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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, DC 20549**  
**FORM 8-K**

**CURRENT REPORT**  
**PURSUANT TO SECTION 13 OR 15(d)**  
**OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): July 25, 2016 (July 24, 2016)



**TerraForm Power, Inc.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**001-36542**  
(Commission File Number)

**46-4780940**  
(I. R. S. Employer  
Identification No.)

**7550 Wisconsin Avenue, 9th Floor, Bethesda, Maryland 20814**  
(Address of principal executive offices, including zip code)

**(240) 762-7700**  
(Registrant's telephone number, including area code)

**N/A**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provision (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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### **Item 1.01. Entry into a Material Definitive Agreement.**

The information set forth under Item 3.03 of this Current Report on Form 8-K is incorporated into this Item 1.01 by reference.

### **Item 3.03 Material Modifications to Rights of Security Holders.**

On July 24, 2016, the Board of Directors of TerraForm Power, Inc., a Delaware corporation (the “Company”), declared a dividend of one right (a “Right”) for each outstanding share of Class A common stock, par value \$0.01 per share (“Class A Common Stock”), of the Company held of record at the close of business on August 4, 2016 (the “Record Time”), or issued thereafter and prior to the Separation Time (as hereinafter defined) and thereafter pursuant to options and convertible or exchangeable securities issued or granted prior to and outstanding at the Separation Time. The Rights will be issued pursuant to a Stockholder Protection Rights Agreement, dated as of July 24, 2016 (the “Rights Agreement”), between the Company and Computershare Trust Company, N.A., as Rights Agent (the “Rights Agent”). Each Right entitles its registered holder to purchase from the Company, at or after the Separation Time, one one-hundredth of a share of Participating Preferred Stock, par value \$0.01 per share (“Participating Preferred Stock”), which have voting and economic rights similar to those of one share of Class A Common Stock, for \$40.00 (the “Exercise Price”), subject to adjustment.

The Rights will be evidenced by the Class A Common Stock certificates (or, in the case of uncertificated shares of Class A Common Stock, by the registration of the associated Class A Common Stock on the Company’s stock transfer books) until the next business day following the earlier of (either, the “Separation Time”) (i) the tenth business day (or such later date as the Board of Directors of the Company may from time to time fix by resolution adopted prior to the Separation Time that would otherwise have occurred) after the date on which any Person (as defined in the Rights Agreement) commences a tender or exchange offer which, if consummated, would result in such Person’s becoming an Acquiring Person, as defined below, and (ii) the date of the first event causing a Flip-in Date (as defined below) to occur; provided that if the foregoing results in the Separation Time being prior to the Record Time, the Separation Time shall be the Record Time; and provided further that if a tender or exchange offer referred to in clause (i) is cancelled, terminated or otherwise withdrawn prior to the Separation Time without the purchase of any shares of stock pursuant thereto, such offer shall be deemed never to have been made. A Flip-in Date will occur on any Stock Acquisition Date (as defined below) or such later date and time as the Board of Director of the Company may from time to time fix by resolution adopted prior to the Flip-in Date that would otherwise have occurred. A Stock Acquisition Date means the first date on which the Company announces that a Person has become an Acquiring Person, which announcement makes express reference to such status as an Acquiring Person. An Acquiring Person is any Person having Beneficial Ownership (as defined in the Rights Agreement) of 15% or more of the outstanding shares of Class A Common Stock, which term shall not include (i) the Company, any subsidiary of the Company or any employee stock ownership or other employee benefit plan of the Company or any subsidiary of the Company, (ii) any Person who is the Beneficial Owner of 15% or more of the outstanding Class A Common Stock at the time of the first public announcement of the adoption of the Rights Agreement and who continuously thereafter is the Beneficial Owner thereof or who shall become the Beneficial Owner of 15% or more of the outstanding Class A Common Stock solely as a result of an acquisition of Class A Common Stock by the Company, until such time as such Person acquires additional Class A Common Stock, other than through a dividend or stock split, aggregating 0.1% or more of the outstanding Class A Common Stock, or any Person who becomes the Beneficial Owner of 15% or more of the outstanding Class A Common Stock solely as a result of the occurrence of a Flip-in Date which has not resulted from the acquisition of Beneficial Ownership of Class A Common Stock by such Person; provided, that such Person (and any group (as such term is used in Rule 13d-5 under the Exchange Act, as such Rule is in

effect on the date of the Rights Agreement) of which such Person is a part at the time of the first public announcement of the adoption of the Rights Agreement) will be deemed not to continue to Beneficially Own shares of Class A Common Stock that were Beneficially Owned at the time of the first public announcement of the adoption of the Rights Agreement if and to the extent that, at any time after the first public announcement of the Rights Agreement, (A) such Person converts, exchanges, swaps, sells or otherwise disposes of Beneficial Ownership of any Cash Settled Synthetic Long Position (as defined in the Rights Agreement) held in respect of such shares of Class A Common Stock and concurrently or subsequently acquires Beneficial Ownership of any Class A Common Stock, or otherwise ceases to Constructively Own such shares of Class A Common Stock or (B) such Person or any of such Person's Affiliates or Associates (x) exercises its right to acquire such shares of Class A Common Stock pursuant to any agreement, arrangement or understanding in place at the time of the first public announcement of the adoption of the Rights Agreement (including any exercise of conversion rights, exchange rights, rights (other than the Rights), rights of first offer or first refusal, warrants or options), or (y) acquires or enters into a definitive agreement to acquire (whether or not subject to conditions) such shares of Class A Common Stock from any other Person (or any Affiliate or Associate thereof) that is not an Affiliate or Associate of such Person with whom, at the time of the first public announcement of the adoption of the Rights Agreement, such Person has formed or is part of a group (as such term is used in Rule 13d-5 under the Exchange Act, as such Rule is in effect on the date of the Rights Agreement), in the case of (x) and (y), whether or not such Person is deemed to be the beneficial owner of such shares pursuant to Rule 13d-3 and 13d-5 under the Exchange Act, as such Rules are in effect on the date of the Rights Agreement, prior to any such exercise or acquisition; provided, further, that the exchange of any Class B Units of Terraform Power, LLC ("Terra LLC") Beneficially Owned by such Person, together with corresponding shares of Class B common stock, par value \$0.01 per share ("Class B Common Stock" and, together with the Class A Common Stock, the "Common Stock"), Beneficially Owned by such Person, for newly issued or existing shares of Class A Common Stock in accordance with the Company's certificate of incorporation and bylaws and the limited liability company agreement of Terra LLC then in effect shall not result in such Person becoming an Acquiring Person, (iii) any Person who becomes the Beneficial Owner of 15% or more of the outstanding Class A Common Stock without any plan or intent to seek or affect control of the Company if such Person promptly divests sufficient securities such that such 15% or greater Beneficial Ownership ceases or (iv) any Person who Beneficially Owns shares of Class A Common Stock consisting solely of (A) shares acquired pursuant to the grant or exercise of an option granted by the Company in connection with an agreement to merge with, or acquire, the Company entered into prior to a Flip-in Date, (B) shares owned by such Person and its Affiliates and Associates (each as defined in the Rights Agreement) at the time of such grant and (C) shares, amounting to less than 1% of the outstanding Class A Common Stock, acquired by Affiliates and Associates of such Person after the time of such grant. Except as otherwise provided above, Beneficial Ownership includes, solely for purposes of determining whether any Person is an Acquiring Person, Constructive Ownership (as defined in the Rights Agreement) of shares in respect of which a Person has a Synthetic Long Position (as defined in the Rights Agreement). In no event will SunEdison, Inc. ("SunEdison"), any of its controlled Affiliates or any Person acquiring, directly or indirectly, control of SunEdison be an Acquiring Person.

The Rights Agreement provides that, until the Separation Time, the Rights will be transferred with and only with the Class A Common Stock. Class A Common Stock certificates issued after the Record Time but prior to the Separation Time (or the registration of Class A Common Stock in the Company's stock transfer books with respect to uncertificated shares) shall evidence one Right for each share of Class A Common Stock represented thereby and such Certificates (or confirmation of registration with respect to uncertificated shares) shall contain a legend incorporating by reference the terms of the Rights Agreement (as such may be amended from time to time). Notwithstanding the absence of the aforementioned legend, certificates evidencing shares of Class A Common Stock outstanding at the Record

Time (or registration) shall also evidence one Right for each share of Class A Common Stock evidenced thereby. Promptly following the Separation Time, separate certificates evidencing the Rights (“Rights Certificates”) will be delivered to holders of record of Class A Common Stock at the Separation Time.

The Rights will not be exercisable until the Separation Time. The Rights will expire on the earliest of (i) the Exchange Time (as defined below), (ii) the date on which the Rights are redeemed as described below, (iii) the close of business on the date of the first annual stockholders meeting of the Company to be held on or after January 1, 2017, unless the term is extended by the Board of Directors with the approval of the stockholders holding a majority of voting power of the Company’s shares of Common Stock then outstanding, in which event the Rights will expire at such time designated by Board of Directors with such stockholder approval, but in no event later than the third anniversary of the adoption of the Rights Agreement, (iv) the date of a merger of the Company into another corporation that does not constitute a Flip-over Transaction or Event, as defined below, or (v) immediately prior to the acquisition by one or more persons, directly or indirectly, by means of a negotiated transaction or series of related transactions involving SunEdison, including through any reorganization, acquisition or other transaction resulting in a change of control of SunEdison, of all or substantially all of the shares of Common Stock Beneficially Owned by SunEdison.

The Exercise Price and the number of Rights outstanding, or in certain circumstances the securities purchasable upon exercise of the Rights, are subject to adjustment from time to time to prevent dilution in the event of a Class A Common Stock dividend on, or a subdivision or a combination into a smaller number of shares of Class A Common Stock or the issuance or distribution of any securities or assets in respect of, in lieu of or in exchange for Class A Common Stock.

In the event that prior to the Expiration Time (as defined in the Rights Agreement) a Flip-in Date occurs, unless the Board of Directors, with the prior written approval of holders of a majority of the shares of Class B Common Stock, determines otherwise, and provided that the Acquiring Person does not Beneficially Own more than 50% of the outstanding shares of Class A Common Stock, each Right will be automatically exchanged for one share of Class A Common Stock (other than the Rights Beneficially Owned by the Acquiring Person or any Affiliate or Associate thereof, which Rights shall become void), appropriately adjusted to reflect any stock split, stock dividend or similar transaction occurring after the date of the Separation Time (the “Exchange Ratio”). Immediately upon the public announcement contemplated by the definition of Stock Acquisition Date (the “Exchange Time”), the right to exercise the Rights will terminate and each Right will thereafter represent only the right to receive a number of shares of Class A Common Stock equal to the Exchange Ratio. If the Board of Directors determines, with the prior written approval of holders of a majority of the shares of Class B Common Stock, not to have the exchange occur, the Company shall take such action as shall be necessary to ensure and provide that each Right (other than Rights Beneficially Owned by the Acquiring Person or any Affiliate or Associate thereof, which Rights shall become void) shall constitute the right to purchase from the Company, upon the exercise thereof in accordance with the terms of the Rights Agreement, that number of shares of Class A Common Stock of the Company having an aggregate Market Price (as defined in the Rights Agreement), on the Stock Acquisition Date that gave rise to the Flip-in Date, equal to twice the Exercise Price for an amount in cash (or, at the Company’s option, in shares of Class A Common Stock) equal to the then current Exercise Price. Whenever the Company shall become obligated, as described in the preceding paragraph, to issue shares of Class A Common Stock upon exercise of or in exchange for Rights, the Company, at its option, may substitute therefor shares of Participating Preferred Stock, at a ratio of one one-hundredth of a share of Participating Preferred Stock for each share of Class A Common Stock so issuable.

In the event that prior to the Expiration Time the Company enters into an agreement with respect to, consummates or permits to occur a transaction or series of transactions after a Flip-in Date in

which, directly or indirectly, (i) the Company shall consolidate or merge or participate in a statutory share exchange with any other Person if, immediately prior to the consolidation, merger or share exchange or at the time the Company enters into an agreement with respect to such consolidation, merger or statutory share exchange, the Acquiring Person controls the Board of Directors of the Company or is the Beneficial Owner of 50% or more of the outstanding shares of Class A Common Stock and either (A) any term of or arrangement concerning the treatment of shares of capital stock in such merger, consolidation or statutory share exchange relating to the Acquiring Person is not identical to the terms and arrangements relating to other holders of Class A Common Stock or (B) the Person with whom such transaction or series of transactions occurs is the Acquiring Person or its Associate or Affiliate or (ii) the Company shall sell or otherwise transfer (or one or more of its subsidiaries shall sell or otherwise transfer) assets (A) aggregating more than 50% of the assets (measured by either book value or fair market value) or (B) generating more than 50% of the operating income or cash flow, of the Company and its subsidiaries (taken as a whole) to any other Person (other than the Company or one or more of its wholly owned subsidiaries) or to two or more such Persons which are affiliated or otherwise acting in concert, if, at the time the Company (or any such subsidiary) enters into an agreement with respect to such sale or transfer, the Acquiring Person controls the Board of Directors of the Company (a "Flip-over Transaction or Event"), the Company shall not enter into, consummate or permit to occur such Flip-over Transaction or Event unless and until it shall have entered into a supplemental agreement with the Person engaging in such Flip-over Transaction or Event or the parent corporation thereof (the "Flip-over Entity"), for the benefit of the holders of the Rights, providing that, upon consummation or occurrence of the Flip-over Transaction or Event (i) each Right shall thereafter constitute the right to purchase from the Flip-over Entity, upon exercise thereof in accordance with the terms of the Rights Agreement, that number of shares of common stock of the Flip-over Entity having an aggregate Market Price on the date of consummation or occurrence of such Flip-over Transaction or Event equal to twice the Exercise Price for an amount in cash equal to the then current Exercise Price and (ii) the Flip-over Entity shall thereafter be liable for, and shall assume, by virtue of such Flip-over Transaction or Event and such supplemental agreement, all the obligations and duties of the Company pursuant to the Rights Agreement. For purposes of the foregoing description, the term "Acquiring Person" shall include any Acquiring Person and its Affiliates and Associates counted together as a single Person.

The Board of Directors of the Company may, at its option, at any time prior to the Flip-in Date, redeem all (but not less than all) the then outstanding Rights at a price of \$.01 per Right (the "Redemption Price"), as provided in the Rights Agreement. Immediately upon the action of the Board of Directors of the Company electing to redeem the Rights, without any further action and without any notice, the right to exercise the Rights will terminate and each Right will thereafter represent only the right to receive the Redemption Price in cash for each Right so held.

The Board of Directors of the Company may, at its option, at any time prior to the Flip-in Date, amend the Plan in any respect. Thereafter, the Board may only amend the Plan in any respect not materially adverse to Rights holders generally.

If the Company, not earlier than 40 business days nor later than 80 business days following the commencement of a Qualified Offer within the meaning of Rule 14d-2(a) under the Securities Exchange Act of 1934, as amended, which has not been terminated prior thereto and which continues to be a Qualified Offer (as defined below) has not redeemed or exchanged the Rights, and receives a written notice (the "Special Meeting Notice") that is properly executed by the holders of record (or their duly authorized proxy) of at least ten percent (10%) of the shares of Class A Common Stock of the Company or of the voting power of the shares of Common Stock of the Company, in each case, then outstanding (other than shares of Class A Common Stock held by the offeror or its Affiliates and Associates) directing the

Board of Directors to submit to a vote of stockholders at a special meeting of the stockholders of the Company (a “Special Meeting”) a resolution authorizing the redemption of all, but not less than all, of the then outstanding Rights at the Redemption Price (the “Redemption Resolution”), then the Board of Directors shall take such actions as are necessary or desirable to cause the Redemption Resolution to be so submitted to a vote of stockholders by including a proposal relating to adoption of the Redemption Resolution in the proxy materials of the Company for the Special Meeting, such meeting to be held within 90 days of the Company’s receipt of the Special Meeting Notice. If no Person has become an Acquiring Person immediately prior to the consummation of the Qualified Offer, and the Qualified Offer continues to be a Qualified Offer and either (A) the Special Meeting is not held on or prior to the 90th business day following receipt of the Special Meeting Notice (other than in the event such Special Meeting is not held because of the absence of a quorum due to the failure SunEdison to be present or represented at such Special Meeting), or (B) at the Special Meeting, the holders of at least a majority of the voting power of the shares of Common Stock and a majority of the shares of Class A Common Stock, in each case, outstanding and entitled to vote as of the record date for the Special Meeting, not giving effect to any affirmative votes cast by the offeror or any of its Affiliates or Associates, shall vote in favor of the Redemption Resolution (and the results of the vote are certified as official by the appointed inspectors of election for the Special Meeting), then all of the Rights shall be deemed redeemed by such failure to hold the Special Meeting or as a result of such stockholder action, as the case may be, at the Redemption Price, or the Board of Directors shall take such other action as would prevent the existence of the Rights from interfering with the consummation of the Qualified Offer, effective immediately prior to the consummation of the Qualified Offer, if, and only if, the Qualified Offer is consummated within 60 days after either (x) the close of business on the 90th business day following receipt of the Special Meeting Notice if a Special Meeting is not held on or prior to such date or (y) the date on which the results of the vote on the Redemption Resolution at the Special Meeting are certified as official by the appointed inspectors of election for the Special Meeting, as the case may be. A “Qualified Offer” means a fully financed all-cash tender offer or an exchange offer offering common stock of the offeror or a combination thereof for any and all outstanding Class A Common Stock of the Company meeting certain conditions, including that it must have commenced within the meaning of Rule 14d-2(a) under the Securities Exchange Act of 1934, as amended from time to time; must not result in a Board-retained investment bank rendering an opinion to the Board that the consideration in the offer is either unfair or inadequate; must not be conditioned on any financing, funding, due diligence or similar condition; must be accompanied by an irrevocable written commitment of the offeror that the offer will remain open for at least 40 business days (and at least 10 business days following a special meeting of stockholders held to vote on redeeming the Rights or, if the special meeting has not been held, the end of the 90 business day period in which the special meeting should have been held); must be conditioned on a minimum of at least 50% of the outstanding shares of Class A Common Stock (other than shares of Class A Common Stock held by the offeror or its Affiliates and Associates); and must be accompanied by a commitment by the offeror to consummate as promptly as practicable upon successful completion of the offer a second step transaction whereby all shares of Common Stock not tendered into the offer will be acquired for the same amount and form of consideration per share actually paid pursuant to the offer.

