

## **Obligations imposed by the Hungarian Competition Authority in the acquisition of a domestic start-up have been properly fulfilled**

**9 August 2021, Budapest - The investigation of the Hungarian Competition Authority (GVH) has revealed that the parties have properly implemented the changes to the investment contract of CodeCool Kft. ordered by the authority, as required.**

In early 2019, the GVH authorised the acquisition of joint control by two equity funds over CodeCool Kft, a start-up company in the IT training services market. In the course of the transaction, the parties agreed to terms that were considered to go beyond the permissible restrictions of competition necessary for the concentration. In the [summer of 2020, the GVH closed the procedure launched to assess this - without finding an infringement - on the condition](#) that the parties had to amend their contracts. The Competition Authority's decision was a guiding principle, as it made it clear that in the case of acquisitions of start-up undertakings non-compete clauses covering minority shareholders (for two years after their exit) who are familiar with the innovation or technology that gives the company its substance and value are acceptable. The decision made it easier for start-up undertakings to get the resources they need to grow.

The GVH investigated the fulfilment of the obligations imposed during the procedure after the deadline in the framework of a follow-up investigation. The investigation found that the parties had implemented all required amendments to the investment contract in a timely manner and with the appropriate content. The GVH has therefore terminated the follow-up investigation.

The official registration number of the case: **VJ/20/2021**.

GVH Press Office