

AEROHIVE NETWORKS, INC
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April 06, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

**PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-11(c) or §240.14a-2

AEROHIVE NETWORKS, INC.

(Name of Registrant as Specified In Its Charter)

Not applicable

(Name of Person(s) Filing Proxy Statement if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(4) Proposed maximum aggregate value of transaction:

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Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

AEROHIVE NETWORKS, INC.
1011 McCarthy Boulevard
Milpitas, California 95035

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
To Be Held at 11:00 a.m. Pacific Time on Wednesday, May 23, 2018

Dear Stockholder:

We cordially invite you to attend the 2018 Annual Meeting of Stockholders of Aerohive Networks, Inc. We will hold the meeting on **Wednesday, May 23, 2018, at 11:00 a.m. Pacific Time**, at 1011 McCarthy Boulevard, Milpitas, California 95035, to propose the following:

1. To elect three Class I directors to serve until the 2021 Annual Meeting of Stockholders, or until their successors are duly elected and qualified;
2. To ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2018; and
3. To transact any other business as may properly come before the meeting or any postponement or adjournment of the meeting.

We discuss these items in more detail on the following pages, which we make a part of this notice.

On or about April 6, 2018, we expect to mail to our stockholders a Notice of Internet Availability of Proxy Materials (the “**Notice**”) containing instructions to access this proxy statement for our annual meeting and our 2017 annual report to our stockholders. The Notice provides instructions to vote online or by telephone and includes instructions to receive a paper copy of proxy materials by mail. You can access this proxy statement and our 2017 annual report directly at the following Internet address: <http://www.proxyvote.com>. All you need to do is enter the control number located on your proxy card.

If you owned our common stock at the close of business on Monday, March 26, 2018, you are entitled to notice of and to vote at the annual meeting. Your vote is important. We encourage you to vote via the Internet. It is convenient, is more environmentally friendly and it saves us significant postage and processing costs. If you prefer to submit your

vote by mail or by telephone you may request instead a printed set of the proxy materials.

By order of the Board of Directors,

Steve Debenham
*Vice President, General Counsel & Corporate
Secretary*

Milpitas, California

April 6, 2018

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AEROHIVE NETWORKS, INC.

PROXY STATEMENT
FOR 2018 ANNUAL MEETING OF STOCKHOLDERS
To Be Held on Wednesday, May 23, 2018 at 11:00 a.m. Pacific Time

INFORMATION CONCERNING SOLICITATION AND VOTING

General

Our Board of Directors (the “**Board**”) is soliciting proxies for the 2018 Annual Meeting of Stockholders (the “**2018 Annual Meeting**”) to be held at our executive offices at 1011 McCarthy Boulevard, Milpitas, California 95035 on Wednesday, May 23, 2018, at 11:00 a.m., Pacific Time. Our telephone number at this address is 408-510-6100. This proxy statement contains important information for you to consider when deciding how to vote on the matters set forth in the attached Notice of Annual Meeting of Stockholders. Please read it carefully.

Beginning on April 6, 2018, we sent copies of this proxy statement or made them available to persons who were stockholders at the close of business on March 26, 2018, the record date for the 2018 Annual Meeting.

Notice of Internet Availability of Proxy Materials

Pursuant to Securities and Exchange Commission (the “**SEC**”) rules and regulations, we have chosen to provide access to our proxy materials over the Internet. We are sending a Notice of Internet Availability of Proxy Materials (the “**Notice**”) to our stockholders and beneficial owners of our stock as of the record date. All stockholders will have the option to access the proxy materials on the website referred to in the Notice or to request a printed set of the proxy materials. We have included in the Notice instructions how to access the proxy materials over the Internet or to request a printed copy of the proxy materials. You may also request to receive proxy materials on an ongoing basis in printed form by mail or electronically by e-mail.

The Notice will provide you with instructions how to:

•view on the Internet our proxy materials for our 2018 Annual Meeting;

instruct us to send our future proxy materials to you electronically by e-mail; or

instruct us to send these proxy materials to you by mail, as well as on an ongoing basis.

Electronic Access to Proxy Materials

Choosing to receive proxy materials by e-mail will save us the cost of printing and mailing the proxy materials to you and, by avoiding such printing and mailing, will reduce the environmental impact of our 2018 Annual Meeting and future meetings. If you choose to receive future proxy materials by e-mail, you will receive an e-mail next year in connection with the 2019 annual meeting of stockholders with instructions, including a link to the proxy materials and a link to the proxy voting site. Your election to receive proxy materials by e-mail will remain in effect until you terminate it by following the instructions contained in the proxy materials.

