



Table of Contents

[Legal professional privilege does not apply to the communication with in-house lawyer](#)

[The integration of the Hungarian Tax and Financial Control Administration \(APEH\) and the Customs and Finance Guard will commence next year](#)

[Employee financial participation programs](#)

[The rules of simplified employment entered into force](#)

[Seminar and training on competition compliance](#)

[Assistance to entrepreneurs in decision making](#)

Legal professional privilege does not apply to the communication with in-house lawyer

The judgement of the European Court of Justice (ECJ) rendered on 14 September 2010 in the AKZO case upheld the ruling of the Court of First Instance, according to which, attorney-client legal professional privilege does not apply to the consultation between the company (or company group) and its in-house counsel (salaried lawyer). Consequently, the Court only protects the communication with an external, independent lawyer. (The scope of legal professional privilege is of extreme importance as regards the dawn raids relating to competition law infringement on the basis of Article 14 of Council Regulation No. 17 [of 1962].) In the present AKZO judgement, the ECJ stresses the character of the second condition (“independent lawyer”) of the protection of the confidentiality of attorney-client communication set out in the former AM & S Europe v Commission judgement. In this regard, the ECJ affirmed that “the requirement of independence means the absence of any employment relationship between the lawyer and his client, so that legal professional privilege does not cover exchanges within a company or group with in-house lawyers.”

The integration of the Hungarian Tax and Financial Control Administration (APEH) and the Customs and Finance Guard will commence next year

According to the information of hvg.hu, the integration of the Tax and Financial Control Office and the Customs and Finance Guard will commence on 1 January 2011. The new, independent government agency will be presumably named as National Tax and Customs Office. This body will be presided by a chairman. As the result of the concentration, the registration, collection and audit of the fiscal receivables will be carried out by a single

The rules of simplified employment entered into force

On 1 August 2010, Act LXXV of 2010 on simplified employment entered into force easing the establishment of seasonal employment for agricultural or touristic purposes as well as occasional work. After the replacement of occasional employee booklets, in the new system employees can be registered via telephone or through the governmental client gateway. The employment relationship is established upon fulfilling the registration obligation of the employer; written employment agreement must be drawn up only subject to the express request of the employee, by filling out a simplified contract form.

Seminar and training on competition compliance

On 16 September 2010, at the request of American giant, United Technologies Corporation (UTC), our firm held the seminar on competition compliance to the Hungarian Subsidiaries of Carrier Corp., the largest supplier of heating and air conditioning systems and Otis, the world’s largest elevator company. Our competition law experts provided practical advice on the management of competition law risks, on which subject we shall remain at your disposal at any time.

Assistance to entrepreneurs in decision making

Corporate information provider PartnerControll.hu has recently launched its company evaluating system. The service provides understandable and logical evaluation of the Hungarian business entities. Among other items, simple colour codes inform the user on the risk of the company (high, medium, low). Qualification is based on the financial situation, information provided by the Tax and Financial Control Office as well as court and labour court resolutions. The system is updated on a daily basis and due to the

organisation. This measure apparently aims to reduce costs by elimination of the parallel administration and ease clients' duties by establishing the "one-stop" system.

Employee financial participation programs

On 24 September 2010, our firm had the opportunity to participate in the closing event of the TOBEQU 3 international conference. Our employment team is capable to provide detailed and tailored information for our existing and potential clients regarding the conditions of the employee financial participation and incentive systems (including legal, taxation, administrative and financial aspects).

availability of unlimited queries, it enables the users to gather information regarding the risk attributed to existing purchasers, suppliers and potential partners on the basis of up-to-date sources.

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