The holders of Rights will, solely by reason of their ownership of Rights, have no rights as stockholders of the Company, including, without limitation, the right to vote or to receive dividends.

The Rights will not prevent a takeover of the Company. However, the Rights may cause substantial dilution to a person or group that acquires 15% or more of the Class A Common Stock unless the Rights are first redeemed, or the Rights Agreement terminated, by the Board of Directors of the Company. Nevertheless, the Rights should not interfere with a transaction that is in the best interests of the Company and its stockholders because the Rights can be redeemed, or the Rights Agreement terminated, on or prior to the Flip-in Date, before the consummation of such transaction.

Any issuance of shares of Class A Common Stock as a result of any exchange, exercise or redemption of Rights in accordance with the terms of the Rights Agreement will be accompanied by the issuance to the Company of an equal number of Class A Units in Terra LLC in accordance with the Amended and Restated Limited Liability Company Agreement for Terra LLC (the "LLC Agreement"). Upon any such issuance of Class A Units, given that the Class A Units will be issued for less than their fair market value, an equitable adjustment is required to be made in accordance with the terms of the LLC Agreement to protect the Class B Units in Terra LLC from dilution. In addition, proportionate adjustments need to be made to the Target Distributions (as defined in the LLC Agreement) and any arrearages on Class A Units in connection with any issuance of Class A Units as a result of any exchange, redemption or exercise of Rights under the Rights Agreement. On June 24, 2016, the Company, in its capacity as Managing Member of Terra LLC, adopted an amendment to the LLC Agreement (the "LLC Agreement Amendment") clarifying the manner in which it will make the adjustments required by the LLC Agreement.

The equitable adjustment required in respect of Class B Units will be made by issuing additional Class B Units in Terra LLC to holders of Class B Units outstanding as of the Separation Time (or, if earlier, as of the Exchange Time or Redemption Time (each as defined in the Rights Agreement)) according to an anti-dilution formula which looks at all Class A Units outstanding following the issuance of Class A Units as a result of any exchange, redemption or exercise of Rights under the Rights Agreement, as compared to the Class A Units outstanding prior to such issuance (as of the Flip-in Date, Exchange Time or Redemption Time, as the case may be), increased, in the case where the Rights are exercised, by the number of Class A Units that could have been purchased at fair market value with the aggregate Exercise Price paid in connection with such exercise. Simultaneously with the issuance of additional Class B Units in Terra LLC, the Company will issue an equal number of shares of Class B Common Stock to the recipients of such additional Class B Units, thereby maintaining the parity between the shares of Class B Common Stock in the Company and the Class B Units in Terra LLC. The Target Distributions and any arrearages on Class A Units will be proportionally adjusted by adjusting the Minimum Quarterly Distribution (as defined in the LLC Agreement) which will be in effect following any such issuance of Class A Units by the same anti-dilution factor.

As of July 20, 2016 there were 91,504,267 shares of Class A Common Stock issued (of which 91,361,593 shares were outstanding and 142,674 shares were held in treasury) and 2,371,570 shares reserved for issuance pursuant to employee benefit plans and securities convertible, exchangeable or redeemable into shares of Class A Common Stock. As long as the Rights are attached to the Class A Common Stock, the Company will issue one Right with each new share of Class A Common Stock so that all such shares will have Rights attached.

The Rights Agreement (which includes as Exhibit A the forms of Rights Certificate and Election to Exercise and as Exhibit B the form of Certificate of Designation and Terms of the Participating Preferred Stock) and the LLC Agreement Amendment are attached hereto as exhibits and are incorporated herein by reference. The foregoing description of the Rights and of the adjustments to be made under the LLC Agreement in connection with the exchange or redemption of the Rights is qualified in its entirety by reference to the Rights Agreement, including the exhibits thereto, and the LLC Agreement Amendment.

#### **Item 9.01 Financial Statement and Exhibits.**

(d) *Exhibits*

Exhibit

<u>No.</u>	<u>Description</u>
<b>4.1</b>	Stockholder Protection Rights Agreement, dated as of July 24, 2016, between TerraForm Power, Inc. and Computershare Trust Company, N.A., as Rights Agent, including as Exhibit A the forms of Rights Certificate and of Election to Exercise and as Exhibit B the form of Certificate of Designation and Terms of the Participating Preferred Stock of the Company.
<b>10.1</b>	Fourth Amendment to the Amended and Restated Limited Liability Company Agreement of TerraForm Power, LLC, dated as of July 24, 2016.
<b>99.1</b>	Press release, dated July 25, 2016, issued by the Company.



## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

### **TERRAFORM POWER, INC.**

Date: July 25, 2016

By: /s/ Peter Blackmore

Name: Peter Blackmore

Title: Chairman and Interim Chief Executive Officer

## **Exhibit Index**

### **Exhibit**

<b><u>No.</u></b>	<b><u>Description</u></b>
<b>4.1</b>	Stockholder Protection Rights Agreement, dated as of July 24, 2016, between TerraForm Power, Inc. and Computershare Trust Company, N.A., as Rights Agent, including as Exhibit A the forms of Rights Certificate and of Election to Exercise and as Exhibit B the form of Certificate of Designation and Terms of the Participating Preferred Stock of the Company.
<b>10.1</b>	Fourth Amendment to the Amended and Restated Limited Liability Company Agreement of TerraForm Power, LLC, dated as of July 24, 2016.
<b>99.1</b>	Press release, dated July 25, 2016, issued by the Company.

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STOCKHOLDER PROTECTION RIGHTS AGREEMENT

dated as of

July 24, 2016

between

TERRAFORM POWER, INC.

and

COMPUTERSHARE TRUST COMPANY, N.A.,

as Rights Agent

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## STOCKHOLDER PROTECTION RIGHTS AGREEMENT

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EXHIBITS

Exhibit A	Form of Rights Certificate (together with Form of Election to Exercise)
Exhibit B	Form of Certificate of Designation and Terms of Participating Preferred Stock

STOCKHOLDER PROTECTION RIGHTS AGREEMENT

STOCKHOLDER PROTECTION RIGHTS AGREEMENT (as amended from time to time, this “Agreement”), dated as of July 24, 2016, between TerraForm Power, Inc., a Delaware corporation (the “Company”), and Computershare Trust Company, N.A., a federally chartered trust company, as Rights Agent (the “Rights Agent”, which term shall include any successor Rights Agent hereunder).

WITNESSETH:

WHEREAS, the Board of Directors of the Company (the “Board of Directors”) has (a) authorized and declared a dividend of one right (“Right”) in respect of each share of Class A Common Stock (as hereinafter defined) held of record as of the Close of Business (as hereinafter defined) on August 4, 2016 (the “Record Time”) and (b) as provided in Section 2.4, authorized the issuance of one Right in respect of each share of Class A Common Stock issued after the Record Time and prior to the Separation Time (as hereinafter defined) and, to the extent provided in Section 5.3, each share of Class A Common Stock issued after the Separation Time;

WHEREAS, subject to the terms and conditions hereof, each Right entitles the holder thereof, after the Separation Time, to purchase securities or assets of the Company (or, in certain cases, securities of certain other entities) pursuant to the terms and subject to the conditions set forth herein; and

WHEREAS, the Company desires to appoint the Rights Agent to act on behalf of the Company, and the Rights Agent is willing so to act, in connection with the issuance, transfer and exchange of Rights Certificates (as hereinafter defined), the exercise of Rights and other matters referred to herein;

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NOW THEREFORE, in consideration of the premises and the respective agreements set forth herein, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1 Definitions. For purposes of this Agreement, the following terms have the meanings indicated:

“Acquiring Person” shall mean any Person who is or becomes the Beneficial Owner of 15% or more of the outstanding shares of Class A Common Stock at any time after the first public announcement of this Agreement; provided, however, that the term “Acquiring Person” shall not include any Person: (i) who is the Beneficial Owner of 15% or more of the outstanding shares of Class A Common Stock at the time of the first public announcement of the adoption of this Agreement and who continuously thereafter is the Beneficial Owner of 15% or more of the outstanding shares of Class A Common Stock, until such time thereafter as such Person becomes the Beneficial Owner (other than by means of a stock dividend, stock split or reclassification) of additional shares of Class A Common Stock that, in the aggregate, amount to 0.1% or more of the outstanding shares of Class A Common Stock; provided, however, that, for purposes of this definition and notwithstanding anything to the contrary in this Agreement, such Person (and any group (as such term is used in Rule 13d-5 under the Exchange Act, as such Rule is in effect on the date of this Agreement) of which such Person is a part at the time of the first public announcement of the adoption of this Agreement) shall be deemed not to continue to Beneficially Own shares of Class A Common Stock that were

Beneficially Owned at the time of the first public announcement of the adoption of this Agreement if and to the extent that, at any time after the first public announcement of this Agreement, (A) such Person converts, exchanges, swaps, sells or otherwise disposes of Beneficial Ownership of any Cash Settled Synthetic Long Position held in respect of such shares of Class A Common Stock and concurrently or subsequently acquires Beneficial Ownership of any Class A Common Stock, or otherwise ceases to Constructively Own such shares of Class A Common Stock or (B) such Person or any of such Person's Affiliates or Associates (x) exercises its right to acquire such shares of Class A Common Stock pursuant to any agreement, arrangement or understanding in place at the time of the first public announcement of the adoption of this Agreement (including any exercise of conversion rights, exchange rights, rights (other than the Rights), rights of first offer or first refusal, warrants or options), or (y) acquires or enters into a definitive agreement to acquire (whether or not subject to conditions) such shares of Class A Common Stock from any other Person (or any Affiliate or Associate thereof) that is not an Affiliate or Associate of such Person with whom, at the time of the first public announcement of the adoption of this Agreement, such Person has formed or is part of a group (as such term is used in Rule 13d-5 under the Exchange Act, as such Rule is in effect on the date of this Agreement), in the case of (x) and (y), whether or not such Person is deemed to be the beneficial owner of such shares pursuant to Rule 13d-3 and 13d-5 under the Exchange Act, as such Rules are in effect on the date of this Agreement, prior to any such exercise or acquisition; provided, further, that, with respect to any Person, the exchange of any Class B Units of Terraform Power, LLC ("Terra LLC") Beneficially Owned by such



Person, together with corresponding shares of Class B Common Stock Beneficially Owned by such Person, for newly issued or existing shares of Class A Common Stock in accordance with the Company's certificate of incorporation and bylaws and the limited liability company agreement of Terra LLC then in effect shall not result in such Person becoming an Acquiring Person; (ii) who becomes the Beneficial Owner of 15% or more of the outstanding shares of Class A Common Stock after the time of the first public announcement of this Agreement solely as a result of (A) an acquisition by the Company of shares of Class A Common Stock until such time after the public announcement by the Company of such repurchases as such Person becomes the Beneficial Owner (other than by means of a stock dividend, stock split or reclassification) of additional shares of Class A Common Stock that, in the aggregate, amounts to 0.1% or more of the outstanding shares of Class A Common Stock while such Person is or as a result of which such Person becomes the Beneficial Owner of 15% or more of the outstanding shares of Class A Common Stock or (B) the occurrence of a Flip-in Date which has not resulted from the acquisition of Beneficial Ownership of Class A Common Stock by such Person or any of such Person's Affiliates or Associates; (iii) who becomes the Beneficial Owner of 15% or more of the outstanding shares of Class A Common Stock but who acquired Beneficial Ownership of shares of Class A Common Stock without any plan or intention to seek or affect control of the Company, if such Person promptly divests, or promptly enters into an agreement with, and satisfactory to, the Board of Directors, in the Board of Directors' sole discretion, to divest, and subsequently divests in accordance with the terms of such agreement (without exercising or retaining any power, including voting power, with

respect to such shares), sufficient shares of Class A Common Stock (or securities convertible into, exchangeable into or exercisable for Class A Common Stock or otherwise deemed to be Beneficially Owned by such Person) so that such Person ceases to be the Beneficial Owner of 15% or more of the outstanding shares of Class A Common Stock; or (iv) who Beneficially Owns shares of Class A Common Stock consisting solely of one or more of (A) shares of Class A Common Stock Beneficially Owned pursuant to the grant or exercise of an option granted to such Person (an "Option Holder") by the Company in connection with an agreement to merge with, or acquire, the Company entered into with the Company prior to a Flip-in Date, (B) shares of Class A Common Stock (or securities convertible into, exchangeable into or exercisable for Class A Common Stock or otherwise deemed to be Beneficially Owned by such Person) Beneficially Owned by such Option Holder or its Affiliates or Associates at the time of grant of such option and (C) shares of Class A Common Stock (or securities convertible into, exchangeable into or exercisable for Class A Common Stock or otherwise deemed to be Beneficially Owned by such Person) acquired by Affiliates or Associates of such Option Holder after the time of such grant that, in the aggregate, amount to less than 1% of the outstanding shares of Class A Common Stock. In no event shall SunEdison, any of its controlled Affiliates or any Person acquiring, directly or indirectly, control of SunEdison be an Acquiring Person. In addition, the Company, any Subsidiary of the Company and any employee stock ownership or other employee benefit plan of the Company or a Subsidiary of the Company (or any entity or trustee holding shares of Common Stock for or pursuant to the terms of any such plan or for the purpose of

funding any such plan or funding other employee benefits for employees of the Company or of any Subsidiary of the Company) shall not be an Acquiring Person.

“Affiliate” and “Associate” shall have the respective meanings ascribed to such terms in Rule 12b-2 under the Exchange Act, as such Rule is in effect on the date of this Agreement.

“Agreement” shall have the meaning set forth in the Preamble.

A Person shall be deemed the “Beneficial Owner”, and to have “Beneficial Ownership” of, and to “Beneficially Own”, (i) any securities as to which such Person or any of such Person’s Affiliates or Associates is or may be deemed to be the beneficial owner pursuant to Rule 13d-3 and 13d-5 under the Exchange Act, as such Rules are in effect on the date of this Agreement, (ii) any securities as to which such Person or any of such Person’s Affiliates or Associates has the right to become the beneficial owner (whether such right is exercisable immediately or only after the passage of time or the occurrence of conditions) pursuant to any agreement, arrangement or understanding, whether or not in writing (other than customary agreements with and between underwriters and selling group members with respect to a bona fide public offering of securities), or upon the exercise of conversion rights, exchange rights, rights (other than the Rights), warrants or options, or otherwise, and (iii) any securities which are Beneficially Owned, directly or indirectly, by any other Person (or any Affiliate or Associate thereof) with whom such Person has an agreement, arrangement or understanding to act together for the purpose of acquiring, holding, voting or disposing of any securities of the Company and (iv) solely for purposes of determining whether any

Person is an Acquiring Person, any securities that such Person or any of such Person's Affiliates or Associates are determined to Constructively Own; provided, however, that a Person shall not be deemed the "Beneficial Owner", or to have "Beneficial Ownership" of, or to "Beneficially Own", any security (A) solely because such security has been tendered pursuant to a tender or exchange offer made by such Person or any of such Person's Affiliates or Associates until such tendered security is accepted for payment or exchange or (B) solely because such Person or any of such Person's Affiliates or Associates has or shares the power to vote or direct the voting of such security pursuant to a revocable proxy or consent given in response to a public proxy or consent solicitation made to more than ten holders of shares of a class of stock of the Company registered under Section 12 of the Exchange Act and pursuant to, and in accordance with, the applicable rules and regulations under the Exchange Act, unless such power (or the arrangements relating thereto) is then reportable under Item 6 of Schedule 13D under the Exchange Act (or any similar provision of a comparable or successor report).

Notwithstanding the foregoing, no officer or director of the Company shall be deemed to Beneficially Own any securities of any other Person by virtue of any actions that such officer or director takes in such capacity. For purposes of this Agreement, in determining the percentage of the outstanding shares of Class A Common Stock with respect to which a Person is the Beneficial Owner, all shares as to which such Person is deemed the Beneficial Owner shall be deemed outstanding but any such shares which are not outstanding shall not be deemed to be outstanding for the purpose of computing the

percentage of the outstanding shares of Class A Common Stock with respect to which any other Person is the Beneficial Owner.

“Board of Directors” shall have the meaning set forth in the Recitals.

“Business Day” shall mean any day other than a Saturday, Sunday or a day on which banking institutions in New York, New York are generally authorized or obligated by law or executive order to close.

“Cash Settled Synthetic Long Position” shall mean any Synthetic Long Position which is not required to be, or not capable of being, settled through delivery of Class A Common Stock.

