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NOTICE OF CLASS ACTION MEMORANDUM

DATE: JULY 29, 2016

SECURITY DESCRIPTION: AEROHUIVE NETWORKS INC.

ISIN: US0077861062

HEARING DATE: SEPTEMBER 30, 2016

EXCLUSION DATE: SEPTEMBER 09, 2016

PROOF OF CLAIM DEADLINE: SEPTEMBER 27, 2016

Enclosed for your consideration is a Notice of Pendency of Class Action, Proposed Settlement of Class Action, and Proof of Claim involving the above-mentioned Security. Kindly note that if you wish to participate in the settlement please complete the enclosed Proof of Claim and forward it together with any supporting documentation if required, postmarked no later than: SEPTEMBER 27, 2016: to the following address:

**Aerohive Securities Litigation
Claims Administrator
C/O Gilardi & Co LLC
Post Office Box 30216
College Station, TX 77842-3216
Telephone: 1-844-206-5871
Website: www.aerohivesecuritieslitigation.com**

Contact your account representative if you require additional information relating to activity within your account during the class action period.

**Kind Regards,
Corporate Actions/ Reorganization Department**

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN MATEO

In re AEROHIVE NETWORKS, INC. SHAREHOLDER LITIGATION)	Master File No. CIV 534070
)	
)	<u>CLASS ACTION</u>
<hr/>		
This Document Relates To:)	Assigned for All Purposes to Hon. Marie S. Weiner
ALL ACTIONS.)	DEPT: 2
)	DATE ACTION FILED: 06/02/15
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NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

TO: ALL PERSONS OR ENTITIES ("PERSONS") THAT PURCHASED AEROHIVE NETWORKS, INC. ("AEROHIVE" OR THE "COMPANY") COMMON STOCK PURSUANT OR TRACEABLE TO THE REGISTRATION STATEMENT AND PROSPECTUS ISSUED IN CONNECTION WITH AEROHIVE'S MARCH 27, 2014 INITIAL PUBLIC OFFERING ("IPO")

THIS NOTICE WAS AUTHORIZED BY THE COURT. IT IS NOT A LAWYER SOLICITATION. PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY.

WHY SHOULD I READ THIS NOTICE?

This Notice is given pursuant to an order issued by the Superior Court of California, County of San Mateo (the "Court"). This Notice serves to inform you of the proposed settlement of the above class action lawsuit (the "Litigation") and the hearing (the "Settlement Fairness Hearing") to be held by the Court to consider the fairness, reasonableness, and adequacy of the settlement, as set forth in the Stipulation of Settlement dated May 4, 2016 (the "Stipulation").¹ The Stipulation is made and entered into by and among the following parties: (i) plaintiffs Vincent P. Hunter, Rohit Mahajan, and Herbert Silverberg (the "Plaintiffs") (on behalf of themselves and each of the Class Members); (ii) defendants Aerohive, David K. Flynn, Gordon C. Brooks, Remo Canessa, John Gordon Payne, Feng Deng, Krishna "Kittu" Kolluri, Changming Liu, Frank J. Marshall, Paul J. Milbury, Conway "Todd" Rulon-Miller, and Christopher J. Schaepe (the "Aerohive Defendants"); and (iii) underwriters of the Company's March 27, 2014 IPO, specifically JMP Securities LLC, Goldman, Sachs & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Piper Jaffray & Co., William Blair & Company, L.L.C., and Stephens Inc. (the "Underwriter Defendants," and together with the Aerohive Defendants, the "Defendants") (Plaintiffs and Defendants collectively, the "Settling Parties"). This Notice is not an expression of any opinion by the Court as to the merits of the claims or defenses asserted in the lawsuit.

WHAT IS THIS LAWSUIT ABOUT?

The Allegations and Status of the Case

On August 18, 2015, Plaintiffs filed their Consolidated Complaint for Violations of the Securities Act of 1933 ("Consolidated Complaint"). Plaintiffs brought the action on behalf of all Persons who purchased Aerohive common stock pursuant or traceable to the Company's Registration Statement and Prospectus (collectively, the "Registration Statement") issued in connection with the Company's March 27, 2014 IPO. The Registration Statement was declared effective on March 27, 2014. As a result, the Company and its insiders and underwriters sold more than 8.6 million shares of Aerohive's common stock to the public at \$10 per share (which included an over-allotment of shares granted to the underwriters), raising over \$86 million in gross proceeds for the Company. Plaintiffs allege that the Aerohive Defendants and the Underwriter Defendants violated §11 of the Securities Act of 1933 (the "Securities Act") and that the Aerohive Defendants violated §15 of the Securities Act because the Registration Statement contained untrue statements of material fact and omitted other facts necessary to make the statements made therein not misleading.

