent or the court compel disclosure of a funding agreement?

Where the funded party voluntarily seeks the court’s approval of the funding arrangement, the court and other party will become aware that the arrangement exists and (possibly) learn the funder’s identity. However, there is no general obligation on a funded litigant to seek the court’s approval of the funding arrangement, nor is there a general obligation to disclose details of the funding arrangement to the court or the opposing party.

In June 2016, a Hong Kong court ordered plaintiffs to disclose details of the court’s earlier approval of their litigation funding arrangements, where these were contained in evidence filed in support of the plaintiffs’ ex parte applications to extend time for service of legal proceedings (*Enrich Future Ltd v Deloitte Touche Tohmatsu HCCL* 10/2011, 22 June 2016). The judge acknowledged that disclosure of the funding arrangement might put the defendant at an advantage, in particular by giving it an understanding of the plaintiffs’ litigation ‘war chest’. However, he considered that the principle of open justice prevailed over any concern about giving one party a tactical advantage. In accordance with that principle, the plaintiffs were entitled to know in full the evidence that had been presented to the court to obtain ex parte relief against them, including the evidence regarding the funding arrangements.

Section 98U of the Arbitration Ordinance requires a funded party to give written notice of the fact that a funding agreement has been made, as well as the name of the funder. The notice must be given to each other party to the arbitration, and to the arbitral tribunal, court or mediator (as appropriate). The funded party must also give notice if the funding agreement ends, other than because the arbitration has ended.

Privileged communications

23 | Are communications between litigants or their lawyers and funders protected by privilege?

The right to assert legal professional privilege is enshrined in Hong Kong’s Basic Law. Article 35 provides that Hong Kong residents shall have the right to ‘confidential legal advice’.

To maintain privilege in any communication under Hong Kong law, the communication must remain confidential. Assuming that communications between a funder and the funded party are confidential (either pursuant to a confidentiality agreement or otherwise), they should be protected by litigation privilege. Litigation privilege protects communications between a lawyer, the lawyer’s client and any third party, where litigation is pending or in reasonable contemplation, and the communications are made for the ‘sole or dominant’ purpose of preparing for or dealing with the litigation. (For the purposes of this test, ‘litigation’ includes both litigation and arbitration proceedings.)

In the context of arbitration, section 98T of the Arbitration Ordinance permits a party to disclose information relating to the arbitration to a person without losing confidentiality in the information, for the purpose of having or seeking third-party funding from the person. However, the person to whom the information is disclosed may not communicate it further, subject to certain exceptions.

Common interest privilege may also apply between the funder and the funded party, since they will have a common interest in the outcome of the proceedings. Common interest privilege is not a freestanding form of privilege, as it relies on the existence of a communication or document that satisfies the test for either legal advice privilege or litigation privilege. For common interest privilege to apply, the purpose of



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the communication must be for the parties to inform each other of the facts, issues or advice received in respect of a legal issue, or to obtain or share legal advice in respect of contemplated or pending litigation.

DISPUTES AND OTHER ISSUES

Disputes with funders

24 | Have there been any reported disputes between litigants and their funders?

We are not aware of any such disputes.

Other issues

25 | Are there any other issues relating to the law or practice of litigation funding that practitioners should be aware of?

There are no other issues.

UPDATE AND TRENDS

Current developments

26 | Are there any other current developments or emerging trends that should be noted?

The Hong Kong Law Reform Commission will shortly begin a public consultation on whether to permit ‘Outcome related fee structures’, including conditional and contingency fees, for Hong Kong arbitration and related proceedings. The Consultation is expected to be launched in the fourth quarter of 2020.

Coronavirus

27 | What emergency legislation, relief programmes and other initiatives specific to your practice area has been implemented to address the pandemic? Have any existing government programmes, laws or regulations been amended to address these concerns? What best practices are advisable for clients?

As far as we are aware, there is no legislation, programme or initiative that specifically relates to third party funding of litigation or arbitration in Hong Kong.

To address the pandemic, the courts in Hong Kong were generally closed (except to deal with urgent matters) from 29 January 2020 to 3 May 2020. This period was referred to as the general adjourned period. Since 15 June, the courts have expanded the use of remote hearings by way of video-conferencing facilities and telephone hearings for civil business in civil courts, in particular, at the Court of Appeal, Court of First Instance, Competition Tribunal, District Court and the Family Court.

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Commercial Contracts	Gas Regulation	Pharma & Medical Device Regulation	State Aid
Competition Compliance	Government Investigations	Pharmaceutical Antitrust	Structured Finance & Securitisation
Complex Commercial Litigation	Government Relations	Ports & Terminals	Tax Controversy
Construction	Healthcare Enforcement & Litigation	Private Antitrust Litigation	Tax on Inbound Investment
Copyright	Healthcare M&A	Private Banking & Wealth Management	Technology M&A
Corporate Governance	High-Yield Debt	Private Client	Telecoms & Media
Corporate Immigration	Initial Public Offerings	Private Equity	Trade & Customs
Corporate Reorganisations	Insurance & Reinsurance	Private M&A	Trademarks
Cybersecurity	Insurance Litigation	Product Liability	Transfer Pricing
Data Protection & Privacy	Intellectual Property & Antitrust	Product Recall	Vertical Agreements
Debt Capital Markets		Project Finance	
Defence & Security Procurement			
Dispute Resolution			

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