Costs of Solicitation

We will pay the costs of soliciting proxies from stockholders. In addition, we may reimburse brokerage firms and other persons representing beneficial owners of shares for their expenses to forward solicitation materials to such beneficial owners, including fees associated with:

forwarding the Notice to beneficial owners;

forwarding printed proxy materials by mail to beneficial owners who specifically request them; and

obtaining beneficial owners' voting instructions.

Certain of our directors, officers and employees may solicit proxies on our behalf, without additional compensation, personally or by written communication, telephone, facsimile or other electronic means.

Record Date and Shares Outstanding

The record date for the 2018 Annual Meeting is March 26, 2018. Only stockholders of record at the close of business on March 26, 2018, are entitled to attend and vote at the 2018 Annual Meeting. On the record date, 54,625,924 shares of our common stock were outstanding and held of record.

QUESTIONS AND ANSWERS REGARDING OUR ANNUAL MEETING

Although we encourage you to read this proxy statement in its entirety, we include this question and answer section to provide some background information and brief answers to several questions you may have about the 2018 Annual Meeting or this proxy statement.

Q: Why am I receiving these proxy materials?

A: Our Board of Directors is providing these proxy materials to you in connection with our 2018 Annual Meeting to be held on May 23, 2018. We invite stockholders to attend the 2018 Annual Meeting and to vote on the proposals described in this proxy statement.

Q: What is the Notice of Internet Availability?

A: In accordance with SEC rules and regulations, instead of mailing a printed copy of our proxy materials to all stockholders entitled to vote at the 2018 Annual Meeting, we are furnishing the proxy materials to our stockholders over the Internet. If you received a Notice by mail, you will not receive a printed copy of the proxy materials. Instead, the Notice will instruct you how to access and review the proxy materials and submit your vote via the Internet. If you received a Notice by mail and would like to receive, instead, a printed copy of the proxy materials, please follow the instructions included in the Notice to request such materials.

We mailed the Notice on or about April 6, 2018, to all stockholders entitled to vote at the 2018 Annual Meeting. As of the date of mailing of the Notice, all stockholders and beneficial owners will have the ability to access all our proxy materials on the website referred to in the Notice. These proxy materials will be available free of charge.

Q: What proposals will be voted on at the 2018 Annual Meeting?

A: There are two proposals scheduled to be voted on at the 2018 Annual Meeting:

a proposal to elect the three Class I nominees for director set forth in this proxy statement; and

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a proposal to ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2018.

Q: What is Aerohive's voting recommendation?

A: Our Board of Directors recommends that you vote your shares “**FOR**” election of the three Class I nominees to our Board of Directors and “**FOR**” the proposed ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm.

Q: What happens if additional proposals are presented at the 2018 Annual Meeting?

A: Other than the two proposals described in this proxy statement, we do not currently expect additional matters to be presented for a vote at the 2018 Annual Meeting. However, when you sign and return the proxy card you are granting, as stockholder of record, a proxy to the named proxy holders, John Ritchie and Steve Debenham. The named proxy holders will have the discretion to vote your shares on the above proposals as well as any additional matters properly presented for a vote at the 2018 Annual Meeting. If, for any unforeseen reason, any of the three Class I nominees is not available as a candidate for director, the named proxy holders will vote your proxy for such other candidate or candidates as our Board of Directors may nominate.

Q: Who can vote at the 2018 Annual Meeting?

A: Our Board of Directors has set March 26, 2018 as the record date for the 2018 Annual Meeting. All stockholders who owned our common stock at the close of business on March 26, 2018 may attend and vote at the 2018 Annual Meeting. For each share of common stock held as of the record date the stockholder is entitled to one vote on each proposal to be voted on. Stockholders do not have the right to cumulate votes. On March 26, 2018, 54,625,924 shares of our common stock were outstanding. Shares held as of the record date include shares that you may hold directly in your name as the stockholder of record and those shares held by a broker, bank or other nominee for you as a beneficial owner.

Q: What is the difference between holding shares as a stockholder of record and as a beneficial owner?

A: Most of our stockholders hold their shares through a broker, bank or other nominee rather than directly in their own name. As summarized below, there are some distinctions between shares held of record and those owned beneficially.

Stockholders of Record — If your shares are registered directly in your name with our transfer agent, Computershare, you are considered the stockholder of record with respect to those shares and we have sent the Notice directly to you. As the stockholder of record, you have the right to grant your voting proxy directly to us or to vote in person at the 2018 Annual Meeting.

Beneficial Owners — If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of shares held in “street name.” In such instance, your broker, bank or other nominee is considered, with respect to those shares, the stockholder of record and they will have forwarded the Notice to you. As the beneficial owner, you have the right to direct your broker, bank or other nominee how to vote and you are also invited to attend the 2018 Annual Meeting. However, since you are not the stockholder of record, you may not vote these shares in person at the 2018 Annual Meeting unless you request and receive in advance of the 2018 Annual Meeting a “legal proxy” from the broker, bank or other nominee who holds your shares, giving you the right to vote the shares at the 2018 Annual Meeting.