“Class A Common Stock” shall mean the shares of Class A Common Stock, par value \$0.01 per share, of the Company.

“Class B Common Stock” shall mean the shares of Class B Common Stock, par value \$0.01 per share, of the Company.

“Close of Business” on any given date shall mean 5:00 p.m. New York City time on such date or, if such date is not a Business Day, 5:00 p.m. New York City time on the next succeeding Business Day.

“Common Stock” shall mean the Class A Common Stock and Class B Common Stock.

“Company” shall have the meaning set forth in the preamble.

A Person shall be determined to “Constructively Own” shares of Class A Common Stock in respect of which such Person has a Synthetic Long Position, calculated in the manner set forth below, if the Board of Directors, by a majority vote, determines

that such Person is seeking to use the existence of such Synthetic Long Position, in combination with other securities Beneficially Owned by such Person, for the purpose or effect of changing or influencing control of the Company. The number of shares of Class A Common Stock in respect of a Synthetic Long Position that may be determined to be “Constructively Owned” is the notional or other number of shares of Class A Common Stock in respect of such Synthetic Long Position that is specified in a filing by such Person or any of such Person’s Affiliates or Associates with the Securities and Exchange Commission or in the documentation evidencing such Synthetic Long Position as the basis upon which the value or settlement amount of such right or derivative, or the opportunity of the holder of such right or derivative to profit or share in any profit, is to be calculated in whole or in part and, in any case, including if no such number of shares of Class A Common Stock is specified in any filing or documentation, as determined by the Board of Directors to be the number of shares of Class A Common Stock to which such Synthetic Long Position relates.

“Election to Exercise” shall have the meaning set forth in Section 2.3(d).

“Exchange Act” shall mean the Securities Exchange Act of 1934, as amended from time to time.

“Exchange Ratio” shall have the meaning set forth in Section 3.1(c).

“Exchange Time” shall have the meaning set forth in Section 3.1(c).

“Exercise Price” shall mean, as of any date, the price at which a holder may purchase the securities issuable upon exercise of one whole Right. Until adjustment thereof in accordance with the terms hereof, the Exercise Price shall equal \$40.

“Expansion Factor” shall have the meaning set forth in Section 2.4(a).

“Expiration Time” shall mean the earliest of (i) the Exchange Time, (ii) the Redemption Time, (iii) the Close of Business on the date of the first annual stockholders meeting of the Company to be held on or after January 1, 2017, unless, for purposes of this clause (iii), extended by action of the Board of Directors with the approval of the stockholders of the Company holding a majority of the voting power of the shares of Common Stock then outstanding (in which case the applicable time shall be the time to which it has been so extended, provided that in no event shall the Expiration Time be extended beyond the third anniversary of the date of this Agreement), (iv) immediately prior to the effective time of a consolidation, merger or statutory share exchange that does not constitute a Flip-over Transaction or Event in which the Class A Common Stock is converted into, or into the right to receive, another security, cash or other consideration, and (v) immediately prior to the acquisition by one or more persons, directly or indirectly, by means of a negotiated transaction or series of related transactions involving SunEdison, Inc. (“SunEdison”), including, without limitation, through any reorganization, acquisition or other transaction resulting in a change of control of SunEdison, of all or substantially all of the shares of Common Stock Beneficially Owned by SunEdison. The Company shall provide the Rights Agent with prompt written notice of any extension of the Expiration Time.

“Flip-in Date” shall mean any Stock Acquisition Date or such later date and time as the Board of Directors may from time to time fix by resolution adopted prior to the Flip-in Date that would otherwise have occurred.

“Flip-over Entity,” for purposes of Section 3.2, shall mean (i) in the case of a Flip-over Transaction or Event described in clause (i) of the definition thereof, the Person issuing any securities into which shares of Class A Common Stock are being converted or exchanged and, if no such securities are being issued, the other Person that is a party to such Flip-over Transaction or Event and (ii) in the case of a Flip-over Transaction or Event referenced in clause (ii) of the definition thereof, the Person receiving the greatest portion of the (A) assets or, if (A) is not readily determinable, (B) operating income or cash flow being transferred in such Flip-over Transaction or Event, provided in all cases if such Person is a Subsidiary of another Person, the ultimate parent entity of such Person shall be the Flip-over Entity.

“Flip-over Stock” shall mean the capital stock (or similar equity interest) with the greatest voting power in respect of the election of directors (or other Persons similarly responsible for the direction of the business and affairs) of the Flip-over Entity.

“Flip-over Transaction or Event” shall mean a transaction or series of transactions, on or after a Flip-in Date, in which, directly or indirectly, (i) the Company shall consolidate or merge or participate in a statutory share exchange with any other Person if, immediately prior to the time of consummation of the consolidation, merger or statutory share exchange or at the time the Company enters into any agreement with respect to any such consolidation, merger or statutory share exchange, the Acquiring Person is the Beneficial Owner of 50% or more of the outstanding shares of Class A Common Stock or controls the Board of Directors and either (A) any term of or arrangement concerning the treatment of shares of capital stock in such consolidation,



merger or statutory share exchange relating to the Acquiring Person is not identical to the terms and arrangements relating to other holders of the Class A Common Stock or (B) the Person with whom the transaction or series of transactions occurs is the Acquiring Person or an Affiliate or Associate of the Acquiring Person or (ii) the Company shall sell or otherwise transfer (or one or more of its Subsidiaries shall sell or otherwise transfer) assets (A) aggregating more than 50% of the assets (measured by either book value or fair market value) or (B) generating more than 50% of the operating income or cash flow, of the Company and its Subsidiaries (taken as a whole) to any Person (other than the Company or one or more of its wholly owned Subsidiaries) or to two or more such Persons that are Affiliates or Associates or otherwise acting in concert, if, at the time of the entry by the Company (or any such Subsidiary) into an agreement with respect to such sale or transfer of assets, the Acquiring Person or any of its Affiliates or Associates controls the Board of Directors. For purposes of the foregoing description, the term “Acquiring Person” shall include any Acquiring Person and its Affiliates and Associates, counted together as a single Person. An Acquiring Person shall be deemed to control the Board of Directors when, on or following a Stock Acquisition Date, the persons who were directors of the Company (or persons nominated and/or appointed as directors by vote of a majority of such persons) before the Stock Acquisition Date shall cease to constitute a majority of the Board of Directors.

“Market Price” per share of any securities on any date shall mean the average of the daily closing prices per share of such securities (determined as described below) on each of the 20 consecutive Trading Days through and including the Trading

Day immediately preceding such date; provided, however, that if any event described in Section 2.4, or any analogous event, shall have caused the closing prices used to determine the Market Price on any Trading Days during such period of 20 Trading Days not to be fully comparable with the closing price on such date, each such closing price so used shall be appropriately adjusted by the Board of Directors in order to make it fully comparable with the closing price on such date. The closing price per share of any securities on any date shall be the last reported sale price, regular way, or, in case no such sale takes place or is quoted on such date, the average of the closing bid and asked prices, regular way, for each share of such securities, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed on the NYSE or, if the securities are not listed on the NYSE, as reported on NASDAQ or, if the securities are not listed on NASDAQ, as reported in the principal consolidated transaction reporting system with respect to the principal national securities exchange on which the securities are listed or admitted to trading or, if the securities are not listed or admitted to trading on any national securities exchange, as reported by such other quotation system then in use or, if on any such date the securities are not listed or admitted to trading on any national securities exchange or quoted by any such quotation system, the average of the closing bid and asked prices in the over-the-counter market as furnished by a professional market maker making a market in the securities selected by the Board of Directors; provided, however, that if on any such date the securities are not listed or admitted to trading on a national securities exchange or traded in the over-the-counter market, the closing price per share of such securities on such date shall mean the

fair value per share of such securities on such date as determined in good faith by the Board of Directors, after consultation with a nationally recognized investment banking firm, and set forth in a certificate delivered to the Rights Agent.

“NYSE” means the New York Stock Exchange.

“NASDAQ” means the NASDAQ Stock Market.

“Option Holder” shall have the meaning set forth in the definition of Acquiring Person.

“Person” shall mean any individual, firm, partnership, limited liability company, trust, association, group (as such term is used in Rule 13d-5 under the Exchange Act, as such Rule is in effect on the date of this Agreement), corporation or other entity.

“Preferred Stock” shall mean the series of Participating Preferred Stock, par value \$0.01 per share, of the Company created by a Certificate of Designation and Terms in substantially the form set forth in Exhibit B hereto appropriately completed.

“Qualified Offer” shall mean an offer that has, to the extent required for the type of offer specified, each of the following characteristics:

(i) a fully financed all-cash tender offer or an exchange offer offering common stock of the offeror or a combination thereof, in each such case for any and all of the outstanding Class A Common Stock of the Company;

(ii) an offer that has commenced within the meaning of Rule 14d-2(a) under the Exchange Act;

(iii) an offer that within 20 Business Days after the commencement date of the offer within the meaning of Rule 14d-2(a) under the Exchange Act (or within 10 Business Days after any increase in the offer consideration), does not result in a nationally recognized investment banking firm retained by the Board of Directors rendering an opinion to the Board of Directors that the consideration being offered to the holders of the Class A Common Stock is either unfair or inadequate;

(iv) an offer that is subject only to the minimum tender condition described below in item (vi) of this definition and other usual and customary terms and conditions, which may include a condition that no change or event has resulted in, or is reasonably expected to result in, a material adverse effect on the business, financial condition, assets, liabilities or results of operations of the Company, which conditions shall not include any financing, funding, due diligence or similar condition;

(v) an offer pursuant to which the Company has received an irrevocable written commitment of the offeror that the offer will remain open for at least 40 Business Days and, if a Special Meeting is duly requested in accordance with Section 5.1(d), for at least 10 Business Days after the date of the Special Meeting or, if no Special Meeting is held within 90 Business Days following receipt of the Special Meeting Notice in accordance with Section 5.1(d), for at least 10 Business Days following such 90 Business Day period; provided, however, that such offer need not remain open, as a result of this definition of "Qualified Offer," beyond (A) the time until which any other offer satisfying the criteria for a Qualified Offer is then required to be kept open under this definition of "Qualified Offer," or (B) the scheduled expiration date, as such date may be

extended by public announcement on or prior to the then scheduled expiration date, of any other tender or exchange offer for Class A Common Stock of the Company with respect to which the Board of Directors has agreed to redeem the Rights immediately prior to acceptance for payment of the Class A Common Stock thereunder (unless such other offer is terminated prior to its expiration without any Class A Common Stock having been purchased thereunder);

(vi) an offer that is conditioned on a minimum of at least 50% of the outstanding shares of Class A Common Stock (other than shares of Class A Common Stock held by the offeror or its Affiliates and Associates) being tendered and not withdrawn as of the offer's expiration date, which condition shall not be waivable;

(vii) an offer pursuant to which the Company has received an irrevocable written commitment by the offeror to consummate as promptly as practicable upon successful completion of the offer a second step transaction whereby all shares of Common Stock not tendered into the offer will be acquired for the same amount and form of consideration per share actually paid pursuant to the offer, subject to stockholders' statutory appraisal rights, if any;

(viii) an offer pursuant to which the Company has received an irrevocable written commitment of the offeror that no amendments will be made to the offer to reduce the offer consideration (other than a reduction to reflect any dividend declared by the Company after the commencement of such offer within the meaning of Rule 14d-2(a) under the Exchange Act or any material change in the capital structure of the Company initiated by the Company after the commencement of such offer, whether

by way of reclassification, recapitalization, reorganization, repurchase or otherwise), change the form of consideration offered, reduce the number of shares being sought, or otherwise change the terms of the offer in a way that is adverse to a tendering shareholder; and

(ix) if the offer includes common stock of the offeror, (A) the offeror is a publicly owned corporation, and its common stock is freely tradable and is listed or admitted to trading on the New York Stock Exchange, the Nasdaq Global Market or the Nasdaq Global Select Market, (B) no stockholder approval of the offeror is required to issue such common stock or, if required, such approval has already been obtained, and (C) no other class of voting stock of the offeror is outstanding, and the offeror meets the registrant eligibility requirements for use of Form S-3 for registering securities under the Securities Act of 1933, as amended, including, without limitation, the filing of all required Exchange Act reports in a timely manner during the twelve calendar months prior to the date of commencement of the offer within the meaning of Rule 14d-2(a) under the Exchange Act.

For the purposes of this definition of “Qualified Offer,” “fully financed” shall mean that the offeror has sufficient funds for the offer which shall be evidenced by (A) definitive financing agreements executed between the offeror and responsible financial institutions having the necessary financial capacity to provide funds for such offer subject only to customary terms and conditions (which shall in no event include conditions requiring access by such financial institutions to non-public information to be provided by the Company, conditions based on the accuracy of any information

concerning the Company, or conditions requiring the Company to make any representations, warranties or covenants in connection with such financing), (B) cash or cash equivalents then available to the offeror, set apart and maintained solely for the purpose of funding the offer with an irrevocable written commitment being provided by the offeror to the Company to maintain such availability until the offer is consummated or withdrawn, or (C) a combination of the foregoing; which evidence (including certified copies of any such definitive financing agreements (including exhibits and related documents) and copies of all written materials prepared by the offeror for such financial institutions in connection with entering into such financing agreements) has been provided to the Company prior to, or upon, commencement of the offer within the meaning of Rule 14d-2(a) under the Exchange Act; provided, that “sufficient funds for the offer” shall be an amount sufficient to pay for all shares of Common Stock outstanding on a fully diluted basis the cash portion of the consideration pursuant to the offer and the second-step transaction required by clause (ix) above and all related expenses. If an offer becomes a Qualified Offer in accordance with this definition but subsequently ceases to be a Qualified Offer as a result of the failure at a later date to continue to satisfy any of the requirements of this definition, such offer shall cease to be a Qualified Offer and the provisions of Section 5.1(d) shall no longer be applicable to such offer, provided the actual redemption of the Rights pursuant to Section 5.1(d) shall not have already occurred.

“Record Time” shall have the meaning set forth in the Recitals.

“Redemption Price” shall mean an amount equal to one cent, \$0.01.

“Redemption Resolution” shall have the meaning set forth in Section 5.1(d).

“Redemption Time” shall mean the time at which the right to exercise the Rights shall terminate pursuant to Section 5.1.

“Right” shall have the meaning set forth in the Recitals.

“Rights Agent” shall have the meaning set forth in the Preamble.

“Rights Certificate” shall have the meaning set forth in Section 2.3(c).

“Rights Register” shall have the meaning set forth in Section 2.7(a).

“Separation Time” shall mean the next Business Day following the earlier of (i) the tenth Business Day (or such later date as the Board of Directors may from time to time fix by resolution adopted prior to the Separation Time that otherwise would have occurred) after the date on which any Person commences a tender or exchange offer that, if consummated, would result in such Person’s becoming an Acquiring Person and (ii) the date of the first event causing a Flip-in Date to occur; provided, that if the foregoing results in the Separation Time being prior to the Record Time, the Separation Time shall be the Record Time and provided, further, that if any tender or exchange offer referenced in clause (i) of this paragraph is cancelled, terminated or otherwise withdrawn prior to the Separation Time without the purchase of any shares of Class A Common Stock pursuant thereto, such offer shall be deemed, for purposes of this paragraph, never to have been made.

“Special Meeting” shall have the meaning set forth in Section 5.1(d).



“Special Meeting Notice” shall have the meaning set forth in Section 5.1(d).

“Stock Acquisition Date” shall mean the first date on which there shall be a public announcement by the Company (by any means) that a Person has become an Acquiring Person, which announcement makes express reference to such status as an Acquiring Person pursuant to this Agreement.

“Subsidiary” of any specified Person shall mean any corporation or other entity of which a majority of the voting power of the equity securities or a majority of the equity or membership interest is Beneficially Owned, directly or indirectly, by such Person.

“SunEdison” shall have the meaning set forth in the definition of Expiration Time.

“Synthetic Long Position” shall mean any option, warrant, convertible security, stock appreciation right, swap agreement or other security, contract right or derivative position, whether or not presently exercisable, that has an exercise or conversion privilege or a settlement payment or other mechanism at a price related to the value of Class A Common Stock or a value determined in whole or part with reference to, or derived in whole or in part from, the value of Class A Common Stock and that increases in value as the value of Class A Common Stock increases or that provides to the holder an opportunity, directly or indirectly, to profit or share in any profit derived from any increase in the value of Class A Common Stock, in any case without regard to whether (i) such derivative conveys any voting rights in such securities to such Person or

any of such Person's Affiliates or Associates, (ii) such derivative is required to be, or capable of being, settled through delivery of such securities, or (iii) such Person or any of such Person's Affiliates or Associates may have entered into other transactions that hedge the economic effect of such derivative. A Synthetic Long Position shall not include any interests, rights, options or other securities set forth in Rule 16a-1(c)(1)-(5) or (7) promulgated pursuant to the Exchange Act or the Class B Common Stock.

"Terra LLC" shall have the meaning set forth in the definition of Acquiring Person.

"Trading Day", when used with respect to any securities, shall mean a day on which the NYSE is open for the transaction of business or, if such securities are not listed or admitted to trading on the NYSE, a day on which the principal national securities exchange on which such securities are listed or admitted to trading is open for the transaction of business or, if such securities are not listed or admitted to trading on any national securities exchange, a Business Day.

"Trading Regulation" shall have the meaning set forth in Section 2.3(c).

"Trust" shall have the meaning set forth in Section 3.1(c).

"Trust Agreement" shall have the meaning set forth in Section 3.1(c).