Plaintiffs allege that the Registration Statement violated the Securities Act by misrepresenting and omitting material facts concerning, among other things, alleged technological deficiencies in the Company's products, increasing competition, and employee turnover that was allegedly impacting sales.

The Aerohive Defendants filed a demurrer to the Consolidated Complaint on October 2, 2015, in which the Underwriter Defendants joined. Plaintiffs filed their opposition on November 3, 2015, and the Aerohive Defendants filed a reply (in which the Underwriter Defendants joined) on November 25, 2015. The Court sustained the demurrer, with leave to amend, following a hearing on the motion on December 8, 2015. At the hearing, Judge Weiner stated Plaintiffs were entitled to discovery to re-plead, and set the discovery conference for January 5, 2016. By agreement of the parties and order of the Court, the discovery conference was vacated, and Plaintiffs were given until April 6, 2016 to file their first amended complaint.

¹ The Stipulation and all of its Exhibits can be viewed at www.aerohivesecuritieslitigation.com. All capitalized terms used herein have the same meanings as the terms defined in the Stipulation.

On November 13, 2015, Plaintiffs served interrogatories and document requests on Defendants, focused on the development and commercialization of Aerohive's cloud-managed mobile networking platform; the preparation, review, and dissemination of the Offering Documents; and Aerohive's accounting for sales and returns. Rather than have Defendants serve their objections and responses to Plaintiffs' written discovery, the Settling Parties agreed to conduct informal discovery before mediation.

During the Litigation, the Settling Parties engaged the services of Hunter R. Hughes, III to mediate the case. The Settling Parties participated in an in-person mediation session on March 17, 2016 with Mr. Hughes, at which time the parties agreed to settle the case for \$5,750,000 with the mediator's assistance.

THE COURT HAS NOT RULED AS TO WHETHER DEFENDANTS ARE LIABLE TO PLAINTIFFS OR TO THE CLASS. THIS NOTICE IS NOT INTENDED TO BE AN EXPRESSION OF ANY OPINION BY THE COURT WITH RESPECT TO THE TRUTH OF THE ALLEGATIONS IN THIS LAWSUIT OR THE MERITS OF THE CLAIMS OR DEFENSES ASSERTED. THIS NOTICE IS SOLELY TO ADVISE YOU OF THE PENDENCY OF THE LITIGATION AND PROPOSED SETTLEMENT THEREOF AND YOUR RIGHTS IN CONNECTION WITH THAT SETTLEMENT.

HOW DO I KNOW IF I AM A CLASS MEMBER?

If you purchased the common stock of Aerohive pursuant or traceable to the Registration Statement issued in connection with the Company's March 27, 2014 IPO through September 23, 2014 (the "Class Period"), you are a Class Member. As set forth in the Stipulation, excluded from the Class are the Defendants and their respective successors and assigns; past and current officers and directors of Aerohive and the Underwriter Defendants; members of the immediate families of the Individual Defendants; the legal representatives, heirs, successors, or assigns of the Individual Defendants; any entity in which any of the above excluded Persons have or had a majority ownership interest; and any Person who validly requests exclusion from the Class.

WHAT IS THE MONETARY VALUE OF THE PROPOSED SETTLEMENT?

The settlement, if approved, will result in the creation of a cash settlement amount of \$5,750,000 (the "Settlement Amount"). The Settlement Amount, plus accrued interest (the "Settlement Fund") and minus the costs of this Notice and all costs associated with the administration of the settlement, as well as attorneys' fees and expenses, and the payment of Plaintiffs' time and expenses in representing the Class, as approved by the Court (the "Net Settlement Fund"), will be distributed to Class Members pursuant to the Plan of Allocation that is described in the next section of this Notice.

WHAT IS THE PROPOSED PLAN OF ALLOCATION?

Your share of the Net Settlement Fund will depend on the number of valid Proofs of Claim that Class Members send in and how many shares of Aerohive common stock you purchased during the relevant period and when you bought and sold them.

For purposes of determining the amount an Authorized Claimant may recover under the Plan of Allocation, Lead Counsel conferred with its damages consultants and the Plan of Allocation reflects an assessment of damages that it believes could have been recovered had Plaintiffs prevailed at trial.

In the unlikely event that there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's claim, as defined below. If, however, the amount in the Net Settlement Fund is not sufficient to permit payment of the total claim of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's claim bears to the total of the claims of all Authorized Claimants. Payment in this manner shall be deemed conclusive against all Authorized Claimants.

