

1 §**Name and Domicile of Company**

The name of the Company is Teleste Oyj and Teleste Corporation in English. The domicile of the Company is in Turku.

2 §**Field of Operations**

The Company's field of operations is the production and selling of electronics and telecommunication industry products, services and solutions as well as thereto related service, maintenance, training, designing, integration and installation activities and consultation. The Company may trade in securities and engage in other investment business. The Company may also carry out its operations through subsidiaries and associated companies.

3 §**Incorporation of the shares in the book-entry system**

The shares of the Company are incorporated in the book-entry system.

4 §**Board of Directors**

The Company shall have a Board of Directors with a minimum of three (3) and a maximum of eight (8) members elected at the Annual General Meeting of Shareholders; their term of office shall expire at the end of the following Annual General Meeting of Shareholders. The Annual General Meeting of Shareholders shall appoint the Chairman of the Board of Directors.

5 §**Managing Director**

The Company shall have a Managing Director appointed by the Board.

6 §**Right to represent the Company**

The members of the Board, two jointly, or the Managing Director, jointly with a member of the Board of Directors shall have the right to represent the Company or the person(s) authorised by the Board of Directors to represent the Company, either jointly with another person authorised to represent the Company, a procurator, the Managing Director, or a member of the Board of Directors.

**7 §
Financial Period**

The Company's financial period shall be a calendar year.

**8 §
Auditors**

The Company shall have at least one (1) and not more than two (2) auditors, who shall be auditors or Accounting Firms certified by the Central Chamber of Commerce.

The auditors' duties shall cease at the end of the first Annual General Meeting of Shareholders following their election.

**9 §
Notice of Meeting**

Notice of the General Meeting of Shareholders shall be announced in the newspaper decided by the Board of Directors or delivered verifiable in writing to each shareholder to the address registered in the Shareholders' Register no earlier than two months and no later than seventeen (17) days prior to the General Meeting of Shareholders.

A shareholder wishing to participate in the General Meeting of Shareholders shall notify the Company at the latest on date stated in the notice of the meeting, which date shall be no earlier than ten (10) days prior to the meeting.

**10 §
Annual General Meeting of Shareholders**

The Annual General Meeting of Shareholders shall be held annually on the date decided by the Board of Directors by the end of June in Kaarina, Turku or Helsinki.

At the meeting, the following shall be

presented:

1. the financial statements, which include the consolidated financial statements, and the report of the Board of Directors;
2. the Auditor's Report;

resolved upon:

3. the adoption of the financial statements and the consolidated financial statements;

4. use of the profit shown in the balance sheet;
5. discharging the members of the Board of Directors and the Managing Director from liability;
6. the number of, and the fee payable to, the members of the Board of Directors;
7. the number of, and the fee payable, to the auditors;

elected:

8. the chairman and the members of the Board of Directors;
9. the auditors.

considered:

10. any other matters stated in the notice of the meeting.

11 §

Redemption obligation

A shareholder whose proportional holding of all Company shares, either individually or jointly with other shareholders, as defined hereinafter, is or exceeds 33 1/3 per cent or 50 per cent (shareholder subject to redemption obligation) as defined hereinafter is obliged on demand by other shareholders (shareholders with rights of redemption) to redeem such shareholders' shares, and securities giving entitlement to them under the Companies Act, in the amount so demanded by the shareholders with rights of redemption and in the manner stipulated in this Article.

The following shares are included in calculating a shareholder's proportional holding of Company shares:

1. Shares belonging to an organization which under the Companies Act belong to the same group of companies as the shareholder,
2. Shares belonging to an enterprise which is counted as belonging to the same group of companies as the shareholder in preparing the consolidated financial statements in compliance with the Accounting Act,
3. Shares belonging to the pension fund or pension trust of such organizations or enterprises as meant above,
4. Shares belonging to an organization or enterprise that is not Finnish, but if Finnish would belong, in the manner meant above, to the same group of companies as the shareholder and
5. Shares belonging to a natural person, an organization or a fund, which is acting together with the shareholder in order to use dominant influence over the company.

If the total shareholdings produce a redemption obligation, the shareholders subject to the redemption obligation are jointly responsible for redeeming the shares of those shareholders with redemption rights. In this case, a claim for redemption is deemed to have been made, without the issue of a separate claim, to all shareholders subject to a redemption obligation.