"Vice President", when used with respect to the Company, means any vice president, whether or not designated by a number or a word or words added before or after the title "vice president."

ARTICLE II

THE RIGHTS

2.1 Summary of Rights. As soon as practicable after the Record Time, the Company will mail a letter summarizing the terms of the Rights to each holder of record of Class A Common Stock as of the Record Time, at such holder's address as shown by the records of the Company.

2.2 Legend. Certificates for the Class A Common Stock or, if a certificate has not been issued, the registration of the Class A Common Stock on the stock transfer books of the Company, issued on or after the Record Time but prior to the Separation Time, shall evidence one Right for each share of Class A Common Stock represented thereby and the Company shall mail to every Person that acquires Class A Common Stock after the Record Time, but prior to the Separation Time, either certificates for such Class A Common Stock or a confirmation of the registration of such Class A Common Stock on the stock transfer books of the Company, which certificates or confirmation shall have impressed on, printed on, written on or otherwise affixed to them a legend substantially in the following form:

Until the Separation Time (as defined in the Rights Agreement referred to below), this also evidences and entitles the holder hereof to certain Rights as set forth in a Rights Agreement, dated as of July 24, 2016 (as such may be amended from time to time, the "Rights Agreement"), between TerraForm Power, Inc. (the "Company") and Computershare Trust Company, N.A., as Rights Agent (or any successor Rights Agent), the terms of which are hereby incorporated herein by reference and a copy of which is on file at the principal executive offices of the Company. Under certain circumstances, as set forth in the Rights Agreement, such Rights may be redeemed, may become exercisable for securities or assets of the Company or securities of another entity, may be exchanged for shares of Class A Common Stock or other securities or assets of the Company, may expire, may become null and void (including if they are "Beneficially Owned" by an

“Acquiring Person” or an Affiliate or Associate thereof, as such terms are defined in the Rights Agreement, or by any transferee of any of the foregoing) or may be evidenced by separate certificates and may no longer be evidenced hereby. The Company will mail or arrange for the mailing of a copy of the Rights Agreement to the holder hereof without charge after the receipt of a written request therefor.

Certificates representing shares of Class A Common Stock that are issued and outstanding at the Record Time (or confirmation of the registration of the Class A Common Stock on the stock transfer books with respect to uncertificated shares), together with the letter mailed pursuant to Section 2.1, shall evidence one Right for each share of Class A Common Stock evidenced thereby notwithstanding the absence of the foregoing legend.

The Company shall mail or arrange for the mailing of a copy of this Agreement to any Person that holds Class A Common Stock, as evidenced by the registration of the Class A Common Stock in the name of such Person on the stock transfer books of the Company, without charge after the receipt of a written request therefor.

2.3 Exercise of Rights; Separation of Rights. (a) Subject to Sections 3.1, 5.1 and 5.10 and subject to adjustment as herein set forth, each Right will entitle the holder thereof, at or after the Separation Time and prior to the Expiration Time, to purchase, for the Exercise Price, one one-hundredth of a share of Preferred Stock.

(b) Until the Separation Time, (i) no Right may be exercised and (ii) each Right will be evidenced by the certificate for the associated share of Class A Common Stock (or, if the Class A Common Stock shall be uncertificated, by the registration of the associated Class A Common Stock on the stock transfer books of the

Company and any confirmation thereof provided for in Section 2.2), together, in the case of shares acquired prior to the Record Time, with the letter mailed to the record holder thereof pursuant to Section 2.1, and will be transferable only together with, and will be transferred by a transfer (whether with or without such letter or confirmation) of, such associated share.

(c) Subject to the terms and conditions hereof, at or after the Separation Time and prior to the Expiration Time, (i) the Rights may be exercised pursuant to Section 2.3(d) below, (ii) the Rights will be transferred independent of shares of Class A Common Stock and (iii) the Rights Agent will promptly, at the Company's expense, if requested by the Company and provided with all necessary documentation and information (in the reasonable discretion of the Rights Agent), mail to each holder of record of Class A Common Stock (provided that the exchange of all of the then outstanding Rights has not occurred pursuant to Section 3.1(c)) as of the Separation Time (other than any Person whose Rights have become null and void pursuant to Section 3.1(b)), at such holder's address as shown by the records of the Company (the Company hereby agreeing to furnish copies of such records to the Rights Agent for this purpose) or the transfer agent or registrar for the Class A Common Stock, (x) a certificate (a "Rights Certificate") in substantially the form of Exhibit A hereto appropriately completed, representing the number of Rights held by such holder at the Separation Time and having such marks of identification or designation and such legends, summaries or endorsements printed thereon as the Company may deem appropriate and as are not inconsistent with the provisions of this Agreement and as do not affect the rights, liabilities, responsibilities

or duties of the Rights Agent, or as may be required to comply with any law, rule or regulation or with any rule or regulation of any national securities exchange or quotation system on which the Rights may from time to time be listed or traded (“Trading Regulation”), or to conform to usage, and (y) a disclosure statement describing the Rights. Receipt of a Rights Certificate by any Person shall not preclude a later determination that such Rights are null and void pursuant to Section 3.1(b). The Company may implement such procedures as it deems appropriate, in its sole discretion, to minimize the possibility that Rights are received by Persons with respect to whom Rights would be null and void under Section 3.1(b).

(d) Subject to the terms and conditions hereof, Rights may be exercised on any Business Day at or after the Separation Time and prior to the Expiration Time by submitting to the Rights Agent the Rights Certificate evidencing such Rights with an Election to Exercise (an “Election to Exercise”) substantially in the form attached to the Rights Certificate duly executed and properly completed, accompanied by payment in cash, or by certified or official bank check or money order payable to the order of the Company, of a sum equal to the Exercise Price multiplied by the number of Rights being exercised and a sum sufficient to cover any tax or charge that may be payable in respect of any transfer involved in the transfer or delivery of Rights Certificates or the issuance or delivery of certificates (or, if uncertificated, the registration on the stock transfer books of the Company) for shares or depositary receipts (or both) in a name other than that of the holder of the Rights being exercised.

(e) Upon receipt of a Rights Certificate, with a properly completed and duly executed Election to Exercise accompanied by payment as set forth in Section 2.3(d), and subject to the terms and conditions hereof, the Rights Agent will thereupon promptly (i)(A) requisition from a transfer agent stock certificates evidencing such number of shares or other securities to be purchased or, in the case of uncertificated shares or other securities, requisition from a transfer agent a notice setting forth such number of shares or other securities to be purchased for which registration will be made on the stock transfer books of the Company (the Company hereby irrevocably authorizing its transfer agents to comply with all such requisitions), and (B) if the Company elects pursuant to Section 5.5 not to issue certificates (or effect registrations on the stock transfer books of the Company) representing fractional shares, requisition from the depositary selected by the Company depositary receipts representing the fractional shares to be purchased (the Company hereby irrevocably authorizes each such depositary agent to comply with such requisitions) or, when necessary to comply with this Agreement, requisition from the Company the amount of cash to be paid in lieu of fractional shares in accordance with Section 5.5 and (ii) after receipt of such certificates, depositary receipts, notices and/or, when necessary to comply with this Rights Agreement, cash, cause the same to be delivered to or upon the order of the registered holder of such Rights Certificate, registered (in the case of certificates, depositary receipts or notices) in such name or names as may be designated by such holder.

(f) In case the holder of any Rights shall exercise less than all of the Rights evidenced by such holder's Rights Certificate, a new Rights Certificate evidencing

the Rights remaining unexercised will be issued by the Rights Agent to such holder or to such holder's duly authorized assigns.

(g) The Company covenants and agrees that it will (i) take all such action as may be necessary to ensure that all shares delivered (or evidenced by registration on the stock transfer books of the Company) upon exercise of Rights shall, at the time of delivery of the certificates (or registration) for such shares (subject to payment of the Exercise Price), be duly and validly authorized, executed, issued and delivered (or registered) and fully paid and nonassessable; (ii) take all such action as may be necessary to comply with any applicable requirements of the Securities Act of 1933, as amended from time to time, or the Exchange Act, and the rules and regulations thereunder, and any other applicable law, rule or regulation, in connection with the issuance of any shares upon exercise of Rights; and (iii) pay when due and payable any and all federal and state taxes and charges that may be payable in respect of the original issuance or delivery of the Rights Certificates or of any shares issued upon the exercise of Rights, provided, that the Company shall not be required to pay any tax or charge that may be payable in respect of any transfer involved in the transfer or delivery of Rights Certificates or the issuance or delivery of certificates (or the registration) for shares in a name other than that of the holder of the Rights being transferred or exercised.

(h) Notwithstanding anything in this Agreement to the contrary, neither the Rights Agent nor the Company shall be obligated to undertake any action with respect to the exercise or assignment of a Rights Certificate unless the registered holder of such Rights Certificate shall have (i) properly completed and duly signed the



certificate following the form of assignment or the form of election to exercise, as applicable, set forth on the reverse side of the Rights Certificate surrendered for such exercise or assignment, (ii) provided such additional evidence of the identity of the Beneficial Owner (or former Beneficial Owner) thereof and of the Rights evidenced thereby, and the Affiliates and Associates of such Beneficial Owner or former Beneficial Owner, as the Company or the Rights Agent may reasonably request and (iii) paid a sum sufficient to cover any tax or charge that may be imposed as required under Section 2.3(d).

2.4 Adjustments to Exercise Price; Number of Rights. (a) In the event the Company shall at any time after the Record Time and prior to the Separation Time (i) declare or pay a dividend on Class A Common Stock payable in Class A Common Stock, (ii) subdivide the outstanding Class A Common Stock or (iii) combine the outstanding Class A Common Stock into a smaller number of shares of Class A Common Stock, (x) the Exercise Price in effect after such adjustment will be equal to the Exercise Price in effect immediately prior to such adjustment divided by the number of shares of Class A Common Stock including any fractional shares in lieu of which such holder received cash (the "Expansion Factor") that a holder of one share of Class A Common Stock immediately prior to such dividend, subdivision or combination would hold thereafter as a result thereof and (y) each Right held prior to such adjustment will become that number of Rights equal to the Expansion Factor, and the adjusted number of Rights will be deemed to be distributed among the shares of Class A Common Stock with respect to which the original Rights were associated (if they remain outstanding) and the

shares issued in respect of such dividend, subdivision or combination, so that each such share of Class A Common Stock will have exactly one Right associated with it. Each adjustment made pursuant to this paragraph shall be made as of the payment or effective date for the applicable dividend, subdivision or combination.

In the event that the Company shall at any time after the Record Time and prior to the Separation Time issue any shares of Class A Common Stock otherwise than in a transaction referenced in the preceding paragraph, each such share of Class A Common Stock so issued shall automatically have one new Right associated with it, which Right shall be evidenced by the certificate representing such share (or, if the Class A Common Stock shall be uncertificated, such Right shall be evidenced by the registration of such Class A Common Stock on the stock transfer books of the Company and the confirmation thereof provided for in Section 2.2). Rights shall be issued by the Company in respect of shares of Class A Common Stock that are issued or sold by the Company after the Separation Time only to the extent provided in Section 5.3.

(b) In the event that the Company shall at any time after the Record Time and prior to the Separation Time issue or distribute any securities or assets in respect of, in lieu of or in exchange for Class A Common Stock (other than pursuant to any non-extraordinary periodic cash dividend or a dividend paid solely in Class A Common Stock) whether by dividend, in a reclassification or recapitalization (including any such transaction involving a merger, consolidation or statutory share exchange), or otherwise, the Company shall make such adjustments, if any, in the Exercise Price, number of Rights and/or securities or other property purchasable upon exercise of Rights

as the Board of Directors, in its sole discretion, may deem to be appropriate under the circumstances, and the Company and the Rights Agent shall amend this Agreement as necessary to provide for such adjustments.

(c) Each adjustment to the Exercise Price made pursuant to this Section 2.4 shall be calculated to the nearest cent. Whenever an adjustment to the Exercise Price is made pursuant to this Section 2.4, the Company shall (i) promptly prepare a certificate setting forth such adjustment and a brief statement of the facts accounting for such adjustment and (ii) promptly file with the Rights Agent and with each transfer agent for the Class A Common Stock a copy of such certificate. The Rights Agent shall be fully protected in relying on any such certificate and on any adjustment or statement therein contained and shall have no duty or liability with respect to, and shall not be deemed to have knowledge of, any adjustment or any such event unless and until it shall have received such a certificate.

(d) Rights Certificates shall represent the right to purchase the securities purchasable under the terms of this Agreement, including any adjustment or change in the securities purchasable upon exercise of the Rights, even though such certificates may continue to express the securities purchasable at the time of issuance of the initial Rights Certificates.

2.5 Date on Which Exercise is Effective. Each Person in whose name any certificate for shares is issued (or registration on the stock transfer books is effected) upon the exercise of Rights shall for all purposes be deemed to have become the holder of record of the shares represented thereby at the Close of Business on the Business Day

upon which the Rights Certificate evidencing such Rights was duly surrendered and payment of the Exercise Price for such Rights (and any applicable taxes and other charges payable by the exercising holder hereunder) was made; provided, however, that if the date of such surrender and payment is a date upon which the stock transfer books of the Company are closed, such Person shall be deemed to have become the record holder of such shares on, and such certificate (or registration) shall be dated, the next succeeding Business Day on which the stock transfer books of the Company are open.

2.6 Execution, Authentication, Delivery and Dating of Rights

Certificates. (a) The Rights Certificates shall be executed on behalf of the Company by its Chairman and Interim CEO, Chief Financial Officer, General Counsel, any Vice President, Treasurer, Secretary or any such other officer of the Company as may be designated by the Chairman and Interim CEO, the Chief Financial Officer or any Vice President. The signature of any of these officers on the Rights Certificates may be manual or facsimile.

Rights Certificates bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Company shall bind the Company, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the countersignature and delivery of such Rights Certificates.

Promptly after the Separation Time, unless the exchange pursuant to Section 3.1(c) shall have occurred, the Company will notify the Rights Agent in writing of such Separation Time (and if such notification is given orally, the Company shall confirm the same in writing on or prior to the Business Day next following) and will

deliver Rights Certificates executed by the Company to the Rights Agent for countersignature, and, subject to Sections 2.3(c) and 3.1(b), the Rights Agent shall manually or by facsimile countersign and deliver such Rights Certificates to the holders of the Rights pursuant to Section 2.3(c). Until the written notice provided for in this Section 2.6 is received by the Rights Agent, the Rights Agent may presume conclusively for all purposes that the Separation Time has not occurred. No Rights Certificate shall be valid for any purpose unless manually or by facsimile countersigned by the Rights Agent.

In case any authorized signatory of the Rights Agent who has countersigned any of the Rights Certificates ceases to be an authorized signatory of the Rights Agent before issuance and delivery by the Company, such Rights Certificates, nevertheless, may be issued and delivered by the Company with the same force and effect as though the person who countersigned such Rights Certificates had not ceased to be an authorized signatory of the Rights Agent; and any Rights Certificates may be countersigned on behalf of the Rights Agent by any person who, at the actual date of the countersignature of such Rights Certificate, is properly authorized to countersign such Rights Certificate, although at the date of the execution of this Agreement any such person was not so authorized.

(b) Each Rights Certificate shall be dated the date of countersignature thereof.

2.7 Registration, Registration of Transfer and Exchange. (a) After the Separation Time, the Company will cause to be kept a register (the "Rights Register") in which, subject to such reasonable regulations as it may prescribe, the Company will

provide for the registration and transfer of Rights. The Rights Agent is hereby appointed “Rights Registrar” for the purpose of maintaining the Rights Register for the Company and registering Rights and transfers of Rights after the Separation Time as herein provided. In the event that the Rights Agent shall cease to be the Rights Registrar, the Rights Agent will have the right to examine the Rights Register at all reasonable times after the Separation Time.

After the Separation Time and prior to the Expiration Time, upon surrender for registration of transfer or exchange of any Rights Certificate, and subject to the provisions of Sections 2.7(c) and (d), the Company will execute, and the Rights Agent will countersign and, if requested by the Company and provided with all necessary information, deliver, in the name of the holder or the designated transferee or transferees, as required pursuant to the holder’s instructions, one or more new Rights Certificates evidencing the same aggregate number of Rights as did the Rights Certificate so surrendered.

(b) Except as otherwise provided in Section 3.1(b), all Rights issued upon any registration of transfer or exchange of Rights Certificates shall be the valid obligations of the Company, and such Rights shall be entitled to the same benefits under this Agreement as the Rights surrendered upon such registration of transfer or exchange.

(c) Every Rights Certificate surrendered for registration of transfer or exchange shall be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company or the Rights Agent, as the case may be, duly executed by the holder thereof or such holder’s attorney duly authorized in writing. As a

condition to the issuance of any new Rights Certificate under this Section 2.7, the Company may require the payment of a sum sufficient to cover any tax or other charge that may be imposed in relation thereto.

(d) The Company shall not register the transfer or exchange of any Rights that have become null and void under Section 3.1(b), been exchanged under Section 3.1(c) or been redeemed under Section 5.1.

2.8 Mutilated, Destroyed, Lost and Stolen Rights Certificates. (a) If any mutilated Rights Certificate is surrendered to the Rights Agent prior to the Expiration Time, then, subject to Sections 3.1(b), 3.1(c) and 5.1, the Company shall execute and the Rights Agent shall countersign and deliver in exchange therefor a new Rights Certificate evidencing the same number of Rights as did the Rights Certificate so surrendered.