The calculation of claims below is not an estimate of the amount you will receive. It is a formula for allocating the Net Settlement Fund among all Authorized Claimants. Furthermore, if any of the formulas set forth below yield an amount less than \$0.00, the claim per share is \$0.00. A claim will be calculated as follows:

Claims for the March 27, 2014 Initial Public Offering

Initial Public Offering Price: \$10.00 per share

Closing price on the date the lawsuit was filed²: \$7.15 per share

For shares of Aerohive common stock purchased pursuant or traceable to the Company's Registration Statement dated March 27, 2014, through and including September 23, 2014, and

- 1) sold on or before June 1, 2015, the claim per share is the lesser of: (i) the purchase price per share less the sales price per share, or (ii) \$10.00 less the sales price per share.
- 2) retained at the close of trading on June 1, 2015, or, sold on or after June 2, 2015, the claim per share is the lesser of: (i) the purchase price per share less \$7.15, or (ii) \$10.00 less \$7.15.

² The initial class action complaint was filed on June 2, 2015.

In the event a Class Member has more than one purchase or sale of Aerohive common stock during the Class Period, all purchases and sales within the Class Period shall be matched on a First-In, First-Out ("FIFO") basis. Class Period sales will be matched first against any holdings at the beginning of the Class Period, and then against purchases in chronological order, beginning with the earliest purchase made during the Class Period.

A purchase or sale of Aerohive common stock shall be deemed to have occurred on the "contract" or "trade" date as opposed to the "settlement" or "payment" date. All purchase and sale prices shall exclude any fees and commissions. The receipt or grant by gift, devise, or operation of law of Aerohive common stock during the Class Period shall not be deemed a purchase or sale of Aerohive common stock for the calculation of a claimant's recognized claim nor shall it be deemed an assignment of any claim relating to the purchase of such shares unless specifically provided in the instrument of gift or assignment. The receipt of Aerohive common stock during the Class Period in exchange for securities of any other corporation or entity shall not be deemed a purchase or sale of Aerohive common stock.

With respect to Aerohive common stock purchased or sold through the exercise of an option, the purchase/sale date of the common stock is the exercise date of the option and the purchase/sale price of the stock is the exercise price of the option. Any recognized claim arising from purchases of Aerohive common stock during the Class Period through the exercise of an option on Aerohive common stock shall be computed as provided for other purchases of Aerohive common stock in the Plan of Allocation.

The total of all profits shall be subtracted from the total of all losses from transactions during the Class Period to determine if a Class Member has a recognized claim. Only if a Class Member had a net market loss, after all profits from transactions in Aerohive common stock during the Class Period are subtracted from all losses, will such Class Member be eligible to receive a distribution from the Net Settlement Fund. Shares held as of the beginning of the Class Period will be excluded for purposes of calculating a market gain or loss.

If an Authorized Claimant has an overall market gain, the recognized claim for that Authorized Claimant will be \$0.00. If an Authorized Claimant has an overall market loss, that Authorized Claimant's recognized claim will be limited to the amount of total market loss. The Claims Administrator shall allocate to each Authorized Claimant a *pro rata* share of the Net Settlement Fund based on his, her, or its recognized claim as compared to the total recognized claims of all Authorized Claimants. No distribution shall be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

If there is any balance remaining in the Net Settlement Fund after at least six (6) months from the initial date of distribution of the Net Settlement Fund (whether by reason of tax refunds, uncashed checks, or otherwise), Lead Counsel shall, if feasible, reallocate such balance among Authorized Claimants in an equitable and economic fashion. These redistributions shall be repeated until the balance remaining in the Net Settlement Fund is no longer feasible to distribute to Class Members. Thereafter, any balance which still remains in the Net Settlement Fund shall be donated to Bay Area Legal Aid.

The Court has reserved jurisdiction to allow, disallow, or adjust the claim of any Class Member on equitable grounds.

Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all Authorized Claimants. No Person shall have any claim against Plaintiffs, any counsel for Plaintiffs, any claims administrator or other Person designated by Lead Counsel or Defendants and/or the Related Persons and/or the Released Parties and/or their counsel based on distributions made substantially in accordance with the Stipulation and the settlement contained therein, the Plan of Allocation, or further orders of the Court. All Class Members who fail to complete and file a valid and timely Proof of Claim shall be barred from participating in distributions from the Net Settlement Fund (unless otherwise ordered by the Court), but otherwise shall be bound by all of the terms of the Stipulation, including the terms of any judgment entered and the releases given.

DO I NEED TO CONTACT PLAINTIFFS' COUNSEL IN ORDER TO PARTICIPATE IN DISTRIBUTION OF THE SETTLEMENT FUND?

No. If you have received this Notice and timely submit your Proof of Claim to the designated address, you need not contact Plaintiffs' Counsel. If you did not receive this Notice in the mail but believe you should have, or if your address changes, please contact the Claims Administrator at:

Aerohive Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 30216
College Station, TX 77842-3216
Phone: 1-844-206-5871
www.aerohivesecuritieslitigation.com

THERE WILL BE NO PAYMENTS IF THE STIPULATION IS TERMINATED

The Stipulation may be terminated under several circumstances outlined in it. If the Stipulation is terminated, the Litigation will proceed as if the Stipulation had not been entered into.