Q: How many votes does Aerohive need to hold the 2018 Annual Meeting?

A: 27,312,963 shares, which is a majority of our outstanding shares as of the record date, must be present in person or represented at the 2018 Annual Meeting by proxy in order for us to hold the meeting and to conduct business. This is called a quorum. Both abstentions and broker “non-votes” are counted as present to determine the presence of a quorum. A broker “non-vote” occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that item and has not received voting instructions from the beneficial owner.

In addition, we will also count your shares as present at the meeting if you:

are present and vote in person at the meeting; or

have properly submitted a proxy card or voting instruction form, or properly voted via the Internet or by telephone.

Q: What is the voting requirement to approve each of the proposals?

A: Proposal One — The election of directors requires a plurality vote of the shares of common stock voted at the meeting. “**Plurality**” means that the individuals who receive the largest number of votes cast “**FOR**” are elected as directors. As a result, any shares not voted “**FOR**” a particular nominee (whether because of a stockholder abstention or a broker non-vote) will not be counted in such nominee’s favor and will have no effect on the outcome of the election. You may vote either “**FOR**” or “**WITHHOLD**” on each of the three Class I nominees for election as director.

Proposal Two — We require the affirmative vote of a majority of the shares present in person or represented by proxy and entitled to vote to ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm. You may vote “**FOR**,” “**AGAINST**” or “**ABSTAIN**” on Proposal Two. Abstentions are deemed to be votes cast and have the same effect as a vote against the proposal. However, broker non-votes are not deemed to be votes cast and, therefore, are not included in the tabulation of the voting results on the proposal.

Q: Who counts the votes?

A: The inspector of elections will tabulate and certify votes cast by proxy or in person at the 2018 Annual Meeting. The inspector of elections will also determine whether a quorum is present. One of our representatives will serve as the inspector of elections.

Q: What happens if I do not cast a vote?

A: Stockholders of Record — If you are a stockholder of record and you do not cast your vote, no votes will be cast on your behalf on any of the proposals at the 2018 Annual Meeting. However, if you submit a signed proxy card with no further instructions, our Board of Directors will recommend how the named proxies will vote the shares represented by that proxy card.

Beneficial Owners — If you hold your shares in street name it is critical that you cast your vote if you want it to count in the election of directors (Proposal One). If you do not indicate how you want your shares voted on such proposal, your bank, broker or other nominee will not cast any votes on your behalf as they will not be allowed to vote those shares on a discretionary basis. However, your bank, broker or other nominee will continue to have discretion to vote any uninstructed shares on the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm (Proposal Two).

Q: How can I vote my shares in person at the 2018 Annual Meeting?

A: You may vote in person at the 2018 Annual Meeting shares which you hold as of the record date directly in your name as the stockholder of record. If you choose to vote in person, please bring your proxy card or proof of identification to the 2018 Annual Meeting. Even if you plan to attend the 2018 Annual Meeting, we recommend that you vote your shares in advance, as described below, so that your vote will be counted if you later decide not to attend the 2018 Annual Meeting. If you hold your shares in street name, you must request and receive in advance of the 2018 Annual Meeting a legal proxy from your broker, bank or other nominee and bring that document with you to vote in person at the 2018 Annual Meeting.

Q: How can I vote my shares in advance, without attending the 2018 Annual Meeting?

A: Whether you hold shares directly as the stockholder of record or beneficially in street name, you may direct how your shares are voted without attending the 2018 Annual Meeting. If you are a stockholder of record, you may vote by submitting a proxy; please refer to the voting instructions in the Notice or below. If you hold shares beneficially in street name, you may vote by submitting voting instructions to your broker, bank or other nominee; please refer to the voting instructions provided to you by your broker, bank or other nominee.

Internet — Stockholders of record with Internet access may submit proxies until 11:59 p.m., Eastern Time, on Tuesday, May 22, 2018, by following the “**Vote by Internet**” instructions on the Notice or by following the instructions at www.proxyvote.com. Most of our stockholders who hold shares beneficially in street name may vote by accessing the website specified in the voting instructions provided by their brokers, banks or other nominees. Many banks and brokerage firms are participating in Broadridge’s online program. This program provides eligible stockholders the opportunity to vote over the Internet or by telephone. Your proxy card or voting instruction form you complete and return will provide your voting instructions to your bank or brokerage firm participating in Broadridge’s program.

