SSH COMMUNICATIONS SECURITY CORPORATION –
TERMS AND CONDITIONS OF SHARE ISSUE DIRECTED TO THE PERSONNEL

Share Issue Authorization Granted by the General Meeting of Shareholders

The Annual General Meeting of Shareholders of SSH Communications Security Corporation ("**the Company**") held on 28 March 2012 has authorized the Board of Directors to decide on a share issue. The authorization shall remain in force until 30 June 2013.

Board of Directors' Decision on Share Issue

Based on the authorization given by the Annual General Meeting of Shareholders, the Board of Directors of the Company has on 31 October 2012 decided on a share issue in which the Company shall offer, in deviation from the shareholders' preemptive subscription rights, a maximum total of 1,000,000 new shares in the Company for subscription to the personnel of the Company and the group, in accordance with these terms and conditions ("**the Share Issue**"). The purpose of the Share Issue is to encourage the personnel to acquire and own Company's shares. The Board of Directors sees that the directed Share Issue is in the best interests of the Company and that there is a weighty financial reason for the Company for the deviation from the shareholders' pre-emptive subscription rights. For the sake of clarity, Members of the Board of Directors do not have subscription right.

Subscription Right

A maximum total of 1,000,000 new shares shall be offered for subscription in the Share Issue. The Company's and the group's entire regular personnel shall have subscription rights in the Share Issue. The subscription rights shall not be registered on book-entry accounts, and they shall not be transferrable to third parties. Each person entitled to subscription shall be allowed to make only one subscription in the Share Issue.

The minimum subscription is 1 000 shares per person. The maximum subscription is 300,000 shares per person.

The Board of Directors shall decide about the subscription rights for any shares that were not subscribed in the Share Issue.

Subscription Period

The subscription period for new shares shall begin on November 2, 2012 and end on November 16, 2012. The subscription shall be made during the subscription period by returning the signed subscription list to the subscription place, in accordance with more detailed instructions given by the Company. The subscription place shall the headquarters of the Company, Takomotie 8, 00380 Helsinki, Finland.

Subscription Price

The share subscription price shall be based on the trade volume weighted average share price of the Company's share on NASDAQ OMX Helsinki Ltd between 3 September 2012 and 28 September

2012 and on discount calculated from such price. The discount for the subscription of the shares is 10 % from the prevailing share price during the aforementioned period.

The subscription price for the shares to be subscribed shall be EUR 0.70 per share. The part of the subscription price corresponding to the nominal value of the share shall be credited to the Company's share capital and the remaining part of the subscription price shall be credited to the Company's reserve for invested unrestricted equity.

Approval and Payment of Subscriptions

The Board of Directors shall decide on the approval of and amount of the subscriptions after the close of the Subscription Period. Subscribers shall be informed of the approval of subscriptions in writing. The notice shall be sent by e-mail if the e-mail address is stated in the subscription list.

The Board of Directors may approve a subscription as such, reduce the size of the subscription or reject the subscription outright. The Board of Directors will guarantee approval of subscriptions up to 10 000 shares from everyone having subscription right.

Approved subscriptions must be paid no later than November 30, 2012 in accordance with the instructions provided together with the notice of approval. The Board of Directors shall have the right to reject any subscription made, partly or in its entirety, and to reallocate the subscribed shares, unless the subscription has been paid in accordance with these terms and conditions and with the given instructions.

Transfer Restriction

A subscriber shall have no right to transfer or pledge the right to the shares subscribed in the Share Issue to any third party prior to November 2, 2013.

The Company shall have the right to apply for a transfer restriction preventing the transfer on a subscriber's book-entry account, without the consent of the subscriber.

Shareholder's Rights

The new shares shall produce a right to dividends and other shareholder's rights when the shares are fully paid and entered into the Trade Register.

The new shares shall produce the same rights as the Company's other shares from the time of their registration onwards. Each new share shall entitle to one vote in the General Meeting of Shareholders of the Company.

Registration of New Shares on Book-Entry Accounts

The new shares subscribed in the Share Issue shall be issued as book-entry units in the book-entry securities system kept by Euroclear Finland Ltd. The new shares shall be registered on the subscriber's personal book-entry account when they are fully paid and entered into the Trade Register. The shares shall be applied for public trading on NASDAQ OMX Helsinki Ltd.

The Company's shares' trading code is SSH1V and ISIN code is FI0009008270.

Governing Law and Settlement of Disputes

This Share Issue shall be governed by Finnish law. Any disputes arising in respect of the Share Issue shall be resolved in a competent court in Finland.

Other Matters

The documents referred to in Chapter 5 Section 21 of the Limited Liability Companies Act shall be available at the Company's headquarters, Takomotie 8, 00380 Helsinki, Finland.

The Company's Board of Directors shall decide upon other matters related to the issue of the new shares and to the Share Issue and for practical measures arising thereof.