WHAT ARE THE REASONS FOR SETTLEMENT?

The Court has not reached any final decisions in connection with Plaintiffs' claims against Defendants. Instead, Plaintiffs and Defendants have agreed to this settlement, which was reached with the substantial assistance of Hunter R. Hughes, III, Esq., a highly experienced mediator of complex class actions. In reaching the settlement, the Settling Parties have avoided the cost, delay, and uncertainty of further litigation.

As in any litigation, Plaintiffs and the Class would face an uncertain outcome if they did not agree to the settlement. The Settling Parties expected that the case could continue for a lengthy period of time and that if Plaintiffs succeeded after trial, Defendants would file appeals that would postpone final resolution of the case. Continuation of the case against Defendants could result in a judgment greater than this settlement. Conversely, continuing the case could result in no recovery at all or a recovery that is less than the amount of the settlement.

Plaintiffs and Plaintiffs' Counsel believe that this settlement is fair and reasonable to the Members of the Class. They have reached this conclusion for several reasons. Specifically, if the settlement is approved, the Class will receive a significant monetary recovery. Additionally, Plaintiffs' Counsel believe that the substantial and immediate benefits of the settlement, when weighed against the significant risk, delay, and uncertainty of continued litigation, are an excellent result for the Class.

WHO REPRESENTS THE CLASS?

The Court appointed the law firm of Robbins Geller Rudman & Dowd LLP to represent you and other Class Members. These lawyers are called Lead Counsel. These lawyers will apply to the Court for payment of attorneys' fees and expenses from the Settlement Fund; you will not be otherwise charged for their work. If you want to be represented by your own lawyer, you may hire one at your own expense.

HOW WILL THE PLAINTIFFS' LAWYERS BE PAID?

Lead Counsel will file a motion for an award of attorneys' fees and expenses that will be considered at the Settlement Fairness Hearing. Lead Counsel will apply for an award of 30% of the Settlement Fund, plus payment of expenses incurred in connection with the Litigation in an amount not to exceed \$135,000. In addition, each of the Plaintiffs may seek payment of up to \$2,500 for their time and expenses incurred in representing the Class. Such sums as may be approved by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.

The attorneys' fees and expenses requested will be the only payment to Plaintiffs' Counsel for their efforts in achieving this settlement and for their risk in undertaking this representation on a wholly contingent basis. Plaintiffs' Counsel have committed significant time and expenses in litigating this case for the benefit of the Class. To date, Plaintiffs' Counsel have not been paid for their services in conducting this Litigation on behalf of the Plaintiffs and the Class, or for their expenses. The fees requested will compensate Plaintiffs' Counsel for their work in achieving the settlement. The Court will decide what constitutes a reasonable fee award and may award less than the amounts requested by Lead Counsel.

CAN I EXCLUDE MYSELF FROM THE SETTLEMENT?

If you want to keep the right to sue or continue to sue Defendants on your own about the legal issues in this case, then you must take steps to get out of the Class. This is called excluding yourself from, or "opting out" of, the Class.

To exclude yourself from the Class, you must send a letter by mail saying that you want to be excluded from the Class in the following action: *In re Aerohive Networks, Inc. Shareholder Litigation*, Master File No. CIV 534070. You must include your name, address, telephone number, and sign the letter. You should also include the number of shares of Aerohive common stock you purchased during the Class Period. Your exclusion request must be **postmarked no later than September 9, 2016** and sent to the Claims Administrator at:

Aerohive Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
3301 Kerner Blvd.
San Rafael, CA 94901

You cannot exclude yourself by phone or by e-mail. If you make a proper request for exclusion, you will not receive a settlement payment, and you cannot object to the settlement. If you make a proper request for exclusion, you will not be legally bound by anything that happens in this lawsuit.

**CAN I OBJECT TO THE SETTLEMENT, THE REQUESTED ATTORNEYS' FEES
AND EXPENSES, THE REQUESTED PAYMENT OF COSTS AND EXPENSES
TO PLAINTIFFS AND/OR THE PLAN OF ALLOCATION?**

Yes. If you are a Class Member, you may object to the terms of the settlement. Whether or not you object to the terms of the settlement, you may also object to the requested attorneys' fees, costs, and expenses, the payment to Plaintiffs for their time and expenses, and/or the Plan of Allocation. In order for any objection to be considered, you must file a written statement, accompanied by proof of Class membership, with the Court, and send copies to Lead Counsel by **September 9, 2016**. The Court's address is the Superior Court of San Mateo, Hall of Justice and Records, 400 County Center, Redwood City, CA 94063, and Lead Counsel's address is Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, c/o Jeffrey D. Light. Attendance at the Settlement Fairness Hearing is not necessary; however, persons wishing to be heard orally at the Settlement Fairness Hearing are required to indicate in their written objection their intention to appear at the hearing and identify any witnesses they may call to testify and exhibits, if any, they intend to introduce into evidence.