Telephone — If you request a printed set of the proxy materials, you will be eligible to submit your vote by telephone until 11:59 p.m., Eastern Time, on Tuesday, May 22, 2018, by following the telephone voting instructions on your proxy cards.

Mail — If you request a printed set of the proxy materials, you may indicate your vote by completing, signing and dating the proxy card or voting instruction form where indicated and by returning it in the prepaid envelope that will be provided. Your vote must be received by 11:59 p.m., Eastern Time, on Tuesday, May 22, 2018.

Q: How can I change or revoke my vote?

A: Subject to any rules your broker, bank or other nominee may have, you may change your proxy instructions at any time before your proxy is voted at the 2018 Annual Meeting.

Stockholders of Record — If you are a stockholder of record, you may change your vote by (1) filing with our corporate secretary, prior to your shares being voted at the 2018 Annual Meeting, a written notice of revocation or a duly executed new proxy card, in either case dated later than the prior proxy relating to the same shares, or (2) attending the 2018 Annual Meeting and voting in person (although attendance at the 2018 Annual Meeting will not, by itself, revoke a proxy). Our corporate secretary must receive your written notice of revocation or new proxy card prior to the taking of the vote at the 2018 Annual Meeting. Such written notice of revocation or new proxy card should be hand-delivered to our corporate secretary or should be sent to be timely delivered to our principal executive offices at 1011 McCarthy Boulevard, Milpitas, California 95035, Attention: Corporate Secretary.

Beneficial Owners — If you are a beneficial owner of shares held in street name, you may change your vote (1) by submitting new voting instructions to your broker, bank or other nominee no later than 11:59 p.m., Eastern Time, on Tuesday, May 22, 2018, or (2) if you have obtained from the broker, bank or other nominee who holds your shares a legal proxy giving you the right to vote the shares, by attending the 2018 Annual Meeting, presenting the legal proxy and voting in person.

In addition, a stockholder of record or a beneficial owner who has voted via the Internet or by telephone may also change his, her or its vote by making a timely and valid Internet or telephone vote no later than 11:59 p.m., Eastern Time, on Tuesday, May 22, 2018.

Q: Where can I find the voting results of the 2018 Annual Meeting?

A: We will announce the preliminary voting results at the 2018 Annual Meeting. We will report the results in a current report on Form 8-K we will file within four business days after the date of the 2018 Annual Meeting.

Q: Who are the proxies and what do they do?

A: Our Board of Directors designated the two persons named as proxies on the proxy card, John Ritchie and Steve Debenham. Where you, as stockholder of record, provide voting instructions in the proxy card, the named proxies will cast their votes in accordance with the instructions as indicated on the proxy card. If you are a stockholder of record and submit a signed proxy card, but do not indicate your voting instructions, the named proxies will vote as our Board of Directors recommends “**FOR**” the nominated directors (Proposal One) and “**FOR**” ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2018 (Proposal Two). If a matter not described in this proxy statement is properly presented at the 2018 Annual Meeting, the named proxy holders will use their own judgment to determine how to vote the shares. If the 2018 Annual Meeting is adjourned, the named proxy holders can vote the shares on the new 2018 Annual Meeting date as well, unless you have properly revoked your proxy instructions, as described above.

Q: What should I do if I receive more than one Notice or set of proxy materials?

A: If you receive more than one Notice or set of proxy materials it is because your shares are registered in more than one name or brokerage account. Please follow the voting instructions on each Notice or voting instruction form you receive to ensure that your shares are voted.

Q: How may I obtain a separate Notice or a separate set of proxy materials?

A: When more than one stockholder shares the same address each stockholder may not individually receive a separate Notice or a separate copy of the proxy materials. Stockholders who do not receive a separate Notice or a separate copy of the proxy materials may request to receive a separate Notice or a separate copy of the proxy materials by contacting our corporate secretary (i) by mail at 1011 McCarthy Boulevard, Milpitas, California 95035, (ii) by calling us at 408-510-6100, or (iii) by sending an email to corporatesecretary@aerohive.com. Alternatively, stockholders who share an address and receive multiple Notices or multiple copies of our proxy materials may request to receive a single copy by following the instructions above.

Q: Is my vote confidential?

A: We handle proxy instructions, ballots and voting tabulations that identify individual stockholders in a manner that protects your voting privacy. We will not disclose your vote either within Aerohive or to third parties, except: (1) as necessary to meet applicable legal requirements, (2) to allow for the tabulation of votes and certification of the vote, or (3) to facilitate a successful proxy solicitation by our Board of Directors. However, we will forward to our management written comments which stockholders may provide on their proxy cards.

Q: What is the deadline to propose actions for consideration at the 2019 annual meeting of stockholders or to nominate individuals to serve as directors at that annual meeting?

