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**ENDORSED FILED**  
**SAN MATEO COUNTY**

JUN 08 2016

Clerk of the Superior Court  
By TERRI MARAGOULAS  
DEPUTY CLERK

**RECEIVED**  
MAY 20 2016  
CLERK OF THE SUPERIOR COURT  
SAN MATEO COUNTY

10  
11 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
12 COUNTY OF SAN MATEO

13 In re AEROHIVE NETWORKS, INC.  
SHAREHOLDER LITIGATION

) Master File No. CIV 534070

) CLASS ACTION

14  
15 This Document Relates To:

) Assigned for All Purposes to  
) Hon. Marie S. Weiner

16 ALL ACTIONS.

) ORDER PRELIMINARILY APPROVING  
) SETTLEMENT AND PROVIDING FOR  
) NOTICE

17  
18  
19 DEPT: 2  
DATE ACTION FILED: 06/02/15

FILE BY FAX

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SEARCHED

1 WHEREAS, the parties to the above-entitled action (the "Litigation") entered into a Stipulation  
2 of Settlement, dated May 4, 2016 (the "Stipulation"), which is subject to review by this Court and  
3 which, together with the Exhibits thereto, sets forth the terms and conditions for the settlement of the  
4 claims alleged in the Litigation; and the Court having read and considered the Stipulation and the  
5 accompanying documents; and the parties to the Stipulation having consented to the entry of this Order;  
6 and all capitalized terms used herein having the meanings defined in the Stipulation;

7 NOW, THEREFORE, IT IS HEREBY ORDERED, this 8th day of JUNE 2016, that:

8 1. The Court preliminarily finds that:

9 (a) the settlement resulted from informed, extensive arm's-length negotiations,  
10 including mediation under the direction of ~~an experienced mediator~~, Hunter R. Hughes III;

11 (b) the settlement is sufficiently fair, reasonable, and adequate to warrant providing  
12 notice of the settlement to the Class; and

13 (c) the Class, defined in the Stipulation as: "all Persons who purchased the common  
14 stock of Aerohive pursuant or traceable to the Registration Statement and Prospectus issued in  
15 connection with Aerohive's March 27, 2014 initial public offering. Excluded from the Class are: the  
16 Defendants and their respective successors and assigns; past and current officers and directors of  
17 Aerohive, the Underwriter Defendants and the Venture Capital Defendants; members of the immediate  
18 families of the Individual Defendants; the legal representatives, heirs, successors, or assigns of the  
19 Individual Defendants; any entity in which any of the above excluded Persons have or had a majority  
20 ownership interest; and any Person who validly requests exclusions from the Class," is certified solely  
21 for purposes of this settlement.

22 2. A hearing (the "Settlement Fairness Hearing") will be held on September 30, 2016, at  
23 9:00 a.m., for the following purposes:

24 (a) to finally determine whether this Litigation satisfies the applicable prerequisites  
25 for class action treatment under California Code of Civil Procedure §382;

26 (b) to determine whether the proposed settlement is fair, reasonable, and adequate,  
27 and should be approved by the Court;

1 (c) to determine whether the Judgment as provided under the Stipulation should be  
2 entered;

3 (d) to determine whether the proposed Plan of Allocation should be approved by the  
4 Court as fair, reasonable, and adequate;

5 (e) to consider Plaintiffs' Counsel's application for an award of attorneys' fees and  
6 expenses;

7 (f) to consider Plaintiffs' request for the payment of the time and expenses they  
8 incurred in prosecuting this Litigation on behalf of the Class; and

9 (g) to rule upon such other matters as the Court may deem appropriate.

10 3. The Court reserves the right to approve the settlement with or without modification and  
11 with or without further notice to the Class and may adjourn the Settlement Fairness Hearing without  
12 further notice to the Class. The Court reserves the right to enter the Judgment approving the settlement  
13 regardless of whether it has approved the Plan of Allocation, Plaintiffs' Counsel's request for an award  
14 of attorneys' fees and expenses and the payment of time and expenses of Plaintiffs for their  
15 representation of the Class.

16 4. The Court approves the form, substance, and requirements of the Notice of Proposed  
17 Settlement of Class Action (the "Notice"), the Proof of Claim and Release (the "Proof of Claim"), and  
18 the Summary Notice of Proposed Settlement of Class Action (the "Summary Notice"), annexed hereto  
19 as Exhibits A-1, A-2, and A-3, respectively.