**WHAT IS THE DIFFERENCE BETWEEN OBJECTING AND
EXCLUDING MYSELF FROM THE SETTLEMENT?**

Objecting is telling the Court that you do not like something about the proposed settlement, the Plan of Allocation, Lead Counsel's request for an award of attorneys' fees and expenses, or payment to Plaintiffs for their time and expenses in representing the Class. You can object *only* if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer applies to you.

HOW CAN I GET A PAYMENT?

In order to qualify for a payment, you must submit a Proof of Claim. A Proof of Claim is enclosed with this Notice or it may be downloaded at www.aerohivesecuritieslitigation.com. Read the instructions carefully, fill out the Proof of Claim, include all the documents the form asks for, sign it, and mail or submit it online so that it is **postmarked (if mailed) or received (if filed electronically) no later than September 27, 2016**. The claim form may be submitted online at www.aerohivesecuritieslitigation.com. If you do not submit a valid Proof of Claim with all of the required information, you will not receive a payment from the Net Settlement Fund; however, unless you expressly exclude yourself from the Class as described above, you will still be bound in all other respects by the settlement, the Judgment, and the releases contained in them.

WHAT CLAIMS WILL BE RELEASED BY THE SETTLEMENT?

Unless you exclude yourself, you are staying in the Class, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against the Defendants about the same issues in this case or about issues that could have been asserted in this case. It also means that all of the Court's orders will apply to you and legally bind you and you will release your Released Claims in this case against Defendants and their Related Persons. "Released Claims" shall collectively mean any and all claims (including "Unknown Claims" as defined in paragraph 1.28 of the Stipulation) against Defendants and their Related Persons, arising out of, relating to, or in connection with both (i) the facts, events, transactions, acts, occurrences, statements, representations, misrepresentations, or omissions, which were or could have been alleged in the Litigation, and (ii) the purchase, acquisition, holding, sale, or disposition of Aerohive common stock pursuant or traceable to the Registration Statement issued in connection with Aerohive's March 27, 2014 IPO (except for claims to enforce the Stipulation).

"Related Persons" means, with respect to each Defendant, its/his present and former (i) parents, subsidiaries, affiliates, predecessors, successors, joint venturers and assigns, and (ii) each of their respective officers, directors, employees, partners, controlling shareholders, principals, trustees, attorneys, auditors, accountants, investment bankers, underwriters, consultants, agents, insurers, re-insurers, spouses, estates, related or affiliated entities, any entity in which a Defendant has a controlling interest, any members of any Individual Defendant's immediate family, any trust of which any Individual Defendant is the settlor or which is for the benefit of any Defendant and/or member(s) of his family, and each of the heirs, executors, administrators, predecessors, successors, and assigns of the foregoing.

THE SETTLEMENT FAIRNESS HEARING

The Court will hold a Settlement Fairness Hearing on **September 30, 2016, at 9:00 a.m.**, before the Honorable Marie S. Weiner at the Superior Court of California, County of San Mateo, Department 2, Courtroom 2E, 400 County Center, Redwood City, CA 94063, for the purpose of determining whether: (1) the settlement of the Litigation for \$5,750,000 in cash should be approved by the Court as fair, reasonable, and adequate; (2) to award Plaintiffs' Counsel attorneys' fees and expenses out of the Settlement Fund; (3) to pay Plaintiffs for their time and expenses they incurred in representing the Class out of the Settlement Fund; and (4) the Plan of Allocation should be approved by the Court. The Court may adjourn or continue the Settlement Fairness Hearing without further notice to Members of the Class.

Any Class Member may appear at the Settlement Fairness Hearing and be heard on any of the foregoing matters; provided, however, that no such person shall be heard unless his, her, or its objection is made in writing and is filed, together with proof of membership in the Class and with copies of all other papers and briefs to be submitted by him, her, or it to the Court at the Settlement Fairness Hearing, with the Court no later than **September 9, 2016**, and showing proof of service on the following counsel:

Jeffrey D. Light
ROBBINS GELLER RUDMAN & DOWD LLP
655 West Broadway, Suite 1900
San Diego, CA 92101

Unless otherwise directed by the Court, any Class Member who does not make his, her, or its objection in the manner provided shall be deemed to have waived all objections to this settlement and shall be foreclosed from raising (in this proceeding or on any appeal) any objection to the settlement, and any untimely objection shall be barred.

HOW DO I OBTAIN ADDITIONAL INFORMATION?