(b) If there shall be delivered to the Company and the Rights Agent prior to the Expiration Time (i) evidence to their satisfaction of the destruction, loss or theft of any Rights Certificate and (ii) such security or indemnity as may be required by them to save each of them and any of their agents harmless, then, subject to Sections 3.1(b), 3.1(c) and 5.1 and in the absence of written notice to the Company or the Rights Agent that such Rights Certificate has been acquired by a bona fide purchaser, the Company shall execute and upon its written request the Rights Agent shall countersign and, if requested by the Company and provided with all necessary information, deliver, in lieu of any such destroyed, lost or stolen Rights Certificate, a new Rights Certificate evidencing the same number of Rights as did the Rights Certificate so destroyed, lost or stolen.

(c) As a condition to the issuance of any new Rights Certificate under this Section 2.8, the Company may require the payment of a sum sufficient to cover any tax or other charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Rights Agent) connected therewith. The Rights Agent shall have no duty or obligation to take any action under any Section of this Agreement which requires the payment by a Rights holder of applicable taxes and/or charges unless and until it is satisfied that all such taxes and/or charges have been paid.

(d) Every new Rights Certificate issued pursuant to this Section 2.8 in lieu of any destroyed, lost or stolen Rights Certificate shall evidence an original additional contractual obligation of the Company, whether or not the destroyed, lost or stolen Rights Certificate shall be at any time enforceable by anyone, and, subject to Section 3.1(b) shall be entitled to all the benefits of this Agreement equally and proportionately with any and all other Rights duly issued hereunder.

2.9 Persons Deemed Owners. Prior to due presentment of a Rights Certificate (or, prior to the Separation Time, the associated Class A Common Stock certificate or confirmation of registration, if uncertificated), the Company, the Rights Agent and any agent of the Company or the Rights Agent may deem and treat the Person in whose name such Rights Certificate (or, prior to the Separation Time, such Class A Common Stock certificate or confirmation, if uncertificated) is registered as the absolute owner thereof and of the Rights evidenced thereby for all purposes whatsoever, including the payment of the Redemption Price, and neither the Company nor the Rights Agent shall be affected by any notice to the contrary. As used in this Agreement, unless the



context otherwise requires, the term “holder” of any Rights shall mean the registered holder of such Rights (or, prior to the Separation Time, the associated shares of Class A Common Stock).

2.10 Delivery and Cancellation of Certificates. All Rights Certificates surrendered upon exercise or for registration of transfer or exchange shall, if surrendered to any Person other than the Rights Agent, be delivered to the Rights Agent and, in any case, shall be promptly cancelled by the Rights Agent. The Company may at any time deliver to the Rights Agent for cancellation any Rights Certificates previously countersigned and delivered hereunder that the Company may have acquired in any manner whatsoever, and all Rights Certificates so delivered shall be promptly cancelled by the Rights Agent. No Rights Certificates shall be countersigned in lieu of or in exchange for any Rights Certificates cancelled as provided in this Section 2.10, except as expressly permitted by this Agreement. The Rights Agent shall destroy all cancelled Rights Certificates and deliver a certificate of destruction to the Company.

2.11 Agreement of Rights Holders. Every holder of Rights by accepting the same consents and agrees with the Company and the Rights Agent and with every other holder of Rights that:

- (a) prior to the Separation Time, each Right will be transferable only together with, and will be transferred by a transfer of, the associated share of Class A Common Stock;
- (b) after the Separation Time, the Rights Certificates will be transferable only on the Rights Register as provided herein;

(c) prior to due presentment of a Rights Certificate (or, prior to the Separation Time, the associated Class A Common Stock certificate or Class A Common Stock registration, if uncertificated) for registration of transfer, the Company, the Rights Agent and any agent of the Company or the Rights Agent may deem and treat the Person in whose name the Rights Certificate (or, prior to the Separation Time, the associated Class A Common Stock certificate or Class A Common Stock registration, if uncertificated) is registered as the absolute owner thereof and of the Rights evidenced thereby for all purposes whatsoever, and neither the Company nor the Rights Agent shall be affected by any notice to the contrary;

(d) Rights Beneficially Owned by certain Persons will, under the circumstances set forth in Section 3.1(b), become null and void;

(e) this Agreement may be supplemented or amended from time to time in accordance with its terms;

(f) the Board of Directors shall have the exclusive power and authority delegated to it pursuant to Section 5.13; and

(g) notwithstanding anything in this Agreement to the contrary, neither the Company nor the Rights Agent shall have any liability to any holder of a Right or other Person as a result of its inability to perform any of its obligations under this Agreement by reason of any preliminary or permanent injunction or other order, decree or ruling issued by a court of competent jurisdiction or by a governmental, regulatory or administrative agency or commission, or any statute, rule, regulation or executive order

promulgated or enacted by any governmental authority, prohibiting or otherwise restraining performance of such obligation.

ARTICLE III

ADJUSTMENTS TO THE RIGHTS IN  
THE EVENT OF CERTAIN TRANSACTIONS

3.1 Flip-in. (a) In the event that prior to the Expiration Time a Flip-in Date shall occur, except as otherwise provided in this Section 3.1, each Right shall constitute the right to purchase from the Company, upon exercise thereof in accordance with the terms hereof (but subject to Section 5.10), that number of shares of Class A Common Stock having an aggregate Market Price on the Stock Acquisition Date that gave rise to the Flip-in Date equal to twice the Exercise Price for an amount in cash equal to the Exercise Price (such right to be appropriately adjusted in order to protect the interests of the holders of Rights generally in the event that on or after such Stock Acquisition Date any of the events described in Section 2.4(a) or (b), or any analogous event, shall have occurred with respect to the Class A Common Stock).

(b) Notwithstanding the foregoing, any Rights that are Beneficially Owned on or after the Stock Acquisition Date by an Acquiring Person or an Affiliate or Associate thereof shall become null and void and any holder of such Rights (including transferees, whether direct or indirect, of any such Persons) shall thereafter have no right to exercise or transfer such Rights under any provision of this Agreement. If any Rights Certificate is presented for assignment or exercise and the Person presenting the same will not properly complete the certification set forth at the end of the form of assignment or notice of election to exercise or, if requested, will not provide such additional

evidence, including, without limitation, the identity of the Beneficial Owners and their Affiliates and Associates (or former Beneficial Owners and their Affiliates and Associates) as the Company or the Board of Directors shall reasonably request in order to determine if such Rights are null and void, then the Company shall be entitled conclusively to deem the Rights to be Beneficially Owned by an Acquiring Person or an Affiliate or Associate thereof or a transferee of any of the foregoing and accordingly deem the Rights evidenced thereby to be null and void and not transferable, exercisable or exchangeable.

(c) Unless the Board of Directors determines, with the prior written approval of holders of a majority of the shares of Class B Common Stock, prior to the making of the public announcement contemplated by the definition of Stock Acquisition Date, not to effect the exchange of Rights as follows, and provided that the Acquiring Person is not the Beneficial Owner of more than 50% of the outstanding shares of Class A Common Stock, excluding for this purpose any shares determined to be Constructively Owned, all (but not less than all) of the then outstanding Rights (which shall not include Rights that have become null and void pursuant to the provisions of Section 3.1(b)) shall, without any further required action by the Board of Directors, be exchanged for shares of Class A Common Stock at an exchange ratio of one share of Class A Common Stock per Right, appropriately adjusted in order to protect the interests of holders of Rights generally in the event that after the Separation Time any of the events described in Section 2.4(a) or (b), or any analogous event, shall have occurred with respect to the

Class A Common Stock (such exchange ratio, as adjusted from time to time, being hereinafter referred to as the “Exchange Ratio”).

Unless the Board of Directors determines, with the prior written approval of holders of a majority of the shares of Class B Common Stock, as set forth above not to effect the exchange of Rights, immediately upon the public announcement contemplated by the definition of Stock Acquisition Date (the “Exchange Time”), without any further action and without any notice, the right to exercise the Rights will terminate and each Right (other than Rights that have become null and void pursuant to Section 3.1(b)), whether or not an Election to Exercise has been previously delivered, will thereafter represent only the right to receive a number of shares of Class A Common Stock equal to the Exchange Ratio. The exchange of the Rights by the Board of Directors may be made effective on such basis and with such conditions as the Board of Directors in its sole discretion may further establish. Promptly after the Exchange Time, the Company shall give written notice thereof (specifying the steps to be taken to receive shares of Class A Common Stock in exchange for Rights) to the Rights Agent and the holders of the Rights (other than Rights that have become null and void pursuant to Section 3.1(b)) outstanding immediately prior thereto by mailing such notice in accordance with Section 5.9. In connection with effecting an exchange pursuant to this Section 3.1(c), the Board of Directors may direct the Company to enter into a Trust Agreement in such form and with such terms as the Board of Directors shall then approve (the “Trust Agreement”). If the Board of Directors so directs, the Company shall enter into the Trust Agreement and shall issue to the trust created by such agreement (the “Trust”) all or some (as designated by

the Board of Directors) of the shares of Class A Common Stock (or other securities) issuable pursuant to the exchange, and all or some (as designated by the Board of Directors) holders of Rights entitled to receive shares pursuant to the exchange shall be entitled to receive such shares (and any dividends paid or distributions made thereon after the date on which such shares are deposited in the Trust) only from the Trust and solely upon compliance with the relevant terms and provisions of the Trust Agreement. Prior to effecting an exchange and registering shares of Class A Common Stock (or other such securities) in any Person's name, including any nominee or transferee of a Person, the Company may require (or cause the trustee of the Trust to require), as a condition thereof, that any holder of Rights provide evidence, including, without limitation, the identity of the Beneficial Owners thereof and their Affiliates and Associates (or former Beneficial Owners thereof and their Affiliates and Associates) as the Company shall reasonably request in order to determine if such Rights are null and void. If any Person shall fail to comply with such request, the Company shall be entitled conclusively to deem the Rights formerly held by such Person to be null and void pursuant to Section 3.1(b) and not transferable or exercisable or exchangeable in connection herewith. Any shares of Class A Common Stock or other securities issued at the direction of the Board of Directors in connection herewith shall be validly issued, fully paid and nonassessable shares of Class A Common Stock or of such other securities (as the case may be), and the Company shall be deemed to have received as consideration for such issuance a benefit having a value that is at least equal to the aggregate par value of the shares so issued. The determination by the Board of Directors not to exercise its election not to effect the exchange of the

Rights shall constitute a determination by the Board of Directors that such consideration is adequate.

Each Person in whose name any certificate for shares is issued (or for whom any registration on the stock transfer books of the Company is made) upon the exchange of Rights pursuant to this Section 3.1(c) or Section 3.1(d) shall for all purposes be deemed to have become the holder of record of the shares represented thereby on, and such certificate (or registration on the stock transfer books of the Company) shall be dated (or registered as of), the date upon which the Rights Certificate evidencing such Rights was duly exchanged or deemed exchanged by the Company) and payment of any applicable taxes and other governmental charges payable by the holder was made; provided, however, that if the date of such exchange and payment is a date upon which the stock transfer books of the Company are closed, such Person shall be deemed to have become the record holder of such shares on, and such certificate (or registration on the stock transfer books of the Company) shall be dated (or registered as of), the next succeeding Business Day on which the stock transfer books of the Company are open.

(d) Whenever the Company shall become obligated under Section 3.1(a) or (c) to issue shares of Class A Common Stock upon exercise of or in exchange for Rights, the Company, as determined by the Board of Directors, may substitute therefor shares of Preferred Stock, at a ratio of one one-hundredth of a share of Preferred Stock for each share of Class A Common Stock so issuable, subject to adjustment.

(e) In the event that there shall not be sufficient treasury shares or authorized but unissued shares of Class A Common Stock or Preferred Stock of the

Company to permit the exercise in full of the Rights in accordance with Section 3.1(a) or if the Company so elects to make the exchange referenced in Section 3.1(c), to permit the issuance of all shares pursuant to the exchange, the Company shall either (i) call a meeting of stockholders seeking approval to cause sufficient additional shares to be authorized (provided that if such approval is not obtained the Company will take the action specified in clause (ii) of this sentence) or (ii) take such action as shall be necessary to ensure and provide, without exposing the directors to personal liability (as determined by the Board of Directors), as and when and to the maximum extent permitted by applicable law and any agreements or instruments in effect prior to the time an Acquiring Person controls the Board of Directors (and remaining in effect) to which the Company is a party, that each Right shall thereafter constitute the right to receive, (x) in the case of any exercise in accordance with Section 3.1(a), at the Company's option, either (A) in return for the Exercise Price, debt or equity securities or other assets (or a combination thereof) having a fair value equal to twice the Exercise Price, or (B) without payment of consideration (except as may be required for the valid issuance of securities or otherwise required by applicable law), debt or equity securities or other assets (or a combination thereof) having a fair value equal to the Exercise Price, or (y) in the case of an exchange of Rights in accordance with Section 3.1(c), debt or equity securities or other assets (or a combination thereof) having a fair value equal to the product of the Market Price of a share of Class A Common Stock on the Flip-in Date times the Exchange Ratio in effect on the Flip-in Date, where in any case set forth in (x) or (y) above the fair value of such debt or equity securities or other assets shall be as



determined in good faith by the Board of Directors, after consultation with a nationally recognized investment banking firm.

3.2 Flip-over. (a) Prior to the Expiration Time, the Company shall not enter into any agreement with respect to, consummate or permit to occur any Flip-over Transaction or Event unless and until it shall have entered into a supplemental agreement with the Flip-over Entity, for the benefit of the holders of the Rights (the terms of which shall be reflected in an amendment to this Agreement entered into with the Rights Agent), providing that, upon consummation or occurrence of the Flip-over Transaction or Event (i) each Right shall thereafter constitute the right to purchase from the Flip-over Entity, upon exercise thereof in accordance with the terms hereof, that number of shares of Flip-over Stock of the Flip-over Entity having an aggregate Market Price on the date of consummation or occurrence of such Flip-over Transaction or Event equal to twice the Exercise Price for an amount in cash equal to the Exercise Price (such right to be appropriately adjusted in order to protect the interests of the holders of Rights generally in the event that after such date of consummation or occurrence any of the events described in Section 2.4(a) or (b), or any analogous event, shall have occurred with respect to the Flip-over Stock) and (ii) the Flip-over Entity shall thereafter be liable for, and shall assume, by virtue of such Flip-over Transaction or Event and such supplemental agreement, all the obligations and duties of the Company pursuant to this Agreement.

(b) Prior to the Expiration Time, unless the Rights will be redeemed pursuant to Section 5.1 pursuant to an agreement entered into by the Company prior to a

Flip-in Date, the Company shall not enter into any agreement with respect to, consummate or permit to occur any Flip-over Transaction or Event if (i) at the time thereof there are any rights, warrants or securities outstanding or any other arrangements, agreements or instruments that would eliminate or otherwise diminish in any material respect the benefits intended to be afforded by this Rights Agreement to the holders of Rights upon consummation of such transaction, (ii) prior to, simultaneously with or immediately after such Flip-over Transaction or Event, the stockholders of the Person who constitutes, or would constitute, the Flip-over Entity shall have received a distribution of Rights previously owned by such Person or any of its Affiliates or Associates, or (iii) the form or nature of organization of the Flip-over Entity would preclude or limit the exercisability of the Rights.

(c) The provisions of this Section 3.2 shall apply to successive Flip-over Transactions or Events.

#### ARTICLE IV

##### THE RIGHTS AGENT

4.1 General. (a) The Company hereby appoints the Rights Agent to act as agent for the Company in accordance with the express terms and conditions hereof (and no implied terms or conditions), and the Rights Agent hereby accepts such appointment. The Company agrees to pay to the Rights Agent reasonable compensation for all services rendered by it hereunder and, from time to time, on demand of the Rights Agent, to reimburse its reasonable expenses, counsel fees and disbursements and other disbursements incurred in the preparation, negotiation, delivery, amendment,

administration and execution of this Agreement and the exercise and performance of its duties hereunder. The Company also covenants and agrees to indemnify the Rights Agent for, and to hold it harmless against, any loss, liability, damage, judgment, fine, penalty, claim, demand, settlement, cost or expense (including, without limitation, the reasonable fees and expenses of legal counsel), that may be paid, incurred or suffered by it without gross negligence, bad faith or willful misconduct on the part of the Rights Agent (each as determined by a final, non-appealable, judgment of a court of competent jurisdiction), for any action taken, suffered or omitted to be taken by the Rights Agent arising from or out of, directly or indirectly, any claims or liability resulting from its actions as Rights Agent pursuant to this Agreement or in connection with the acceptance, administration, exercise and performance of its duties under this Agreement, including the costs and expenses of defending against any claim of liability arising therefrom, directly or indirectly, or enforcing its rights hereunder. The costs and expenses incurred in enforcing this right of indemnification shall be paid by the Company. The provisions of this Section 4.1 and Section 4.3 below shall survive the termination of this Agreement, the exercise or expiration of the Rights and the resignation, replacement or removal of the Rights Agent.