A: Our stockholders may submit proposals that they believe should be voted upon at our next year's annual meeting in 2019 or nominate persons for election to our Board of Directors at that meeting (see "**Stockholder Proposals**"). Stockholders may also recommend candidates to our Board of Directors for election at that meeting (see "**Recommendation and Nomination of Director Candidates**").

Stockholder Proposals:

For a stockholder proposal to be considered for inclusion in our proxy statement for the 2019 annual meeting, our corporate secretary must receive the written proposal at our principal executive offices no later than December 7, 2018. If the date of the 2019 annual meeting is moved more than 30 days before or after the first anniversary date of the 2018 Annual Meeting, the deadline for inclusion of proposals in our proxy statement for the 2019 Annual Meeting is instead a reasonable time before we begin to print and mail our proxy materials for the 2019 Annual Meeting. Such proposals also will need to comply with SEC regulations under Rule 14a-8 regarding the inclusion of stockholder proposals in company-sponsored proxy materials. When a stockholder does not seek to include a proposal in our 2019 proxy statement pursuant to Rule 14a-8, the stockholder may nonetheless timely deliver the proposal to us for the 2019 annual meeting consistent with the requirements of our Bylaws. To be timely under our Bylaws, our corporate secretary must receive such stockholder's notice not more than 75 days and not less than 45 days prior to the one-year anniversary of the date we first mailed our proxy materials or a notice of availability of proxy materials (whichever is earlier) to stockholders in connection with our previous year's annual meeting of stockholders. For the 2019 annual meeting, the notice must be received no earlier than January 21, 2019 and no later than February 20, 2019. However, if the date of the 2019 annual meeting is moved more than 30 days before or more than 60 days after the one-year anniversary date of this year's 2018 Annual Meeting, then to be timely

under our Bylaws our corporate secretary must receive the notice not earlier than the 120th day prior to the 2019 annual meeting and not later than the close of business on the later of the 90th day prior to the 2019 annual meeting or the 10th day following the day on which we first publicly announce the date of the 2019 annual meeting. To be in proper form, a stockholder's notice to us must set forth the information required by our Bylaws.

In no event shall any adjournment or postponement of an annual meeting or the announcement thereof commence a new time period for the giving of a stockholder's notice, as described in Section 2.4 of our Bylaws.

As described in our Bylaws, the stockholder's submission must include certain specified information concerning the proposal or nominee, as the case may be, and information as to the stockholder's ownership of our common stock. If a stockholder gives notice of such a proposal after the deadline computed in accordance with our Bylaws, or the "**Bylaw Deadline**," the stockholder will not be permitted to present the proposal to our stockholders for a vote at the 2019 annual meeting.

Recommendation and Nomination of Director Candidates:

The nominating and corporate governance committee will consider recommendations and nominations from Qualifying Stockholders for candidates to our Board of Directors. A "**Qualifying Stockholder**" is a stockholder that has owned for at least the one-year period prior to the date of the submission of the recommendation at least one percent of our company's total common stock outstanding as of the last day of the calendar month preceding the submission. A Qualifying Stockholder that desires to recommend a candidate for election to the Board must timely deliver the recommendation to us in writing, and must include the candidate's name, home and business contact information, detailed biographical data and qualifications, details regarding any shares of our stock which the nominee holds as of the time of the submission, evidence of the nominating person's ownership of our common stock, a description of any arrangement between the stockholder and the nominee, and a written statement from the nominee acknowledging that, if elected, the nominee will serve his or her term as director and will owe a fiduciary duty to our company and our stockholders.

A stockholder that instead desires to nominate a person directly for election to our Board of Directors must meet the deadlines and other requirements set forth in Section 2.4 of our Bylaws and the rules and regulations of the SEC, consistent with the time requirements provided above, and in form and setting forth the information required by our Bylaws.

SEC rules also establish a different deadline for submission of stockholder proposals with respect to matters subject to discretionary voting (the "**Discretionary Vote Deadline**"). The attached proxy card grants the proxy holders discretionary authority to vote on any matter raised at this year's 2018 Annual Meeting. In addition, assuming a mailing date of April 6, 2018 for this proxy statement, the proxy holders at next year's annual meeting will have similar discretionary authority to vote on any matter that is properly submitted to us after February 20, 2019. If a stockholder gives notice of such a proposal after the Discretionary Vote Deadline, our proxy holders will be allowed

to use their discretionary voting authority to vote against the stockholder proposal when and if the proposal is raised at the 2019 annual meeting.

