Aerohive Networks, Inc.

Stock Ownership Guidelines

(Adopted Effective April 1, 2017)

The board of directors (the "**Board**") of Aerohive Networks, Inc., a Delaware corporation (the "**Company**"), has adopted these Stock Ownership Guidelines (these "**Guidelines**") to more closely align the interests of the Company's directors and chief executive officer of the Company with the long-term interests of the stockholders of the Company.

A. Applicability

All directors and the Company's then-serving chief executive officer are subject to these Guidelines for as long as they continue to serve as a director or chief executive officer, as the case may be.

B. Stock Ownership Levels

1. <u>Non-Employee Directors</u>

Each non-employee director shall own a number of shares of the Company's common stock with a value equal to at least three (3) times the value of his or her annual retainer fees for service on the Board (including any additional fees received for committee service, lead independent director service, or meeting attendance), paid during such director's prior year of service to the Company as a director. Each director must satisfy his or her applicable ownership level by the later of (i) April 1, 2022 and (ii) five (5) years after becoming a director.

2. <u>Chief Executive Officer</u>

The chief executive officer shall own a number of shares of the Company's common stock with a value equal to at least three (3) times his or her prior year's annual base salary. The chief executive officer must satisfy his or her applicable ownership level by the later of (i) April 1, 2022, and (ii) five (5) years after becoming the chief executive officer.

3. <u>Compliance with Stock Ownership Levels</u>

Compliance with these Guidelines will be measured based on the director's or chief executive officer's annual retainer or annual base salary, as applicable, and the closing price of the Company's common stock, in each case as of the most recent Measurement Date. "**Measurement Date**" shall mean December 31 (or the next trading day if December 31 is not a trading day) of the prior year.

4. <u>Requirement to Retain Net Shares Until Stock Ownership Level is Satisfied</u>

Unless and until a director or chief executive officer has satisfied his or her applicable level of ownership, he or she is required to retain an amount equal to twenty-five (25) percent of the shares received as the result of the exercise, vesting or payment of any equity awards after any shares are sold or withheld, as the case may be, to (i) pay any applicable exercise price for an equity award or (ii) satisfy withholding tax obligations arising in connection with the exercise, vesting or payment of an equity award.

C. Shares Counted

The following securities count towards satisfaction of the stock ownership levels for directors and the Company's chief executive officer:

- shares of the Company's common stock;
- shares subject to "in-the-money" stock option awards, whether vested, but where the vesting of such shares is time-based (with the value calculated based on the difference between the closing price of the Company's common stock on the most recent Measurement Date and the exercise price of such stock options);
- shares subject to unvested restricted stock or stock unit awards, where the vesting of such shares is time-based (with the value calculated based on the closing price of the Company's common stock on the most recent Measurement Date); and
- any other shares of the Company's common stock in which the director or chief executive officer holds a beneficial interest.

Shares of the Company's common stock or equity awards that are pledged or otherwise encumbered will not count towards satisfaction of the stock ownership guidelines.

D. Reminder Regarding Section 16 Short-Swing Profit Rules

Directors and the chief executive officer are not required to purchase shares of the Company's common stock to satisfy these Guidelines. However, directors and the chief executive officer should remain mindful of the short-swing profit rules under Section 16 of the Securities Exchange Act of 1934, as amended. Under those rules, any non-exempt purchase of the Company's common stock by a director or the chief executive officer may be matched against his or her sales of the Company's common stock within six (6) months before or after that purchase, and will give rise to liability equal to the difference between the highest sale and lowest purchase price during the six-month period.

E. Administration

These Guidelines shall be administered, interpreted, and construed by the Company's General Counsel, who shall have the authority to implement and carry out these Guidelines in accordance with their terms and conditions, subject to oversight by the Compensation Committee of the Board (the "**Compensation Committee**"). The Compensation Committee has the authority to amend these Guidelines or approve exceptions in its discretion, including due to hardship or other personal circumstances that require such deviation or waiver.