(b) The Rights Agent shall be authorized and protected and shall incur no liability for or in respect of any action taken, suffered or omitted to be taken by it in connection with its acceptance and administration of this Agreement or the exercise and performance of its duties hereunder in reliance upon any certificate for securities (or registration on the stock transfer books of the Company) purchasable upon exercise of

Rights, Rights Certificate, certificate for other securities of the Company, instrument of assignment or transfer, power of attorney, endorsement, affidavit, letter, notice, direction, consent, certificate, statement, or other paper or document believed by it to be genuine and to be signed, executed and, where necessary, verified or acknowledged, by the proper Person or Persons, or upon any written instructions or statements from the Company with respect to any matter relating to its acting as Rights Agent hereunder without further inquiry or examination on its part, or otherwise upon the advice of counsel as set forth herein. The Rights Agent shall not be deemed to have knowledge of any event of which it was supposed to receive notice thereof hereunder, and the Rights Agent shall be fully protected and shall incur no liability for failing to take any action in connection therewith, unless and until it has received such notice in writing.

4.2 Merger or Consolidation or Change of Name of Rights Agent.

(a) Any Person into which the Rights Agent or any successor Rights Agent may be merged or with which it may be consolidated, or any Person resulting from any merger or consolidation to which the Rights Agent or any successor Rights Agent is a party, or any Person succeeding to the shareholder services business of the Rights Agent or any successor Rights Agent, will be the successor to the Rights Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto, provided that such Person would be eligible for appointment as a successor Rights Agent under the provisions of Section 4.4. In case at the time such successor Rights Agent succeeds to the agency created by this Agreement any of the Rights Certificates have been countersigned but not delivered, any such successor Rights Agent

may adopt the countersignature of the predecessor Rights Agent and deliver such Rights Certificates so countersigned; and in case at that time any of the Rights Certificates have not been countersigned, any successor Rights Agent may countersign such Rights Certificates either in the name of the predecessor Rights Agent or in the name of the successor Rights Agent; and in all such cases such Rights Certificates will have the full force provided in the Rights Certificates and in this Agreement.

(b) In case at any time the name of the Rights Agent is changed and at such time any of the Rights Certificates shall have been countersigned but not delivered, the Rights Agent may adopt the countersignature under its prior name and deliver Rights Certificates so countersigned; and in case at that time any of the Rights Certificates shall not have been countersigned, the Rights Agent may countersign such Rights Certificates either in its prior name or in its changed name; and in all such cases such Rights Certificates shall have the full force provided in the Rights Certificates and in this Agreement.

4.3 Duties of Rights Agent. The Rights Agent undertakes to perform only the duties and obligations expressly imposed by this Agreement (and no implied duties or obligations) upon the following terms and conditions, by all of which the Company and the holders of Rights Certificates, by their acceptance thereof, shall be bound:

(a) The Rights Agent may consult with legal counsel selected by it (who may be legal counsel for the Rights Agent or the Company or an employee of the Rights Agent), and the advice or opinion of such counsel will be full and complete

authorization and protection to the Rights Agent and the Rights Agent shall incur no liability for or in respect of any action taken, suffered or omitted to be taken by it in the absence of bad faith and in accordance with such advice or opinion.

(b) Whenever in the performance of its duties under this Agreement the Rights Agent deems it necessary or desirable that any fact or matter (including without limitation, the identity of an Acquiring Person and the determination of the current per share market price of any security) be proved or established by the Company prior to taking, suffering or omitting to take any action hereunder, such fact or matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate signed by a person believed by the Rights Agent to be the Chairman and Interim CEO, the Chief Financial Officer, the General Counsel, any Vice President, the Treasurer, the Secretary or such other officer of the Company as may be designated by the Chairman and Interim CEO, the Chief Financial Officer or any Vice President of the Company and delivered to the Rights Agent; and such certificate will be full and complete authorization and protection to the Rights Agent and the Rights Agent shall incur no liability for any action taken, suffered or omitted to be taken in the absence of bad faith by it under the provisions of this Agreement in reliance upon such certificate. The Rights Agent shall have no duty to act without such a certificate signed by an officer of the Company as set forth in the preceding sentence.

(c) The Rights Agent will be liable to the Company and any other Person hereunder only for its own gross negligence, bad faith or willful misconduct (each

as determined by a final, non-appealable, judgment of a court of competent jurisdiction). Anything to the contrary notwithstanding, in no event shall the Rights Agent be liable for special, punitive, indirect, consequential or incidental loss or damage of any kind whatsoever (including, but not limited to, lost profits) under any provision of this Agreement, even if the Rights Agent has been advised of or has foreseen the possibility or likelihood of such loss or damage. Any and all liability of the Rights Agent under this Agreement will be limited to the amount of annual fees paid by the Company to the Rights Agent during the twelve (12) months immediately preceding the event for which recovery from the Rights Agent is being sought.

(d) The Rights Agent will not be liable for or by reason of any of the statements of fact or recitals contained in this Agreement or in the certificates, if any, for securities purchasable upon exercise of Rights or the Rights Certificates (except its countersignature thereof) or be required to verify the same, but all such statements and recitals are and will be deemed to have been made by the Company only.

(e) The Rights Agent will not have any liability for nor be under any responsibility in respect of the legality or validity of this Agreement or the execution and delivery hereof (except the due authorization, execution and delivery hereof by the Rights Agent) or in respect of the validity or execution of any certificate, if any, for securities purchasable upon exercise of Rights or Rights Certificate (except its countersignature thereof) or any modification or order of any court, tribunal or governmental authority in connection with the foregoing; nor will it be liable or responsible for any breach by the Company of any covenant or failure by the Company to satisfy any condition contained

in this Agreement or in any Rights Certificate; nor will it be liable or responsible for any change in the exercisability or exchangeability of the Rights (including the Rights becoming null and void pursuant to Section 3.1(b)) or any change or adjustment in the terms of the Rights (including any adjustment required under the provisions of Section 2.4, 3.1 or 3.2) or responsible for the manner, method or amount of any such adjustment or the ascertaining of the existence of facts that would require any such adjustment (except with respect to the exercise of Rights after receipt by the Rights Agent of the certificate contemplated by Section 2.4 describing any such adjustment, upon which the Rights Agent may rely); nor will it by any act hereunder be deemed to make any representation or warranty as to the authorization or reservation of any securities purchasable upon exercise of Rights or any Rights or as to whether any securities purchasable upon exercise of Rights will, when issued, be duly and validly authorized, executed, issued and delivered and fully paid and nonassessable.

(f) The Company agrees that it will perform, execute, acknowledge and deliver or cause to be performed, executed, acknowledged and delivered all such further and other acts, instruments and assurances as may reasonably be required or requested by the Rights Agent for the carrying out or performing by the Rights Agent of the provisions of this Agreement, in the reasonable discretion of the Rights Agent.

(g) The Rights Agent is hereby authorized and directed to accept advice or written instructions with respect to the performance of its duties hereunder from any person believed by the Rights Agent to be the Chairman and Interim CEO, the Chief Financial Officer, the General Counsel, any Vice President, the Treasurer, the Secretary



or any such other officer of the Company as may be designated by the Chairman and Interim CEO, the Chief Financial Officer or any Vice President, and to apply to such persons for advice or instructions in connection with its duties, and such advice or instructions shall be full authorization and protection to the Rights Agent and the Rights Agent shall not be liable for or in respect of any action taken, suffered or omitted to be taken by it in the absence of bad faith in accordance with instruction of any such person or for any delay while acting or while waiting for those instructions. The Rights Agent shall be fully authorized and protected in relying upon the most recent instructions received by any such person. In the event the Rights Agent believes any ambiguity or uncertainty exists hereunder or in any notice, instruction, direction, request or other communication, paper or document received by the Rights Agent hereunder, the Rights Agent may, in its sole discretion, refrain from taking any action, and shall be fully protected and shall not be liable in any way to the Company or any other Person for refraining from taking such action, if the Rights Agent shall have notified the Company promptly of such belief in writing, and unless the Rights Agent shall receive written instructions executed by a person authorized under this Section 4.3(g), which eliminates such ambiguity or uncertainty to the satisfaction of the Rights Agent .

(h) The Rights Agent and any stockholder, member, affiliate, director, officer, employee, agent or representative of the Rights Agent may buy, sell or deal in Class A Common Stock, Rights or other securities of the Company or become pecuniarily interested in any transaction in which the Company may be interested, or contract with or lend money to the Company or otherwise act as fully and freely as

though it were not Rights Agent under this Agreement. Nothing herein shall preclude the Rights Agent or any such stockholder, member, affiliate, director, officer, employee, agent or representative from acting in any other capacity for the Company or for any other Person.

(i) The Rights Agent may execute and exercise any of the rights or powers hereby vested in it or perform any duty hereunder either itself (through directors, officers or employees) or by or through its attorneys or agents, and the Rights Agent will not be answerable or accountable for any act, omission, default, neglect or misconduct of any such attorneys or agents or for any loss to the Company or any other Person resulting from any such act, omission, default, neglect or misconduct, absent gross negligence, bad faith or willful misconduct in the selection and continued employment thereof (each as determined by a final, non-appealable, judgment of a court of competent jurisdiction).

(j) No provision of this Agreement shall require the Rights Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of its rights if it believes that repayment of such funds or adequate indemnification against such risk or liability is not assured to it. The Rights Agent shall not be required to take any action or to follow any instruction of the Company that the Rights Agent has been advised of in writing by outside counsel would cause the Rights Agent to take action that is illegal.

(k) If, with respect to any Rights Certificate surrendered to the Rights Agent for exercise or transfer, the certificate attached to the form of assignment or form of election to purchase, as the case may be, has not been properly completed or duly

executed, the Rights Agent shall not take any further action with respect to such requested exercise or transfer without first consulting with the Company; provided, however that the Rights Agent shall not be liable for any delays arising from the duties under this Section 4.3(k).

(l) The Rights Agent shall have no responsibility to the Company, any holders of Rights or any holders of shares of Common Stock for interest or earnings on any moneys held by the Rights Agent pursuant to this Agreement.

(m) The Rights Agent shall not be required to take notice or be deemed to have notice of any event or condition hereunder, including any event or condition that may require action by the Rights Agent, unless the Rights Agent shall be specifically notified in writing of such event or condition by the Company, and all notices or other instruments required by this Agreement to be delivered to the Rights Agent must, in order to be effective, be received by the Rights Agent as specified in Section 5.9 hereof, and in the absence of such notice so delivered, the Rights Agent may conclusively assume no such event or condition exists.

(n) Notwithstanding anything to the contrary contained herein, the Rights Agent shall not be liable for any delays or failures in performance resulting from acts beyond its reasonable control including, without limitation, acts of God, terrorist acts, shortage of supply, breakdowns or malfunctions, interruptions or malfunctions of computer facilities, or loss of data due to power failures or mechanical difficulties with information storage or retrieval systems, labor difficulties, war, or civil unrest.

4.4 Change of Rights Agent. The Rights Agent may resign and be discharged from its duties under this Agreement upon at least 30 days' notice (or such lesser notice as is acceptable to the Company) in writing mailed to the Company by registered or certified mail or nationally recognized overnight courier and, in the event that the Rights Agent or one of its affiliates is not also the transfer agent of the Company, to each transfer agent of Common Stock known to the Rights Agent. In the event the transfer agency relationship in effect between the Company and the Rights Agent terminates, the Rights Agent will be deemed to have resigned automatically and be discharged from its duties as Rights Agent under this Agreement as of the effective date of such termination, and the Company shall be responsible for sending any required notice hereunder. The Company may remove the Rights Agent upon 30 days' notice in writing, mailed to the Rights Agent and to each transfer agent of the Class A Common Stock and to the holders of the Rights in accordance with Section 5.9. If the Rights Agent should resign or be removed or otherwise become incapable of acting, the Company will appoint a successor to the Rights Agent. If the Company fails to make such appointment within a period of 30 days after such removal or the effectiveness of such resignation or after it has been notified in writing of such resignation or incapacity by the resigning or incapacitated Rights Agent or by the holder of any Rights (which holder shall, with such notice, submit such holder's Rights Certificate for inspection by the Company), then the incumbent Rights Agent or any registered holder of any Rights may apply to any court of competent jurisdiction for the appointment of a new Rights Agent. Any successor Rights Agent, whether appointed by the Company or by such a

court, shall be (a) a Person (other than a natural person) organized and doing business under the laws of the United States or any state of the United States, in good standing, which is authorized under such laws to exercise the powers of the Rights Agent contemplated by this Agreement and is subject to supervision or examination by federal or state authority and which, when combined with its affiliates, has at the time of its appointment as Rights Agent a combined capital and surplus of at least \$50,000,000 or (b) an Affiliate of a Person described in clause (a) of this sentence. After appointment, the successor Rights Agent will be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Rights Agent without further act or deed; but the predecessor Rights Agent shall deliver and transfer to the successor Rights Agent any property at the time held by it hereunder, and execute and deliver any further assurance, conveyance, act or deed necessary for the foregoing purpose, but the predecessor Rights Agent shall not be required to make any additional expenditure or assume any additional liability in connection with the foregoing. Not later than the effective date of any such appointment, the Company will file notice thereof in writing with the predecessor Rights Agent and each transfer agent of the Class A Common Stock, and mail a notice thereof in writing to the holders of the Rights. Failure to give any notice provided for in this Section 4.4, however, or any defect therein, shall not affect the legality or validity of the resignation or removal of the Rights Agent or the appointment of the successor Rights Agent, as the case may be.

ARTICLE V

MISCELLANEOUS

5.1 Redemption. (a) The Board of Directors may, at its option, at any time prior to the Flip-in Date, elect to redeem all (but not less than all) the then outstanding Rights at the Redemption Price and the Company, at its option, may pay the Redemption Price either in cash or shares of Class A Common Stock or other securities of the Company deemed by the Board of Directors, in the exercise of its sole discretion, to be at least equivalent in value to the Redemption Price.

(b) Immediately upon the action of the Board of Directors electing to redeem the Rights (or, if the resolution of the Board of Directors electing to redeem the Rights states that the redemption will not be effective until the occurrence of a specified future time or event, upon the occurrence of such future time or event), without any further action and without any notice, the right to exercise the Rights will terminate and each Right, whether or not previously exercised, will thereafter represent only the right to receive the Redemption Price in cash or securities, as determined by the Board of Directors. Promptly after the Rights are redeemed, the Company shall give notice of such redemption to the Rights Agent and the holders of the then outstanding Rights by mailing such notice in accordance with Section 5.9.

(c) A committee of the independent members of the Board of Directors will evaluate this Agreement annually to determine whether it continues to be in the best interests of the Company's stockholders.

(d) If the Company, not earlier than 40 Business Days nor later than 80 Business Days following the commencement of a Qualified Offer within the meaning of Rule 14d-2(a) under the Exchange Act, which has not been terminated prior thereto and which continues to be a Qualified Offer, receives a written notice complying with the terms of this Section 5.1(d) (the “Special Meeting Notice”) that is properly executed by the holders of record (or their duly authorized proxy) of at least ten percent (10%) of the shares of Class A Common Stock of the Company or of the voting power of the shares of Common Stock of the Company, in each case, then outstanding (other than shares of Class A Common Stock held by the offeror or its Affiliates and Associates) directing the Board of Directors to submit to a vote of stockholders at a special meeting of the stockholders of the Company (a “Special Meeting”) a resolution authorizing the redemption of all, but not less than all, of the then outstanding Rights at the Redemption Price (the “Redemption Resolution”), then the Board of Directors shall take such actions as are necessary or desirable to cause the Redemption Resolution to be so submitted to a vote of stockholders by including a proposal relating to adoption of the Redemption Resolution in the proxy materials of the Company for the Special Meeting; provided, however, that in any twelve-month period the Company shall not be required to submit more than one Redemption Resolution to a vote of stockholders with respect to Qualified Offers from any given potential Acquiring Person (including any Affiliates or Associates). For purposes of a Special Meeting Notice, the record date for determining eligible holders of record shall be the 60th Business Day following the commencement of a Qualified Offer within the meaning of Rule 14d-2(a) under the Exchange Act. Any

Special Meeting Notice must be delivered to the Secretary of the Company at the principal executive offices of the Company and must set forth as to the stockholders of record executing the request (i) the name and address of such stockholders, as they appear on the Company's books and records, (ii) the class and number of shares of Class A Common Stock of the Company that are owned of record by each of such stockholders, and (iii) in the case of Class A Common Stock Beneficially Owned by another Person, an executed certification by the holder of record that such holder has executed such Special Meeting Notice only after obtaining instructions to do so from such Beneficial Owner. The Board of Directors shall set a date for determining the stockholders of record entitled to notice of and to vote at the Special Meeting in accordance with the Company's certificate of incorporation, bylaws and applicable law. Subject to the requirements of applicable law, the Board of Directors may take a position in favor of or opposed to the adoption of the Redemption Resolution, or no position with respect to the Redemption Resolution, as it determines to be appropriate in the exercise of its duties. At the offeror's request, the Company shall include in any proxy soliciting material prepared by it in connection with the Special Meeting proxy soliciting material submitted by the offeror; provided, however, that the offeror, by written agreement with the Company contained in or delivered with such request, shall have indemnified the Company against any and all liabilities resulting from any statements found to be defamatory, misstatements, misleading statements or omissions contained in or omitted from the offeror's proxy soliciting materials and have agreed to pay the Company's incremental costs incurred as a result of including such material in the Company's proxy soliciting



material. Notwithstanding anything to the contrary contained in this Agreement, if the Board of Directors determines that it is in the best interests of stockholders to seek an alternative transaction so as to obtain greater value for stockholders than that provided by any Qualified Offer, the Company shall be entitled to include information relating to such alternative transaction in the proxy soliciting material prepared by it in connection with the Special Meeting. If no Person has become an Acquiring Person prior to the redemption date referred to in this Section 5.1(d), and the Qualified Offer continues to be a Qualified Offer and either (A) the Special Meeting is not held on or prior to the 90th Business Day following receipt of the Special Meeting Notice (other than in the event such Special Meeting is not held because of the absence of a quorum due to the failure of SunEdison to be present or represented at such Special Meeting), or (B) at the Special Meeting, the holders of at least a majority of the voting power of the shares of Common Stock and a majority of the shares of Class A Common Stock, in each case, outstanding and entitled to vote as of the record date for the Special Meeting, not giving effect to any affirmative votes cast by the offeror or any of its Affiliates or Associates, shall vote in favor of the Redemption Resolution (and the results of the vote are certified as official by the appointed inspectors of election for the Special Meeting), then all of the Rights shall be deemed redeemed by such failure to hold the Special Meeting or as a result of such stockholder action, as the case may be, at the Redemption Price, or the Board of Directors shall take such other action as would prevent the existence of the Rights from interfering with the consummation of the Qualified Offer, effective immediately prior to the consummation of the Qualified Offer, if, and only if, the Qualified Offer is consummated

within 60 days after either (x) the Close of Business on the 90th Business Day following receipt of the Special Meeting Notice if a Special Meeting is not held on or prior to such date or (y) the date on which the results of the vote on the Redemption Resolution at the Special Meeting are certified as official by the appointed inspectors of election for the Special Meeting, as the case may be. Nothing in this subparagraph (d) shall be construed as limiting or prohibiting the Company or any offeror from proposing or engaging in any acquisition, disposition or other transfer of any securities of the Company, any merger or consolidation involving the Company, any sale or other transfer of assets of the Company, any liquidation, dissolution or winding-up of the Company, or any other business combination or other transaction, or any other action by the Company or such offeror; provided, however, that the holders of Rights shall have the rights set forth in this Agreement with respect to any such acquisition, disposition, transfer, merger, consolidation, sale, liquidation, dissolution, winding-up, business combination, transaction or action.