Because the Bylaw Deadline is possibly not capable of being determined until we publicly announce the date of our 2019 annual meeting, it is possible that the Bylaw Deadline may occur after the Discretionary Vote Deadline. In such a case, a proposal that we receive after the Discretionary Vote Deadline but before the Bylaw Deadline would be eligible to be presented at the 2019 annual meeting. However, we believe that our proxy holders at such meeting would be allowed to use the discretionary authority granted by the proxy to vote against the proposal at such meeting without including any disclosure of the proposal in the proxy statement relating to such meeting.

Delivery of Nominations, Recommendations and Proposals:

Nominations, recommendations and/or proposals should be addressed and timely delivered to: Aerohive Networks, Inc., Attention: Corporate Secretary, at our principal executive offices located at 1011 McCarthy Boulevard, Milpitas, California 95035. We advise stockholders interested in submitting such a proposal to contact knowledgeable legal counsel regarding the detailed requirements of applicable securities laws. The submission of a stockholder proposal does not guarantee that it will be included in our 2019 proxy statement.

Copy of Bylaws:

You may contact us at our principal executive offices for a copy of our Bylaws regarding the requirements for making stockholder proposals and nominating director candidates. Alternatively, we make available a copy of our Bylaws on our corporate website at www.aerohive.com in the Corporate Governance section of the Investors page.

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Our Board of Directors directs the management of our business affairs, and its directors are divided into three classes with staggered three-year terms. At each annual meeting of our stockholders, a class of directors will be elected for a three-year term to succeed the same class whose term is then-expiring.

As discussed below, of the current eight members of our Board, six are independent within the meaning of the listing rules of the New York Stock Exchange, or NYSE, and SEC independent director requirements.

The following table sets forth the names and ages as of March 26, 2018, and certain other information for each of the directors with terms expiring at the 2018 Annual Meeting (and who are also nominees for election as a director at the 2018 Annual Meeting), and for each of the continuing directors:

| <u>Name</u> | <u>Class</u> | <u>Age</u> | <u>Position</u> | <u>Director Since</u> | <u>Current Term Expires</u> | <u>Expiration of Term for Which Nominated</u> |
|--|--------------|------------|--|-----------------------|-----------------------------|---|
| Directors with Terms Expiring at the 2018 Annual Meeting/Nominees | | | | | | |
| Remo Canessa(1)(2) | I | 60 | Director | 2013 | 2018 | 2021 |
| Curtis E. Garner(1) | I | 48 | Director | 2015 | 2018 | 2021 |
| Changming Liu | I | 50 | Director | 2006 | 2018 | 2021 |
| Continuing Directors | | | | | | |
| Frank J. Marshall(3) | II | 71 | Director and Lead Independent Director | 2011 | 2019 | — |
| Conway “Todd” Rulon-Miller(2) | II | 67 | Director | 2009 | 2019 | — |
| David K. Flynn | III | 54 | Director and Chair of Board, Chief Executive Officer and President | 2006 | 2020 | — |
| John Gordon Payne(1) | III | 55 | Director | 2014 | 2020 | — |
| Christopher J. Schaepe(2)(3) | III | 54 | Director | 2006 | 2020 | — |

(1) Member of our audit committee.

(2) Member of our compensation committee.

(3) Member of our nominating and corporate governance committee.

Nominees for Director

Remo Canessa has served as a member of our Board since September 2013 and serves as chair of our audit committee and as a member of our compensation committee. Mr. Canessa currently serves as Chief Financial Officer of Zscaler, Inc., a provider of cloud-based security for the internet, which position he has held beginning in February 2017. Previously, Mr. Canessa served as Chief Financial Officer of Illumio, Inc., a developer of adaptive security for cloud-computing environments, from April 2017 through January 2017. Mr. Canessa also served as Chief Financial Officer of Infoblox, Inc., an automated network-control company, a position he held from October 2004 through January 2017, and continued as an executive advisor to the company through April 2017. Mr. Canessa previously served as Chief Financial Officer of NetScreen Technologies, from July 2001 until its acquisition by Juniper Networks in April 2004. He holds a B.A. in Economics from the University of California, Berkeley, and an M.B.A. from Santa Clara University.

We believe Mr. Canessa possesses specific attributes that qualify him to serve as a member of our Board, including his extensive experience in the technology industry and the operational insight and expertise he accumulated serving as the Chief Financial Officer for large technology companies, including his services to NetScreen Technologies and Infoblox.

Curtis E. Garner has served as a member of our Board since June 2015 and serves on our audit committee. Mr. Garner currently serves as Chief Digital and Information Officer at Chipotle Mexican Grill, a national restaurant chain. Mr. Garner was previously with Starbucks, Inc., an international coffee company, which he joined in January of 1998, holding various technology leadership positions. From March 2012 until November 2015 Mr. Garner was Starbucks' Executive Vice President and Chief Information Officer, overseeing global technology and engineering services for all Starbucks businesses and serving as a member of Starbucks senior leadership team. Prior to joining Starbucks, Mr. Garner held various technology leadership positions with Wendy's International, Inc., an international restaurant chain. Mr. Garner holds a B.A. in Economics from The Ohio State University.