If two shareholders meet or exceed the limit for shareholdings that produces a redemption obligation such that both are simultaneously subject to a redemption obligation, a shareholder with redemption rights can claim redemption of the shares from each separately.

The redemption obligation does not apply to shares, or securities giving entitlement to them, which a shareholder claiming redemption has acquired after the redemption obligation has arisen.

The redemption price of shares shall be the higher of the following:

- a. The average weighted price of the trading prices of the share for the ten (10) trading days on the Helsinki Exchanges preceding the day when the Company received notification from the shareholder subject to a redemption obligation of meeting or exceeding the limit for shareholdings as meant above or, in the absence or non-delivery of such notification, the day on which the Company otherwise becomes aware of it,
- b. The highest individual price which the shareholder subject to a redemption obligation has paid for the acquired or otherwise received shares during the twelve (12) months preceding the day referred to in paragraph a) above.

If the acquisition on which the average price is calculated, is denominated in a non-euro currency, its equivalent in euro shall be calculated at the Euro exchange rates published by the European Central Bank seven (7) days prior to the day on which the Board of Directors notifies shareholders of the opportunity to redeem shares.

The above provisions for determining the redemption price of shares shall also apply to other securities that become redeemable.

A shareholder subject to a redemption obligation shall within seven (7) days from when the redemption obligation arose notify the company's Board of Directors of it in writing at the Company's address. The notification shall contain information about the amount of shares owned by the shareholder subject to a redemption obligation, and also the amounts and prices of shares acquired or otherwise received by that shareholder during the preceding twelve (12) months. The notification shall include an address at which the shareholder subject to a redemption obligation can be contacted.

The Board of Directors shall provide shareholders with information about the existence of a redemption obligation within forty-five (45) days of receiving the said notification or, in the absence or non-delivery of such notification, the day on which the Company otherwise becomes aware of the redemption obligation. The notification shall contain information on the date when the redemption obligation

came into existence and the basis for determining the redemption price, insofar as the Board of Directors is aware of these facts, and also the final date by which a claim for redemption must be made. The notification to shareholders shall be issued in the same manner as stipulated for an invitation to a shareholders' meeting in Article 9 of these Articles of Association.

A shareholder with redemption rights shall claim redemption in writing within thirty (30) days of the Board of Directors' notification of a redemption obligation. A claim for redemption, which is submitted to the Company, shall indicate the amounts of the shares and other securities which the claim concerns. A shareholder claiming redemption shall at the same time submit to the Company any share certificates, or other documents conferring entitlement to shares, for surrender to the shareholder subject to a redemption obligation against payment of the redemption price.

If a claim to redeem shares is not presented within the time limit in the manner stipulated above, the shareholder shall forfeit his/her right to claim redemption in that particular case. A shareholder with a redemption right is entitled to cancel his/her claim until the shares have actually been redeemed.

The Board of Directors shall provide a shareholder subject to a redemption obligation with information about the redemption claims presented upon expiry of the time limit reserved for shareholders with redemption rights. A shareholder subject to a redemption obligation shall pay the redemption price in the manner stipulated by the Company within fourteen (14) days of receiving information about the redemption claims against surrender of the shares or the securities conferring entitlement to them or, if the redeemable shares are registered in the proper book-entry accounts of the shareholders, against a receipt issued by the company. In this case, the company shall ensure that the person redeeming the shares is registered as the owner of the redeemed shares in the book-entry account without delay.

A redemption price that has not been paid within the time limit is calculated with annual overdue interest in accordance with the provisions of the Interest Act in force at the time in question from the last day when the redemption should have been paid. If a shareholder subject to a redemption obligation has also neglected to comply with the above provisions concerning the obligation to provide notification, overdue interest shall be calculated from the last day when the obligation to provide notification should have been met.

If a shareholder subject to a redemption obligation neglects to comply with the provisions in this Article, the shares owned by that shareholder, and those shares that are included in the manner referred to in this Article in calculating the proportional holding establishing a redemption obligation, can only be used to vote at the Company's shareholders' meeting to the extent that the number of votes attached to the shares is less than one-third (1/3) or, correspondingly, less than 50 per cent of the combined total of votes attached to all the Company's shares.

Any disputes about the above redemption obligation, the right to claim redemption under it, and the amount of the redemption price shall be resolved by arbitration in compliance with the provisions of the Arbitration Act (967/92). Finnish law applies to the arbitration procedure.