This Notice contains only a summary of the terms of the proposed settlement. The records in this Litigation may be examined and copied at any time during regular office hours, and subject to customary copying fees, at the Clerk of the Superior Court of California, County of San Mateo. In addition, all of the settlement documents, including the Stipulation, this Notice, the Proof of Claim, and proposed Judgment, may be obtained by contacting the Claims Administrator at:

Aerohive Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 30216
College Station, TX 77842-3216
Phone: 1-844-206-5871
www.aerohivesecuritieslitigation.com

In addition, you may contact Rick Nelson, Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 1-800-449-4900, if you have any questions about the Litigation or the settlement.

DO NOT WRITE TO OR TELEPHONE THE COURT FOR INFORMATION

SPECIAL NOTICE TO BANKS, BROKERS, AND OTHER NOMINEES

If you hold any Aerohive common stock purchased between March 27, 2014 and September 23, 2014, as a nominee for a beneficial owner, then, within ten (10) days after you receive this Notice, you must either: (1) send a copy of this Notice by First-Class Mail to all such Persons; or (2) provide a list of the names and addresses of such Persons to the Claims Administrator:

Aerohive Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 30216
College Station, TX 77842-3216

If you choose to mail the Notice and Proof of Claim yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for or advancement of reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and which would not have been incurred but for the obligation to forward the Notice, upon submission of appropriate documentation to the Claims Administrator.

DATED: June 8, 2016

BY ORDER OF THE SUPERIOR COURT OF CALIFORNIA,
COUNTY OF SAN MATEO
HONORABLE MARIE S. WEINER

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN MATEO

In re AEROHIVE NETWORKS, INC.
SHAREHOLDER LITIGATION

) Master File No. CIV 534070
) CLASS ACTION
)
) Assigned for All Purposes to
) Hon. Marie S. Weiner
)
) DEPT: 2
) DATE ACTION FILED: 06/02/15

This Document Relates To:

ALL ACTIONS.

PROOF OF CLAIM AND RELEASE

I. GENERAL INSTRUCTIONS

1. To recover as a Member of the Class based on your claims in the action entitled *In re Aerohive Networks, Inc. Shareholder Litigation*, Master File No. CIV 534070 (the "Litigation"), you must complete and, on page 6 hereof, sign this Proof of Claim and Release form ("Proof of Claim"). If you fail to file a properly addressed (as set forth in paragraph 3 below) Proof of Claim, your claim may be rejected and you may be precluded from any recovery from the Net Settlement Fund created in connection with the proposed settlement.

2. Submission of this Proof of Claim, however, does not assure that you will share in the proceeds of the settlement of the Litigation.

3. **YOU MUST MAIL OR SUBMIT ONLINE YOUR COMPLETED AND SIGNED PROOF OF CLAIM, ACCOMPANIED BY COPIES OF THE DOCUMENTS REQUESTED HEREIN, ON OR BEFORE SEPTEMBER 27, 2016, ADDRESSED AS FOLLOWS:**

Aerohive Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 30216
College Station, TX 77842-3216
online submissions: www.aerohivesecuritieslitigation.com

If you are NOT a Member of the Class, as defined in the Notice of Proposed Settlement of Class Action ("Notice"), DO NOT submit a Proof of Claim.

4. If you are a Member of the Class and you did not timely request exclusion in connection with the proposed settlement, you are bound by the terms of any judgment entered in the Litigation, including the releases provided therein, **WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM.**

II. CLAIMANT IDENTIFICATION

If you purchased Aerohive Networks, Inc. ("Aerohive" or the "Company") common stock pursuant or traceable to the Registration Statement and Prospectus (collectively, "Registration Statement") issued in connection with Aerohive's initial public offering ("IPO") on March 27, 2014, through and including September 23, 2014, and held the certificate(s) in your name, you are the beneficial purchaser as well as the record purchaser. If, however, you purchased Aerohive common stock pursuant or traceable to the Registration Statement issued in connection with Aerohive's IPO on March 27, 2014, through and including September 23, 2014, and the certificate(s) were registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial purchaser and the third party is the record purchaser.

Use Part I of this form entitled "Claimant Identification" to identify each purchaser of record ("nominee"), if different from the beneficial purchaser of the Aerohive common stock which forms the basis of this claim. **THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL PURCHASER(S) OR THE LEGAL REPRESENTATIVE OF SUCH PURCHASER(S) OF THE AEROHIVE COMMON STOCK UPON WHICH THIS CLAIM IS BASED.**

All joint purchasers must sign this claim. Executors, administrators, guardians, conservators, and trustees must complete and sign this claim on behalf of persons represented by them and their authority must accompany this claim and their titles or capacities must be stated. The Social Security (or taxpayer identification) number and telephone number of the beneficial owner may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.