20 5. The Court approves the appointment of Gilardi & Co. LLC as the Claims Administrator.

21 (a) The Claims Administrator shall cause the Notice and the Proof of Claim,  
22 substantially in the forms annexed hereto, to be mailed, by First-Class Mail, postage prepaid, within  
23 twenty-one (21) calendar days of this Order, to all Class Members who can be identified with  
24 reasonable effort. Aerohive, at its expense, shall promptly make, or cause to be made, the last known  
25 addresses of Class Members, or other identifying information, as set forth in the books and records  
26 regularly maintained by the Company or its transfer agent, available to the Claims Administrator for the  
27 purpose of identifying and giving notice to the Class.

1 (b) The Claims Administrator shall cause the Summary Notice to be published once  
2 in the national edition of *The Wall Street Journal* and once over the *PR Newswire*, within ten (10)  
3 calendar days after the mailing of the Notice.

4 6. Lead Counsel shall, at least fourteen (14) calendar days before the Settlement Fairness  
5 Hearing, file with the Court and serve on the Settling Parties proof of mailing of the Notice and Proof of  
6 Claim and proof of publication of the Summary Notice.

7 7. The form and content of the Notice and the Summary Notice, and the method set forth  
8 herein of notifying the Class of the settlement and its terms and conditions, meet the requirements of  
9 California law and due process, constitute the best notice practicable under the circumstances, and shall  
10 constitute due and sufficient notice to all persons and entities entitled thereto.

11 8. In order to be entitled to participate in the Net Settlement Fund, in the event the  
12 settlement is consummated in accordance with its terms set forth in the Stipulation, each Class Member  
13 shall take the following actions and be subject to the following conditions:

14 (a) Within ninety (90) days after such time as set by the Court to mail notice to the  
15 Class, each Person claiming to be an Authorized Claimant shall be required to submit to the Claims  
16 Administrator a completed Proof of Claim, substantially in the form and content of Exhibit A-2 attached  
17 hereto and as approved by the Court, signed under penalty of perjury.

18 (b) Except as otherwise ordered by the Court, all Class Members who fail to timely  
19 submit a valid Proof of Claim within such period, or such other period as may be ordered by the Court,  
20 shall be forever barred from receiving any payments pursuant to the Stipulation and the settlement set  
21 forth therein, but will in all other respects be subject to and bound by the provisions of the Stipulation,  
22 the releases contained therein, and the Judgment. Notwithstanding the foregoing, Lead Counsel may, in  
23 its discretion, accept for processing late submitted claims so long as the distribution of the Net  
24 Settlement Fund to Authorized Claimants is not materially delayed.

25 (c) As part of the Proof of Claim, each Class Member shall submit to the jurisdiction  
26 of the Court with respect to the claim submitted and shall (subject to effectuation of the settlement)  
27 release all Released Claims as provided in the Stipulation.

1           9.       Class Members shall be bound by all determinations and judgments in this Litigation,  
2 whether favorable or unfavorable, unless they request exclusion from the Class in a timely and proper  
3 manner, as hereinafter provided. A Class Member wishing to make such request shall, no later than  
4 twenty-one (21) calendar days prior to the date scheduled herein for the Settlement Fairness Hearing,  
5 mail a request for exclusion in written form by First-Class Mail postmarked to the address designated in  
6 the Notice. Such request for exclusion shall indicate the name, address, and telephone number of the  
7 person seeking exclusion, that the person requests to be excluded from the Class, and must be signed by  
8 such person. Such persons requesting exclusion are also requested to state the number of shares of  
9 Aerohive common stock they purchased that are subject to the Litigation. The request for exclusion  
10 shall not be effective unless it is made in writing within the time stated above, and the exclusion is  
11 accepted by the Court. Class Members requesting exclusion from the Class shall not be entitled to  
12 receive any payment out of the Net Settlement Fund as described in the Stipulation and Notice.

