

Luka Koper, Port and Logistics System, d. d.
Vojkovo nabrežje 38, 6501 Koper

13th meeting of the General Assembly of the Luka Koper, which will be held on Thursday,
19th of July 2007 at 12.00

Item n. 7 - Republic of Slovenia's requirements as to the transformation of preference participating no-par-value shares with limited voting rights, into the ordinary no-par-value shares.

Explanation:

According to the findings of the Commercial Law Institute of Maribor University, the statutory regulation of preference participating shares with limited voting rights is in conflict with the compulsory provisions of the Companies Act-1. Article 314 of the Companies Act-1 stipulates that voting rights may be excluded for shares with preference rights in profit distribution. Paragraph 1 of Article 315 of the Companies Act-1 implies the »all or nothing« principle, compliance with which insinuates that preference shares either do or do not have voting rights.

The *Luka Koper d.d.* company Statute's definition of participatory preference shares, which in some matters enjoy voting rights while in others do not, is discordant with the Companies Act-1, due to the fact that the said Act does not envisage such preference shares. Namely, the Statute is in conflict with the mandatory provisions of the Companies Act-1, and is thus void (Paragraph 1, Article 86 in relation to Paragraph 1 of Article 88 of the Code of Obligations).

In order to permanently abolish such a condition, the company Statute in its reference to the definition of shares should be amended as it is defective, and may, ultimately, be sanctioned by the termination of the company in accordance with Paragraph 3 of Article 402 of the Companies Act-1.

Amending the existing Statute would facilitate the consequent transformation of preference shares into ordinary shares, to which the preference share is – with regard to the actual situation and matters which are subject of preference share voting rights – fairly similar to the ordinary one.

Proposal of resolution:

The Assembly shall accept the resolution proposed by the shareholder Republic of Slovenia with the following diction:

6,860,000 preference participating no-par-value shares with limited voting rights get transformed into 6,860,000 ordinary no-par-value shares.