III. CLAIM FORM

Use Part II of this form entitled "Schedule of Transactions in Aerohive Common Stock" to supply all required details of your transaction(s). If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name on each additional sheet.

On the schedules, provide all of the requested information with respect to **all** of your purchases of Aerohive common stock which took place pursuant or traceable to Aerohive's IPO on March 27, 2014, through and including September 23, 2014 (the "Class Period"), and **all** of your sales of Aerohive common stock which took place during the period March 27, 2014, through and including June 2, 2015, whether such transactions resulted in a profit or a loss. You must also provide **all** of the requested information with respect to **all** of the shares of Aerohive common stock you held at the close of trading on June 2, 2015. Failure to report all such transactions may result in the rejection of your claim.

List each transaction in the Class Period separately and in chronological order, by trade date, beginning with the earliest. You must accurately provide the month, day, and year of each transaction you list.

The date of covering a "short sale" is deemed to be the date of purchase of Aerohive common stock. The date of a "short sale" is deemed to be the date of sale of Aerohive common stock.

COPIES OF BROKER CONFIRMATIONS OR OTHER DOCUMENTATION OF YOUR TRANSACTIONS IN AEROHIVE COMMON STOCK SHOULD BE ATTACHED TO YOUR CLAIM. FAILURE TO PROVIDE THIS DOCUMENTATION COULD DELAY VERIFICATION OF YOUR CLAIM OR RESULT IN REJECTION OF YOUR CLAIM.

NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. All claimants **MUST** submit a manually signed paper Proof of Claim whether or not they also submit electronic copies. If you wish to file your claim electronically, you must contact the Claims Administrator at 1-844-206-5871 to obtain the required file layout. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the claimant a written acknowledgment of receipt and acceptance of electronically submitted data.

Official
Office
Use
Only

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN MATEO

In re Aerohive Networks, Inc. Shareholder Litigation

Master File No. CIV 534070

PROOF OF CLAIM AND RELEASE

Please Type or Print in the Boxes Below
Do **NOT** use Red Ink, Pencil, or Staples

Must Be Postmarked
(if Mailed) or Received
(if Filed Electronically)
No Later Than
September 27, 2016

AHQ


PART I: CLAIMANT IDENTIFICATION

Last Name

M.I.

First Name

Last Name (Co-Beneficial Owner)

M.I.

First Name (Co-Beneficial Owner)

☐ IRA

☐ Joint Tenancy

☐ Employee

☐ Individual

☐ Other

(specify)

Company Name (Beneficial Owner - If Claimant is not an Individual) or Custodian Name if an IRA

Trustee/Asset Manager/Nominee/Record Owner's Name (If Different from Beneficial Owner Listed Above)

Account#/Fund# (Not Necessary for Individual Filers)

Last Four Digits of Social Security Number

Taxpayer Identification Number

or

Telephone Number (Primary Daytime)

Telephone Number (Alternate)

Email Address

MAILING INFORMATION

Address

Address

City

State

Zip Code

Foreign Province

Foreign Postal Code

Foreign Country Name/Abbreviation

FOR CLAIMS
PROCESSING
ONLY

OB

CB

☐ ATP
☐ KE
☐ ICI

☐ BE
☐ DR
☐ EM

☐ FL
☐ ME
☐ ND

☐ OP
☐ RE
☐ SH

MM/DD/YYYY

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PART II. SCHEDULE OF TRANSACTIONS IN AEROHIVE COMMON STOCK

A. Purchases of Aerohive common stock (March 27, 2014 – September 23, 2014, inclusive):

PURCHASES

Trade Date(s) of Shares (List Chronologically)	Number of Shares Purchased	Total Purchase Price (Excluding Commissions, Taxes and Fees). Please round off to the nearest whole dollar	Proof of Purchase Enclosed?
M M / D D / Y Y Y Y			
1. <input type="text"/> <input type="text"/> / <input type="text"/> <input type="text"/> / <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	\$ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>	<input type="radio"/> Y <input type="radio"/> N
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IMPORTANT: If any purchase listed covered a "short sale," please mark Yes: ☐ Yes

B. Sales of Aerohive common stock (March 27, 2014 – June 2, 2015, inclusive):

SALES

Trade Date(s) of Shares (List Chronologically)	Number of Shares Sold	Total Sales Price (Excluding Commissions, Taxes and Fees). Please round off to the nearest whole dollar	Proof of Sales Enclosed?
M M / D D / Y Y Y Y			
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C. Number of shares of Aerohive common stock held
at the close of trading on June 2, 2015:

Proof Enclosed?
☐ Y ☐ N

YOU MUST READ AND SIGN THE RELEASE ON PAGE 6. FAILURE TO SIGN THE RELEASE
MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.