13           10.       The Court will consider objections to the settlement, the Plan of Allocation, the payment  
14 of Plaintiffs' time and expenses, and/or the award of attorneys' fees and expenses. Any person wanting  
15 to object may do so in writing and/or by appearing at the Settlement Fairness Hearing. To the extent  
16 any person wants to object in writing, such objections and any supporting papers, accompanied by proof  
17 of Class membership, shall be filed with the Clerk of the Court, Superior Court of the State of  
18 California, County of San Mateo, 400 County Center, Redwood City, CA 94063, and copies of all such  
19 papers served no later than September 9, 2016, which is twenty-one (21) calendar days prior to the  
20 date scheduled herein for the Settlement Fairness Hearing, upon: Jeffrey D. Light, Robbins Geller  
21 Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, on behalf of Plaintiffs  
22 and the Class. Persons who intend to object in writing to the settlement, the Plan of Allocation, or the  
23 request for an award of attorneys' fees and expenses and/or the request for the payment of Plaintiffs'  
24 time and expenses in representing the Class and desire to present evidence at the Settlement Fairness  
25 Hearing must include in their written objections copies of any exhibits they intend to introduce into  
26 evidence at the Settlement Fairness Hearing. If an objector hires an attorney to represent him, her, or it  
27 for the purposes of making an objection, the attorney must both effect service of a notice of appearance  
28 on counsel listed above and file it with the Court by no later than Sept. 9, 2016. A Class

1 Member who files a written objection does not have to appear at the Settlement Fairness Hearing for the  
2 Court to consider his, her, or its objection. Any Member of the Class who does not make his, her, or its  
3 objection in the manner provided shall be deemed to have waived such objection and shall be foreclosed  
4 from making any objection to the fairness or adequacy of the settlement set forth in the Stipulation, to  
5 the Plan of Allocation, and to the award of attorneys' fees and expenses to Plaintiffs' Counsel and  
6 Plaintiffs' for their time and expenses.

7 11. All papers in support of the settlement, the Plan of Allocation, and any application by  
8 Plaintiffs' Counsel for attorneys' fees and expenses and payment of Plaintiffs' time and expenses shall  
9 be filed fourteen (14) calendar days prior to the deadline in paragraph 10 for objections to be filed. All  
10 reply papers shall be filed and served at least seven (7) calendar days prior to the Settlement Fairness  
11 Hearing.

12 12. All funds held by the Escrow Agent shall be deemed and considered to be *in custodia*  
13 *legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such funds  
14 shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.

15 13. Defendants' counsel and Plaintiffs' Counsel shall promptly furnish each other with  
16 copies of any and all objections that come into their possession.

17 14. Pending final determination of whether the settlement should be approved, the Plaintiffs,  
18 all Class Members, and each of them, and anyone who acts or purports to act on their behalf, shall not  
19 institute, commence, maintain or prosecute, and are hereby barred and enjoined from instituting,  
20 commencing, maintaining or prosecuting, any action in any court or tribunal that asserts any Released  
21 Claims against any Released Party.

22 15. All reasonable expenses incurred in identifying and notifying Class Members, as well as  
23 administering the Settlement Fund, shall be paid as set forth in the Stipulation. In the event the  
24 settlement is not approved by the Court, or otherwise fails to become effective, neither Plaintiffs nor  
25 any of their counsel shall have any obligation to repay any amounts actually and properly disbursed, or  
26 due and owing from the Settlement Fund as provided for in the Stipulation.

27 16. If any specified condition to the settlement set forth in the Stipulation is not satisfied and  
28 Plaintiffs or Defendants elect to terminate the settlement then, in any such event, the Stipulation,

1 including any amendment(s) thereof, shall be null and void, of no further force or effect without  
2 prejudice to any party, and may not be introduced as evidence or referred to in any action or  
3 proceedings by any person or entity for any purpose, and each party shall be restored to his, her, or its  
4 respective position as it existed on March 17, 2016.

5 17. The Court may adjourn or continue the Settlement Fairness Hearing without further  
6 written notice.

7 18. The Court retains exclusive jurisdiction over the Litigation to consider all further matters  
8 arising out of or connected with the settlement. The Court may approve the settlement, with such  
9 modifications as may be agreed to by the Settling Parties, if appropriate, without further notice to the  
10 Class.

11 IT IS SO ORDERED.

12  
13 DATED: 6/8/16

  
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14 HONORABLE MARIE S. WEINER  
15 JUDGE OF THE SUPERIOR COURT  
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