5.2 Expiration. The Rights and this Agreement shall expire at the Expiration Time and no Person shall have any rights pursuant to this Agreement or any Right after the Expiration Time, except as set forth in Section 4.1 or as otherwise expressly set forth in this Agreement, or, if the Rights have been exchanged or redeemed, as provided in Section 3.1 or 5.1, respectively.

5.3 Issuance of New Rights Certificates. Notwithstanding any of the provisions of this Agreement or of the Rights to the contrary, the Company may, at its option, issue new Rights Certificates evidencing Rights in such form as may be approved

by its Board of Directors to reflect any adjustment or change in the number or kind or class of shares of stock purchasable upon exercise of Rights made in accordance with the provisions of this Agreement. In addition, in connection with the issuance or sale of shares of Class A Common Stock by the Company following the Separation Time and prior to the Expiration Time pursuant to the terms of securities convertible, exchangeable or redeemable into shares of Class A Common Stock (including, for the avoidance of doubt, the issuance of Class A Common Stock following the Separation Time and prior to the Expiration Time upon the exchange of any Class B Units of Terra LLC, together with the corresponding shares of Class B Common Stock, issued prior to and outstanding at the Separation Time for shares of Class A Common Stock in accordance with the Company's certificate of incorporation and bylaws and the limited liability company agreement of Terra LLC then in effect) or to options, warrants or other rights (other than any securities issued or issuable in connection with the exercise or exchange of Rights), in each case issued or granted prior to, and outstanding at, the Separation Time, the Company shall issue to the holders of such shares of Class A Common Stock, Rights Certificates representing the appropriate number of Rights in connection with the issuance or sale of such shares of Class A Common Stock; provided, however, in each case, (i) no such Rights Certificate shall be issued, if, and to the extent that, the Company shall be advised by counsel that such issuance would create a significant risk of material adverse tax consequences to the Company or to the Person to whom such Rights Certificates would be issued, (ii) no such Rights Certificates shall be issued if, and to the extent that, appropriate adjustment shall have otherwise been made in lieu of the issuance

thereof (it being specified, for the avoidance of doubt, that no such Rights Certificates shall be issued in connection with the issuance of Class A Common Stock upon the exchange of any Class B Unit of Terra LLC, together with the corresponding share of Class B Common Stock, for shares of Class A Common Stock in accordance with the Company's certificate of incorporation and bylaws and the limited liability company agreement of Terra LLC then in effect, if any fraction of any Class B Unit of Terra LLC and corresponding share of Class B Common Stock (or Series B Preferred Stock, as defined in the limited liability company agreement of Terra LLC) has been or will be issued to the holder of such Class B Unit pursuant to the equitable adjustment mechanism set forth in Section 4.1(e) of the limited liability agreement of Terra LLC, as amended on the date hereof, or if the holder of such Class B Unit has or will benefited from any other equitable adjustment pursuant to Section 4.1 of the limited liability agreement of Terra LLC then in effect), and (iii) the Company shall have no obligation to distribute Rights Certificates to any Acquiring Person or Affiliate or Associate of an Acquiring Person or any transferee of any of the foregoing.

5.4 Supplements and Amendments. The Company and the Rights Agent may from time to time supplement or amend this Agreement without the approval of any holders of Rights (i) prior to the Flip-in Date, in any respect and (ii) on or after the Flip-in Date, to make any changes that the Company may deem necessary or desirable (x) that shall not materially adversely affect the interests of the holders of Rights generally (other than the Acquiring Person or any Affiliate or Associate thereof), (y) in order to cure any ambiguity or to correct or supplement any provision contained herein which

may be inconsistent with any other provisions herein or otherwise defective or (z) in order to satisfy any applicable law, rule or regulation, including any Trading Regulation on any applicable exchange so as to allow trading of the Company's securities thereon. The Rights Agent will duly execute and deliver any supplement or amendment hereto requested by the Company in writing, provided that the Company has delivered to the Rights Agent a certificate from an appropriate officer of the Company that states that the proposed supplement or amendment complies with the terms of this Agreement. The Rights Agent agrees that time is of the essence in connection with any supplement or amendment that it is directed to execute. Notwithstanding anything contained in this Agreement to the contrary, the Rights Agent may, but shall not be obligated to, enter into any supplement or amendment that affects the Rights Agent's own rights, duties, obligations or immunities under this Agreement.

5.5 Fractional Shares. If the Company elects not to issue certificates representing (or register on the stock transfer books of the Company) fractional shares upon exercise, redemption or exchange of Rights, the Company shall, in lieu thereof, in the sole discretion of the Board of Directors, either (a) evidence such fractional shares by depositary receipts issued pursuant to an appropriate agreement between the Company and a depositary selected by it, providing that each holder of a depositary receipt shall have all of the rights, privileges and preferences to which such holder would be entitled as a beneficial owner of such fractional share, or (b) pay to the registered holder of such Rights the appropriate fraction of the Market Price per share in cash. Whenever a payment for fractional shares is to be made by the Rights Agent, the Company shall (i)

promptly prepare and deliver to the Rights Agent a certificate setting forth in reasonable detail the facts related to such payments and the prices and/or formulas utilized in calculating such payments, and (ii) provide sufficient monies to the Rights Agent in the form of fully collected funds to make such payments. The Rights Agent shall be fully protected in relying upon such a certificate and shall have no duty with respect to, and shall not be deemed to have knowledge of any payment for, fractional shares under any Section of this Agreement relating to the payment of fractional shares unless and until the Rights Agent shall have received such a certificate and sufficient monies.

5.6 Rights of Action. Subject to the terms of this Agreement (including Sections 3.1(b), 5.10 and 5.13), rights of action in respect of this Agreement, other than rights of action vested solely in the Rights Agent, the Board of Directors or the Company, are vested in the respective holders of the Rights; and any holder of any Rights, without the consent of the Rights Agent or of the holder of any other Rights, may, on such holder's own behalf and for such holder's own benefit and the benefit of other holders of Rights, enforce, and may institute and maintain any suit, action or proceeding against the Company to enforce, or otherwise act in respect of, such holder's right to exercise such holder's Rights in the manner provided in such holder's Rights Certificate and in this Agreement. Without limiting the foregoing or any remedies available to the holders of Rights, it is specifically acknowledged that the holders of Rights would not have an adequate remedy at law for any breach of this Agreement and will be entitled to specific performance of the obligations under, and injunctive relief against actual or threatened violations of, the obligations of any Person subject to this Agreement.

5.7 Holder of Rights Not Deemed a Stockholder. No holder, as such, of any Rights shall be entitled to vote, receive dividends or be deemed for any purpose the holder of shares or any other securities that may at any time be issuable on the exercise of such Rights, nor shall anything contained herein or in any Rights Certificate be construed to confer upon the holder of any Rights, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action, or to receive notice of meetings or other actions affecting stockholders (except as provided in Section 5.8), or to receive dividends or subscription rights, or otherwise, until such Rights shall have been exercised or exchanged in accordance with the provisions hereof.

5.8 Notice of Proposed Actions. In case the Company shall propose at or after the Separation Time and prior to the Expiration Time (i) to effect or permit a Flip-over Transaction or Event or (ii) to effect the liquidation, dissolution or winding up of the Company, then, in each such case, the Company shall give to the Rights Agent and to each holder of a Right, in accordance with Section 5.9, written notice of such proposed action, which shall specify the date on which such Flip-over Transaction or Event, liquidation, dissolution, or winding up is to take place, and such notice shall be so given at least 20 Business Days prior to the date of the taking of such proposed action.

5.9 Notices. Notices or demands authorized or required by this Agreement to be given or made by the Rights Agent or by the holder of any Rights to or on the Company shall be in writing and shall be sufficiently given or made if delivered or

sent by nationally recognized overnight courier or first-class mail, postage prepaid, addressed (until another address is filed in writing with the Rights Agent) as follows:

TerraForm Power, Inc.  
7550 Wisconsin Avenue, 9<sup>th</sup> Floor  
Bethesda, Maryland 20814  
Attention: General Counsel

Any notice or demand authorized or required by this Agreement to be given or made by the Company or by the holder of any Rights to or on the Rights Agent shall be sufficiently given or made if delivered or sent by nationally recognized overnight courier or first-class mail, postage prepaid, addressed (until another address is filed in writing with the Company) as follows:

Computershare Trust Company, N.A.  
250 Royall Street  
Canton, MA 02021  
Attention: Client Services

Notices or demands authorized or required by this Agreement to be given or made by the Company or the Rights Agent to or on the holder of any Rights shall be sufficiently given or made if delivered or sent by nationally recognized overnight courier or by first-class mail, postage prepaid, addressed to such holder at the address of such holder as it appears upon the registry books of the Rights Agent or, prior to the Separation Time, on the registry books of the transfer agent for the Class A Common Stock. Any notice that is sent in the manner herein provided shall be deemed given, whether or not the holder receives the notice.

5.10 Suspension of Exercisability or Exchangeability. To the extent that the Board of Directors determines in good faith that some action will or need be



taken pursuant to, or in order to properly give effect to, Section 2.3, 3.1 or 4.4 or to comply with federal or state securities laws or applicable Trading Regulations, the Company may suspend the exercisability or exchangeability of the Rights for a reasonable period sufficient to allow it to take such action or comply with such laws or Trading Regulations. In the event of any such suspension, the Company may issue a public announcement (and will provide prompt written notice to the Rights Agent) stating that the exercisability or exchangeability of the Rights has been temporarily suspended. Notice thereof pursuant to Section 5.9 shall not be required. Upon such suspension, any rights of action vested in a holder of Rights shall be similarly suspended.

Failure to give a notice pursuant to the provisions of this Agreement shall not affect the validity of any action taken hereunder.

5.11 Successors. All the covenants and provisions of this Agreement by or for the benefit of the Company or the Rights Agent shall bind and inure to the benefit of their respective successors and assigns hereunder.

5.12 Benefits of this Agreement. Nothing in this Agreement shall be construed to give to any Person other than the Company, the Rights Agent and the holders of the Rights any legal or equitable right, remedy or claim under this Agreement and this Agreement shall be for the sole and exclusive benefit of the Company, the Rights Agent and the holders of the Rights.

5.13 Determination and Actions by the Board of Directors, etc. The Board of Directors (or any duly authorized committee thereof) shall have the exclusive power and authority to administer this Agreement and to exercise all rights and powers

specifically granted to the Board of Directors or to the Company, or as may be necessary or advisable in the administration of this Agreement, including, without limitation, the right and power to (i) interpret the provisions of this Agreement and (ii) make all determinations and calculations deemed necessary or advisable for the administration or implementation of this Agreement, without limitation, including the right to determine the Rights to be null and void pursuant to Section 3.1, after taking into account the purpose of this Agreement and the Company's interest in maintaining an orderly trading market in the outstanding shares of Class A Common Stock; provided, however, that nothing in this Section 5.13 shall give the Board of Directors the right to modify the Rights Agent's rights, duties, obligations or immunities under this Agreement without the written consent of the Rights Agent, which may be withheld by the Rights Agent for any reason or for no reason. All such actions, interpretations, calculations and determinations done or made by the Board of Directors (including by a committee of the Board of Directors to the extent permitted by applicable law), shall be final, conclusive and binding on the Company, the Rights Agent, the holders of the Rights and all other Persons. The Rights Agent shall always be entitled to assume that the Board of Directors of the Company acted in good faith and the Rights Agent shall be fully protected and shall incur no liability in reliance thereon.

5.14 Descriptive Headings; Section References. Descriptive headings appear herein for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof. Where a reference in this Agreement is

made to a Section, such reference shall be to a Section of this Agreement unless otherwise indicated.

5.15 **GOVERNING LAW; EXCLUSIVE JURISDICTION.**

(a) THIS AGREEMENT, EACH RIGHT AND EACH RIGHTS CERTIFICATE ISSUED HEREUNDER SHALL BE DEEMED TO BE A CONTRACT MADE UNDER THE LAWS OF THE STATE OF DELAWARE AND FOR ALL PURPOSES SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF SUCH STATE APPLICABLE TO CONTRACTS ENTERED INTO, MADE WITHIN, AND TO BE PERFORMED ENTIRELY WITHIN THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAWS PROVISIONS OR RULES THAT WOULD CAUSE THE APPLICATION OF LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF DELAWARE.

(b) (i) THE COMPANY AND EACH HOLDER OF RIGHTS HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE COURT OF CHANCERY OF THE STATE OF DELAWARE, OR, IF SUCH COURT SHALL LACK SUBJECT MATTER JURISDICTION, THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE OVER ANY SUIT, ACTION, OR PROCEEDING ARISING OUT OF OR RELATING TO OR CONCERNING THIS AGREEMENT. The Company and each holder of Rights acknowledge that the forum designated by this paragraph (b) has a reasonable relation to this Agreement, and to such Persons' relationship with one another.

(ii) The Company and each holder of Rights hereby waive, to the fullest extent permitted by applicable law, any objection which they now or hereafter have to personal jurisdiction or to the laying of venue of any such suit, action or proceeding brought in any court referred to in paragraph (b)(i). The Company and each holder of Rights undertake not to commence any action subject to this Agreement in any forum other than the forum described in this paragraph (b). The Company and each holder of Rights agree that, to the fullest extent permitted by applicable law, a final and non-appealable judgment in any such suit, action, or proceeding brought in any such court shall be conclusive and binding upon such Persons.

5.16 Counterparts. This Agreement may be executed in any number of counterparts (including by facsimile, PDF or other electronic means) and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument. A signature to this Agreement transmitted electronically shall have the same authority, effect and enforceability as an original signature.

5.17 Severability. If any term or provision hereof or the application thereof to any circumstance shall, in any jurisdiction and to any extent, be invalid or unenforceable, such term or provision shall be ineffective as to such jurisdiction to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining terms and provisions hereof or the application of such term or provision to circumstances other than those as to which it is held invalid or unenforceable; provided that, if any such excluded term or provision shall adversely

affect the rights, immunities, duties or obligations of the Rights Agent, the Rights Agent shall be entitled to resign immediately.

5.18 Customer Identification Program. The Company acknowledges that the Rights Agent is subject to the customer identification program (“Customer Identification Program”) requirements under the USA PATRIOT Act and its implementing regulations, and that the Rights Agent must obtain, verify and record information that allows the Rights Agent to identify the Company. Accordingly, prior to accepting an appointment hereunder, the Rights Agent may request information from the Company that will help the Rights Agent to identify the Company, including without limitation the Company’s physical address, tax identification number, organizational documents, certificate of good standing, license to do business, or any other information that the Rights Agent deems necessary. The Company agrees that the Rights Agent cannot accept an appointment hereunder unless and until the Rights Agent verifies the Company’s identity in accordance with the Customer Identification Program requirements.

5.19 Withholding. In the event that the Company, the Rights Agent or their agents determine that they are obligated to withhold or deduct any tax or other charge under any applicable law on actual or deemed payments or distributions hereunder to a holder of the Rights, Class A Common Stock or other cash, securities or other property, the Company, the Rights Agent or their agents shall be entitled, but not obligated, to (i) deduct and withhold such amount by withholding a portion or all of the cash, securities or other property otherwise deliverable or by otherwise using any

property (including, without limitation, Rights, Preferred Stock, Class A Common Stock or cash) that is owned by such holder, or (ii) in lieu of such withholding, require any holder to make a payment to the Company, the Rights Agent or their agents, in each case in such amounts as they deem necessary to meet their withholding obligations, and in the case of (i) above, shall also be entitled, but not obligated, to sell all or a portion of such withheld securities or other property by public or private sale in such amounts and in such manner as they deem necessary and practicable to pay such taxes and charges.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

TERRAFORM POWER, INC.