IV. SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGMENTS

I (We) submit this Proof of Claim under the terms of the Stipulation of Settlement described in the Notice. I (We) also submit to the jurisdiction of the Superior Court of the State of California, County of San Mateo, with respect to my (our) claim as a Class Member and for purposes of enforcing the release set forth herein. I (We) further acknowledge that I am (we are) bound by and subject to the terms of any judgment that may be entered in the Litigation. I (We) agree to furnish additional information to the Claims Administrator to support this claim if requested to do so. I (We) have not submitted any other claim covering the same purchases or sales of Aerohive common stock during the Class Period and know of no other person having done so on my (our) behalf.

V. RELEASE

1. I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally, and forever settle, release, and discharge from the Released Claims each and all of the "Released Parties," defined as each and all of the Defendants and their Related Persons. "Related Persons" means, with respect to each Defendant, its/his present and former (i) parents, subsidiaries, affiliates, predecessors, successors, joint venturers and assigns, and (ii) each of their respective officers, directors, employees, partners, controlling shareholders, principals, trustees, attorneys, auditors, accountants, investment bankers, underwriters, consultants, agents, insurers, re-insurers, spouses, estates, related or affiliated entities, any entity in which a Defendant has a controlling interest, any members of any Individual Defendant's immediate family, any trust of which any Individual Defendant is the settlor or which is for the benefit of any Defendant and/or member(s) of his family, and each of the heirs, executors, administrators, predecessors, successors, and assigns of the foregoing.

2. "Released Claims" shall collectively mean any and all claims (including "Unknown Claims" as defined below) against Defendants and their Related Persons, arising out of, relating to, or in connection with both (i) the facts, events, transactions, acts, occurrences, statements, representations, misrepresentations, or omissions, which were or could have been alleged in the Litigation, and (ii) the purchase, acquisition, holding, sale, or disposition of Aerohive common stock pursuant or traceable to the Registration Statement issued in connection with Aerohive's March 27, 2014 IPO (except for claims to enforce the Stipulation).

3. "Unknown Claims" means any Released Claims that Plaintiffs or Class Members do not know or suspect to exist in his, her, or its favor at the time of the release of the Released Parties which, if known by him, her, or it, might have affected his, her, or its settlement with and release of the Released Parties, or might have affected his, her, or its decision(s) with respect to the settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Plaintiffs shall expressly waive, and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all provisions, rights, and benefits conferred by California Civil Code §1542 and any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Plaintiffs and Class Members may hereafter discover facts in addition to or different from those that any of them now knows or believes to be true related to the subject matter of the Released Claims, but Plaintiffs shall expressly and each Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, disclosed or undisclosed, matured or unmatured, which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Settling Parties acknowledge, and Plaintiffs and the Class Members shall be deemed by operation of the Judgment to have acknowledged, that the inclusion of "Unknown Claims" in the definition of Released Claims was separately bargained for and is a key element of the settlement of which this release is a part.

4. I (We) hereby warrant and represent that I (we) have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this release or any other part or portion thereof.



5. I (We) hereby warrant and represent that I (we) have included information about all of my (our) transactions in Aerohive common stock which occurred during the Class Period as well as the number of shares of Aerohive common stock held by me (us) at the close of trading on June 2, 2015.

I (We) declare under penalty of perjury under the laws of the United States of America that all of the foregoing information supplied on this Proof of Claim by the undersigned is true and correct.

Executed this _____ day of _____ in _____
(Month/Year) (City/State/Country)

(Sign your name here)

(Sign your name here)

(Type or print your name here)

(Type or print your name here)

(Capacity of person(s) signing, e.g.,
Beneficial Purchaser, Executor or Administrator)

(Capacity of person(s) signing, e.g.,
Beneficial Purchaser, Executor or Administrator)

**ACCURATE CLAIMS PROCESSING TAKES A SIGNIFICANT AMOUNT OF TIME.
THANK YOU FOR YOUR PATIENCE.**

Reminder Checklist:

1. Please sign the above release and declaration.
2. If this claim is being made on behalf of Joint Claimants, then both must sign.
3. Remember to attach copies of supporting documentation, if available.
4. **Do not send** originals of certificates or other documentation as they will not be returned.
5. Keep a copy of your claim form and all supporting documentation for your records.
6. If you desire an acknowledgment of receipt of your claim form please send it Certified Mail, Return Receipt Requested.
7. If you move, please send your new address to the address below.
8. **Do not use red pen or highlighter** on the Proof of Claim or supporting documentation.

**THIS PROOF OF CLAIM MUST BE SUBMITTED ONLINE OR MAILED NO LATER THAN SEPTEMBER 27, 2016,
ADDRESSED AS FOLLOWS:**

Aerohive Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 30216
College Station, TX 77842-3216
www.aerohivesecuritieslitigation.com

