

## Diploma in Law (Malta): Intake October 2025

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| <b>Assessment Task:</b> Written assignment based on chosen questions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                      |
| <b>Module:</b> <i>Award in Principles of Competition Law</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>Tuition Centre:</b> 21 Academy<br><b>Licence Number:</b> 2018-017 |
| <b>Level:</b> Award MQF Level 5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Student Name:</b>                                                 |
| <b>Date:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>ID Number:</b> <same no. submitted in student profile>            |
| <b>Assignment Deadline:</b> 02 July 2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                      |
| <p><b>Task</b><br/>         The purpose of this unit is to develop an understanding of a particular topic you will write about which forms part of Competition Law.</p> <p><b>Note</b><br/>         This assessment provides students with an opportunity to put into practice the relevant provisions of the law in relation to the topic they choose to write about forming part of Competition Law.</p> <p><b>Note</b><br/> <i>You should plan to spend approximately 20 hours researching each assignment question, preparing for and writing the assignment for assessment. The nominal word count for each assignment is 1,700 words.</i></p> <p><i>Please ensure that you refer to 21 Academy's <a href="#">Assignment Guidelines</a> for comprehensive information regarding the submission of your assignment. Additionally, the assignment submission form must be included with your completed work, clearly indicating which question you have chosen to answer by ticking the box next to the question number.</i></p>                                                |                                                                      |
| <p><b>Scenario</b></p> <p>You do not need to use legal jargon. Please address the questions as if you are explaining the situation clearly to a business audience.</p> <p>Background (Read carefully — this applies to all three questions)</p> <p>PedalPro NV is a Belgian company that manufactures premium cycling equipment under the brand name VeloX. VeloX is widely regarded as one of the leading premium cycling brands in Europe. Retailers across the continent consider VeloX an essential product to stock if they want to attract serious cycling enthusiasts. PedalPro NV holds a market share consistently above 65% in the premium cycling equipment market across several EU countries, including Poland and the Netherlands.</p> <p>PedalPro NV sells its products through a carefully controlled network of approved distributors. It has appointed:</p> <ul style="list-style-type: none"> <li>• Nordic Sport sp. z o.o. as its exclusive distributor for Poland</li> <li>• WielersportDirect BV as its exclusive distributor for the Netherlands</li> </ul> |                                                                      |
| <p><b>Choose and answer 1 (one) question from the following:</b></p> <div style="display: flex; align-items: flex-start;"> <input style="margin-right: 10px;" type="checkbox"/> <div> <p><b>Question 1: Distribution Agreements and Competition Law Article 101 TFEU</b></p> <p>Under its distribution agreements, PedalPro NV requires that:</p> <ol style="list-style-type: none"> <li>1. Each distributor only actively targets customers in their own country</li> <li>2. All distributors sell VeloX products at or above a minimum price set by PedalPro NV</li> <li>3. Only retailers that meet PedalPro NV's quality standards are allowed to stock VeloX products</li> </ol> </div> </div>                                                                                                                                                                                                                                                                                                                                                                                |                                                                      |

NordicSport has recently discovered that SportMax GmbH a large pan-European sports retailer has been buying VeloX products from WielersportDirect BV in the Netherlands and reselling them to Polish customers through its Polish shops, a Polish-language website, Polish pricing, and local delivery.

- (a) Using what you have learned about vertical agreements, briefly explain what each of the three restrictions mean in practice and why competition law is concerned about them .
- (b) consider whether SportMax GmbH's conduct operating Polish-language shops, a Polish-language website, Polish pricing, and offering local delivery to Polish customers amounts to active selling into Poland. Explain why this distinction matters for PedalPro NV's ability to enforce its distribution agreements, and whether PedalPro NV can lawfully stop this from happening .



### **Question 2: Strong Market Position and Fair Competition Article 102 TFEU**

Having discovered that SportMax GmbH has been reselling VeloX products outside its authorised network and below the minimum price, PedalPro NV has taken two steps:

1. It has instructed WielersportDirect BV to stop supplying SportMax GmbH and warned all its distributors that supplying unauthorised retailers will result in their contracts being terminated.
  2. It has told all authorised distributors that they may only purchase VeloX road cycling products if they also agree to stock and actively promote PedalPro NV's newly launched range of cycling accessories a range in which PedalPro NV has a much weaker market position.
- (a) Identify and briefly explain two factors that would support a finding that PedalPro NV holds a dominant position in the premium cycling equipment market. Think about what dominance means in practice the ability of a company to act without worrying too much about its competitors or customers
  - (b) For each of the two measures taken by PedalPro NV above:
    - Identify what type of potentially problematic behaviour it represents
    - Explain in plain terms why this type of conduct can be harmful to competition
    - Consider whether PedalPro NV might have a legitimate reason for its conduct, and whether that reason is likely to be accepted



### **Question 3: — Buying into a Business: Merger Control EU Merger Regulation 139/2004**

PedalPro NV has now entered into an agreement to acquire 45% of the shares in NordicSport sp. z o.o. its Polish distributor. Alongside this share purchase, a separate shareholders' agreement gives PedalPro NV the right to veto the following decisions:

- NordicSport's annual budget and long-term financial plan
- Major investments and acquisitions above a certain value
- The appointment and removal of NordicSport's CEO and CFO
- Any significant change to NordicSport's core business activities

The remaining 55% of shares are held by the existing shareholders, who do not have equivalent veto rights. You may assume that the EU turnover thresholds for merger notification are met.

- (a) In your own words, explain what is meant by control in the context of EU merger law. Then consider whether PedalPro NV's 45% shareholding combined with its veto rights gives it control over NordicSport, even though it does not own a majority of the shares. In your answer, explain why veto rights over budget, management appointments, and business strategy are particularly significant when assessing control.

EU merger law draws a distinction between simply investing in a business and creating a new, genuinely independent business operation (known as a full-function joint venture). Considering the facts of this scenario particularly that NordicSport already operates as PedalPro NV's distributor and its main activity is selling VeloX products briefly explain whether you think NordicSport would qualify as a genuinely autonomous business following this transaction, or whether it would remain too closely tied to PedalPro NV to be considered truly independent

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|--------------------------------------------------------------------------------|---------------------------------------------|
| <b>Pass Mark - 50% of the total weighted score of both assessment methods.</b> | <b>Total Assignments Weighting - 80%</b>    |
| <b>By submitting I confirm that this assessment is my own work</b>             |                                             |
| <b>Mark:</b>                                                                   | <b>Signature: &lt;main assessor&gt;</b>     |
| <b>Date</b>                                                                    | <b>Signature: &lt;quality assurance&gt;</b> |