We believe Mr. Garner possesses specific attributes that qualify him to serve as a member of our Board, including his extensive experience in information and data technology and the operational insight and expertise he has accumulated as the Chief Information Officer for large technology-dependent companies, including his services at Chipotle and Starbucks.

Changming Liu is one of our co-founders and has served as a member of our Board since March 2006. Mr. Liu currently serves as Chief Executive Officer of Aella Data Inc., an AI-driven cybersecurity solutions company, which position he has held since March 2018. Previously, Mr. Liu served as our Chief Technology Officer from January 2007 to March 2018, and as our Chief Executive Officer from March 2006 to February 2007. Prior to joining us, Mr. Liu was a Distinguished Engineer at Juniper Networks, which he joined through its acquisition of NetScreen Technologies in April 2004. Mr. Liu holds a B.Sc. in Computer Science from Tsinghua University and an M.S. in Computer and Electrical Engineering from Queen's University, Ontario, Canada.

We believe Mr. Liu possesses specific attributes that qualify him to serve as a member of our Board, including his extensive experience as a key architect and technical manager for over 15 years in the data networking industry and the operational insight and expertise he has accumulated as one of our founders and as a former member of our executive management team.

Continuing Directors

David K. Flynn has served as a member of our Board since July 2006 and as its chair since July 2013. Mr. Flynn has served as our Chief Executive Officer (“**CEO**”) since July 2007 and as President since November 2007. He previously served as our interim CEO from February 2007 to July 2007. Prior to joining us, Mr. Flynn was with Juniper Networks, an IP network solutions company, until 2005. He joined Juniper Networks in April 2004 through its acquisition of NetScreen Technologies, a network security provider, where he had served as Vice President of Marketing since June 1999. Mr. Flynn holds a B.A. in Economics from Williams College and an M.B.A. from the Stanford Graduate School of Business.

We believe Mr. Flynn possesses specific attributes that qualify him to serve as a member of our Board, including his extensive experience in the data networking industry and the operational insight and expertise he has accumulated as our President and CEO.

Frank J. Marshall has served as a member of our Board since March 2011, and serves as chair of our nominating and corporate governance committee. Mr. Marshall is also our lead independent director. Mr. Marshall has been a General Partner of Big Basin Partners since October 2000, and also serves as a director and advisor for several privately held companies. He currently serves as a director of MobileIron, Inc., a developer and provider of security and management software and hardware solutions for mobile apps, content and devices, and previously served as a director at PMC-Sierra, Inc., a semiconductor company, Juniper Networks and NetScreen Technologies. Mr. Marshall holds a B.S. in Electrical Engineering from Carnegie Mellon University and an M.S. in Electrical Engineering from

the University of California, Irvine.

We believe Mr. Marshall possesses specific attributes that qualify him to serve as a member of our Board, including his extensive experience in Internet infrastructure, semiconductor solutions and communications services and as a board member of companies in the technology industry, including his services to MobileIron, PMC-Sierra, Juniper Networks and NetScreen Technologies.

Conway 'Todd' Rulon-Miller has served as a member of our Board since May 2009 and serves on our compensation committee. Mr. Rulon-Miller has been a partner since January 1998 of Apogee Venture Group, an early stage venture investment and consulting firm he founded. He holds a B.A. in History from Princeton University.

We believe Mr. Rulon-Miller possesses specific attributes that qualify him to serve as a member of our Board, including his extensive experience in the technology industry and as a board member of companies in the technology industry, including his service to Apogee Venture Group.

John Gordon Payne has served as a member of our Board since March 2014 and serves on our audit committee. Mr. Payne served from January 2014 through May 2016 as the Chief Operating Officer of DocuSign, Inc., an electronic signature and digital transactions management company. He previously was employed with Citrix Systems, Inc., a virtualization, cloud and mobile solutions company, from December 2005 to January 2014. He holds a B.A. in Commercial and Administrative Studies from the University of Western Ontario, Canada, and an M.B.A. from IMD, Lausanne, Switzerland.

We believe Mr. Payne possesses specific attributes that qualify him to serve as a member of our Board, including his extensive experience in the technology industry and the operational insight and expertise he has accumulated serving in executive functions for large technology companies, including Citrix and DocuSign.

Christopher J. Schaepe has served as a member of our Board since July 2006 and serves as chair of our compensation committee and as a member of our nominating and corporate governance committee. Mr. Schaepe is a founding partner of Lightspeed

Venture Partners, an early stage technology venture capital firm, and has served in that capacity since 2000. He previously served as a member of the board of directors of Riverbed Technology, Inc., an application and network performance company, eHealth, Inc., an online health insurance services company, and Fusion-io, Inc., a computer hardware and systems software company. Mr. Schaepe holds B.S. and M.S. degrees in Electrical Engineering and Computer Science from the Massachusetts Institute of Technology and an M.B.A. from the Stanford Graduate School of Business.

We believe Mr. Schaepe possesses specific attributes that qualify him to serve as a member of our Board, including his extensive experience in the technology industry and as a board member of companies in the technology industry, including his services to Riverbed Technology, eHealth and Fusion-io.

Director Independence

Our common stock is listed on the NYSE, and trades under the symbol “**HIVE**.” Under NYSE rules, independent directors must comprise a majority of a listed company’s board of directors and a director will only qualify as an “independent director” if, in the opinion of that company’s board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. Audit committee members must also satisfy the independence criteria set forth in Rule 10A-3 under the Securities Exchange Act of 1934, as amended. To be considered independent for purposes of Rule 10A-3, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors, or any other board committee: (1) accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the listed company or any of its subsidiaries; or (2) be an affiliated person of the listed company or any of its subsidiaries.

Our Board of Directors reviewed the independence of each director and considered whether each director has a material relationship with us that could compromise his ability to exercise independent judgment in carrying out his responsibilities. As a result of this review, our Board determined that Remo Canessa, Curtis E. Garner, Frank J. Marshall, John Gordon Payne, Conway “Todd” Rulon-Miller and Christopher J. Schaepe, representing six of our eight directors, was each an “independent director” as defined under the NYSE and SEC requirements, rules and regulations.

With respect to Mr. Rulon-Miller, the Board specifically considered our continuing employment of Mr. Rulon-Miller’s son, Michael Rulon-Miller, who has been regularly employed in our sales organization since December 2014 (and previously provided service to us through an internship program). With respect to Mr. Garner, the Board specifically considered our ongoing business relationship with Chipotle Mexican Grill, which is one of our current end-user customers and for whom Mr. Garner began serving in November 2015 as its Chief Information Officer and in March 2017 as its Chief Digital Officer. The Board has concluded that our employment of Mr. Rulon-Miller’s son and business relationship with Chipotle Mexican Grill were not during the relevant periods material relationships that would impede the exercise of independent judgment by Messrs. Rulon-Miller or Garner, and their abilities to serve on our Board and its compensation and audit committees, respectively.

Board Leadership Structure

Mr. Flynn currently serves as both chair of our Board of Directors and as our CEO. Our Board believes that the current Board leadership structure provides effective independent oversight of management while allowing our Board of Directors and management to benefit from Mr. Flynn's leadership and years of experience as an executive in the data networking industry. Mr. Flynn is best positioned to identify strategic priorities, lead critical discussion and execute our strategy and business plans. Mr. Flynn possesses detailed in-depth knowledge of the issues, opportunities, and challenges facing us.

Independent directors and management sometimes have different perspectives and roles in strategy development. Accordingly, our Board determined that it would be beneficial to have a lead independent director to, among other things, preside over executive sessions of the independent directors to provide the Board with the benefit of having the perspective of entirely independent directors. Our Board has appointed Frank J. Marshall to serve as our lead independent director. As lead independent director, Mr. Marshall presides over periodic meetings of our independent directors, serves as a liaison between our chair and the independent directors, and performs such additional duties as our Board may otherwise determine and delegate.

Risk Management

Our executive officers and senior management are responsible for the day-to-day management of risks that we may face as a company, while the Board, as a whole and through its committees, has responsibility for the oversight of risk management. In this oversight role, the Board is responsible for satisfying itself that the risk management processes which our management design and implement are adequate and function as designed. The Board does not have a standing risk management committee, but rather administers this oversight function directly through the Board as a whole, as well as through various standing committees that address risks inherent in their respective areas of oversight. For example, the audit committee has the responsibility to consider major financial

risk exposures and oversee the steps our management has taken to monitor and control these exposures, including guidelines and policies to govern the process by which we undertake risk assessment and management. The audit committee also monitors compliance with legal and regulatory requirements and listing requirements, including the work required for internal audit compliance. Our compensation committee assesses and monitors our compensation policies and programs, including specifically our equity programs. Our nominating and corporate governance committee monitors the conduct and effectiveness of our Board and its committees, and adherence to our corporate governance guidelines. Our Board is generally responsible for monitoring and assessing strategic risk exposure, including a determination of the nature and level of risk appropriate for our company.

Board Meetings and Committees