By: /s/ Peter Blackmore  
Name: Peter Blackmore  
Title: Chairman and Interim Chief  
Executive Officer

COMPUTERSHARE TRUST COMPANY,  
N.A.

By: /s/ Dennis V. Moccia  
Name: Dennis V. Moccia  
Title: Manager, Contract Administration

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[Form of Rights Certificate]

Certificate No. W-

\_\_\_\_\_ Rights

THE RIGHTS ARE SUBJECT TO REDEMPTION OR MANDATORY EXCHANGE, AT THE OPTION OF THE COMPANY, ON THE TERMS SET FORTH IN THE RIGHTS AGREEMENT. RIGHTS BENEFICIALLY OWNED BY ACQUIRING PERSONS OR AFFILIATES OR ASSOCIATES THEREOF (AS SUCH TERMS ARE DEFINED IN THE RIGHTS AGREEMENT) OR TRANSFEREES OF ANY OF THE FOREGOING WILL BE VOID.

Rights Certificate

TERRAFORM POWER, INC.

This certifies that \_\_\_\_\_, or registered assigns, is the registered holder of the number of Rights set forth above, each of which entitles the registered holder thereof, subject to the terms, provisions and conditions of the Stockholder Protection Rights Agreement, dated as of July 24, 2016 (as amended from time to time, the "Rights Agreement"), between TerraForm Power, Inc., a Delaware corporation (the "Company"), and Computershare Trust Company, N.A., a federally chartered trust company, as Rights Agent (the "Rights Agent", which term shall include any successor Rights Agent under the Rights Agreement), to purchase from the Company at or at any time after the Separation Time (as such term is defined in the Rights Agreement) and prior to the Expiration Time (as defined in the Rights Agreement), one one-hundredth of a fully paid share of Participating Preferred Stock, par value \$0.01 per share (the "Preferred Stock"), of the Company (subject to adjustment as provided in the Rights Agreement) at the Exercise Price referred to below, upon presentation and surrender of this Rights Certificate with the Form of Election to Exercise duly executed at the office of the Rights Agent designated for such purpose. The Exercise Price shall

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initially be \$40.00 per Right and shall be subject to adjustment in certain events as provided in the Rights Agreement.

In certain circumstances described in the Rights Agreement, the Rights evidenced hereby may entitle the registered holder thereof to purchase securities of an entity other than the Company or securities of the Company other than Preferred Stock or assets of the Company, all as provided in the Rights Agreement.

This Rights Certificate is subject to all of the terms, provisions and conditions of the Rights Agreement, which terms, provisions and conditions are hereby incorporated herein by reference and made a part hereof and to which Rights Agreement reference is hereby made for a full description of the rights, limitations of rights, obligations, duties and immunities hereunder of the Rights Agent, the Company and the holders of the Rights Certificates. Copies of the Rights Agreement are on file at the principal office of the Company and are available without cost upon written request.

This Rights Certificate, with or without other Rights Certificates, upon surrender at the office of the Rights Agent designated for such purpose, may be exchanged for another Rights Certificate or Rights Certificates of like tenor evidencing an aggregate number of Rights equal to the aggregate number of Rights evidenced by the Rights Certificate or Rights Certificates surrendered. If this Rights Certificate shall be exercised in part, the registered holder shall be entitled to receive, upon surrender hereof, another Rights Certificate or Rights Certificates for the number of whole Rights not exercised.

Subject to the provisions of the Rights Agreement, each Right evidenced by this Certificate may be (a) redeemed by the Company under certain circumstances, at

its option, at a redemption price of \$0.01 per Right or (b) exchanged by the Company under certain circumstances, at its option, for one share of Class A Common Stock, par value \$0.01 per share, of the Company (the "Class A Common Stock") or one one-hundredth of a share of Preferred Stock per Right (or, in certain cases, other securities or assets of the Company), subject in each case to adjustment in certain events as provided in the Rights Agreement.

No holder of this Rights Certificate, as such, shall be entitled to vote or receive dividends or be deemed for any purpose the holder of any securities which may at any time be issuable on the exercise hereof, nor shall anything contained in the Rights Agreement or herein be construed to confer upon the holder hereof, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action, or to receive notice of meetings or other actions affecting stockholders (except as provided in the Rights Agreement), or to receive dividends or subscription rights, or otherwise, until the Rights evidenced by this Rights Certificate shall have been exercised or exchanged as provided in the Rights Agreement.

This Rights Certificate shall not be valid or obligatory for any purpose until it shall have been countersigned by the Rights Agent.

WITNESS the facsimile signature of the proper officers of the Company and its corporate seal.

Date: \_\_\_\_\_

ATTEST:

TERRAFORM POWER, INC.

\_\_\_\_\_  
Secretary

By \_\_\_\_\_

Countersigned:

COMPUTERSHARE TRUST  
COMPANY, N.A.

By \_\_\_\_\_  
Authorized Signature

FORM OF ASSIGNMENT

(To be executed by the registered holder if such holder desires to transfer this Rights Certificate.)

FOR VALUE RECEIVED \_\_\_\_\_ hereby  
sells, assigns and transfers unto \_\_\_\_\_  
(Please print name  
\_\_\_\_\_ and address of transferee)

this Rights Certificate, together with all right, title and interest therein, and does hereby irrevocably constitute and appoint \_\_\_\_\_ Attorney, to transfer the within Rights Certificate on the books of the within-named Company, with full power of substitution.

Dated: \_\_\_\_\_, \_\_\_\_\_

Signature Guaranteed: \_\_\_\_\_

Signature  
(Signature must correspond to name as written upon the face of this Rights Certificate in every particular, without alteration or enlargement or any change whatsoever)

Signatures must be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature guarantee Medallion program), pursuant to Exchange Act Rule 17Ad-15. A notary is not sufficient.

.....  
(To be completed if true)

The undersigned hereby represents, for the benefit of all holders of Rights and shares of Common Stock (as defined in the Rights Agreement), that the Rights evidenced by this Rights Certificate are not, and, to the knowledge of the undersigned, have never been, Beneficially Owned by an Acquiring Person or an Affiliate or Associate thereof (as defined in the Rights Agreement).

\_\_\_\_\_

Signature

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NOTICE

In the event the certification set forth above is not properly completed in connection with a purported assignment, the Company will deem the Beneficial Owner of the Rights evidenced by the enclosed Rights Certificate to be an Acquiring Person or an Affiliate or Associate thereof (as defined in the Rights Agreement) or a transferee of any of the foregoing and accordingly will deem the Rights evidenced by such Rights Certificate to be void and not transferable or exercisable.

FORM OF ELECTION TO EXERCISE

(To be executed if holder desires to  
exercise the Rights Certificate.)

TO: TERRAFORM POWER, INC.

The undersigned hereby irrevocably elects to exercise  
\_\_\_\_\_ whole Rights represented by the attached Rights Certificate  
to purchase the shares of [Class A Common] [Participating Preferred] Stock issuable  
upon the exercise of such Rights and requests that certificates for such shares be issued in  
the name of:

\_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Social Security or Other Taxpayer  
Identification Number: \_\_\_\_\_

If such number of Rights shall not be all the Rights evidenced by this Rights Certificate, a  
new Rights Certificate for the balance of such Rights shall be registered in the name of  
and delivered to:

\_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Social Security or Other Taxpayer  
Identification Number: \_\_\_\_\_

Dated: \_\_\_\_\_, \_\_\_\_\_

Signature Guaranteed: \_\_\_\_\_

Signature  
(Signature must correspond to name  
as written upon the face of this  
Rights Certificate in every particular,  
without alteration or enlargement or  
any change whatsoever)

Signatures must be guaranteed by an eligible guarantor institution (banks,  
stockbrokers, savings and loan associations and credit unions with membership in an

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approved signature guarantee Medallion program), pursuant to Exchange Act Rule 17Ad-15. A notary is not sufficient.

.....  
(To be completed if true)

The undersigned hereby represents, for the benefit of all holders of Rights and shares of Common Stock (as defined in the Rights Agreement), that the Rights evidenced by the attached Rights Certificate are not, and, to the knowledge of the undersigned, have never been, Beneficially Owned by an Acquiring Person or an Affiliate or Associate thereof (as defined in the Rights Agreement).

\_\_\_\_\_  
Signature

.....

NOTICE

In the event the certification set forth above is not properly completed in connection with a purported exercise, the Company will deem the Beneficial Owner of the Rights evidenced by the attached Rights Certificate to be an Acquiring Person or an Affiliate or Associate thereof (as defined in the Rights Agreement) or a transferee of any of the foregoing and accordingly will deem the Rights evidenced by such Rights Certificate to be void and not transferable or exercisable.

EXHIBIT B

FORM OF CERTIFICATE OF DESIGNATION AND TERMS  
OF PARTICIPATING PREFERRED STOCK OF TERRAFORM POWER, INC.

Pursuant to Section 151 of the General  
Corporation Law of the State of Delaware

We, the undersigned, \_\_\_\_\_ and  
\_\_\_\_\_, the \_\_\_\_\_, and \_\_\_\_\_, respectively, of  
TerraForm Power, Inc., a Delaware corporation (the "Corporation"), do hereby certify as  
follows:

Pursuant to authority granted by Article Four of the Amended and  
Restated Certificate of Incorporation of the Corporation, as amended, and in accordance  
with the provisions of Section 151 of the General Corporation Law of the State of  
Delaware, the Board of Directors of the Corporation has adopted the following  
resolutions fixing the designation and certain terms, powers, preferences and other rights  
of a new series of the Corporation's Preferred Stock, par value \$0.01 per share, and  
certain qualifications, limitations and restrictions thereon:

RESOLVED, that there is hereby established a series of Preferred Stock,  
par value \$0.01 per share, of the Corporation, and the designation and certain  
terms, powers, preferences and other rights of the shares of such series, and  
certain qualifications, limitations and restrictions thereon, are hereby fixed as  
follows:

The distinctive serial designation of this series shall be  
"Participating Preferred Stock" (hereinafter called "this Series"). Each  
share of this Series shall be identical in all respects with the other shares of  
this Series except as to the dates from and after which dividends thereon  
shall be cumulative.

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The number of shares in this Series shall initially be \_\_\_\_,<sup>1</sup> which number may from time to time be increased or decreased (but not below the number then outstanding) by the Board of Directors. Shares of this Series purchased by the Corporation shall be cancelled and shall revert to authorized but unissued shares of Preferred Stock undesignated as to series. Shares of this Series may be issued in fractional shares which are whole number multiples of one one-hundredth of a share, which fractional shares shall entitle the holder, in proportion to such holder's fractional share, to all rights of a holder of a whole share of this Series.

The holders of full or fractional shares of this Series shall be entitled to receive, when and as declared by the Board of Directors, but only out of funds legally available therefor, dividends, (A) on each date that dividends or other distributions (other than dividends or distributions payable in Class A Common Stock of the Corporation) are payable on or in respect of Class A Common Stock comprising part of the Reference Package (as defined below), in an amount per whole share of this Series equal to the aggregate amount of dividends or other distributions (other than dividends or distributions payable in Class A Common Stock of the Corporation) that would be payable on such date to a holder of the Reference Package and (B) on the last day of March, June, September and December in each year, in an amount per whole share of this Series equal to the excess (if any) of \$\_\_\_\_<sup>2</sup> over the aggregate dividends paid per whole share of this Series during the three month period ending on such last day. Each such dividend shall be paid to the holders of record of shares of this Series on the date, not exceeding sixty days preceding such dividend or distribution payment date, fixed for this purpose by the Board of Directors in advance of payment of each particular dividend or distribution. Dividends on each full and each fractional share of this Series shall be cumulative from the date such full or fractional share is originally issued; provided that any such full or fractional share originally issued after a dividend record date and on or prior to the dividend payment date to which such record date relates shall not be entitled to receive the dividend payable on such dividend payment date or any amount in respect of the period from such original issuance to such dividend payment date.

The term "Reference Package" shall initially mean 100 shares of Class A common stock, par value \$0.01 per share ("Class A Common Stock"), of the Corporation. In the event the Corporation shall

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<sup>1</sup> Insert number equal to the number of shares of Class A Common Stock outstanding on date prior to filing certificate of designation divided by 100.

<sup>2</sup> Insert an amount equal to 1/4 of 1% of the Exercise Price divided by the number of shares of Preferred Stock purchasable upon exercise of one Right.

at any time after the close of business on \_\_\_\_\_, \_\_\_\_<sup>3</sup> (A) declare or pay a dividend on any Class A Common Stock payable in Class A Common Stock, (B) subdivide any Class A Common Stock or (C) combine any Class A Common Stock into a smaller number of shares, then and in each such case the Reference Package after such event shall be the Class A Common Stock that a holder of the Reference Package immediately prior to such event would hold thereafter as a result thereof.

Holders of shares of this Series shall not be entitled to any dividends, whether payable in cash, property or stock, in excess of full cumulative dividends, as herein provided on this Series.

So long as any shares of this Series are outstanding, no dividend (other than a dividend in Class A Common Stock or in any other stock ranking junior to this Series as to dividends and upon liquidation) shall be declared or paid or set aside for payment or other distribution declared or made upon the Class A Common Stock or upon any other stock ranking junior to this Series as to dividends or upon liquidation, unless the full cumulative dividends (including the dividend to be paid upon payment of such dividend or other distribution) on all outstanding shares of this Series shall have been, or shall contemporaneously be, paid. When dividends are not paid in full upon this Series and any other stock ranking on a parity as to dividends with this Series, all dividends declared upon shares of this Series and any other stock ranking on a parity as to dividends shall be declared pro rata so that in all cases the amount of dividends declared per share on this Series and such other stock shall bear to each other the same ratio that accumulated dividends per share on the shares of the Series and such other stock bear to each other. Neither the Class A Common Stock nor any other stock of the Corporation ranking junior to or on a parity with this Series as to dividends or upon liquidation shall be redeemed, purchased or otherwise acquired for any consideration (or any moneys be paid to or made available for a sinking fund for the redemption of any shares of any such stock) by the Corporation (except by conversion into or exchange for stock of the Corporation ranking junior to this Series as to dividends and upon liquidation), unless the full cumulative dividends (including the dividend to be paid upon payment of such dividend, distribution, redemption, purchase or other acquisition) on all outstanding shares of this Series shall have been, or shall contemporaneously be, paid.

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<sup>3</sup> For a certificate of designation relating to shares to be issued pursuant to Section 2.3 of the Rights Agreement, insert the Separation Time. For a certificate of designation relating to shares to be issued pursuant to Section 3.1(d) of the Rights Agreement, insert the Flip-in Date.

In the event of any merger, consolidation, reclassification or other transaction in which the shares of Class A Common Stock are exchanged for or changed into other stock or securities, cash and/or any other property, then in any such case the shares of this Series shall at the same time be similarly exchanged or changed in an amount per whole share equal to the aggregate amount of stock, securities, cash and/or any other property (payable in kind), as the case may be, that a holder of the Reference Package would be entitled to receive as a result of such transaction.

In the event of any liquidation, dissolution or winding up of the affairs of the Corporation, whether voluntary or involuntary, the holders of full and fractional shares of this Series shall be entitled, before any distribution or payment is made on any date to the holders of the Class A Common Stock or any other stock of the Corporation ranking junior to this Series upon liquidation, to be paid in full an amount per whole share of this Series equal to the greater of (A) \$0.01 or (B) the aggregate amount distributed or to be distributed in connection with such liquidation, dissolution or winding up to a holder of the Reference Package (such greater amount being hereinafter referred to as the "Liquidation Preference"), together with accrued dividends to such distribution or payment date, whether or not earned or declared. If such payment shall have been made in full to all holders of shares of this Series, the holders of shares of this Series as such shall have no right or claim to any of the remaining assets of the Corporation.

In the event the assets of the Corporation available for distribution to the holders of shares of this Series upon any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, shall be insufficient to pay in full all amounts to which such holders are entitled pursuant to the first paragraph of this Section (v), no such distribution shall be made on account of any shares of any other class or series of Preferred Stock ranking on a parity with the shares of this Series upon such liquidation, dissolution or winding up unless proportionate distributive amounts shall be paid on account of the shares of this Series, ratably in proportion to the full distributable amounts for which holders of all such parity shares are respectively entitled upon such liquidation, dissolution or winding up.

Upon the liquidation, dissolution or winding up of the Corporation, the holders of shares of this Series then outstanding shall be entitled to be paid out of assets of the Corporation available for distribution to its stockholders all amounts to which such holders are entitled pursuant to the first paragraph of this Section (v) before any payment shall be made to the holders of Class A Common Stock or any other stock of the Corporation ranking junior upon liquidation to this Series.

For the purposes of this Section (v), the consolidation or merger of, or binding statutory share exchange by, the Corporation with any other corporation shall not be deemed to constitute a liquidation, dissolution or winding up of the Corporation.

The shares of this Series shall not be redeemable.

In addition to any other vote or consent of stockholders required by law or by the Amended and Restated Certificate of Incorporation, as amended, of the Corporation, and except as otherwise required by law, each share (or fraction thereof) of this Series shall, on any matter, vote as a class with any other capital stock comprising part of the Reference Package and shall have the number of votes thereon that a holder of the Reference Package would have.

If and whenever dividends payable on this Series and any other class or series of stock of the Corporation ranking on a parity with this Series as to payment of dividends (any such class or series being herein referred to as "dividend parity stock") shall be in arrears in an aggregate amount equal to at least six quarterly dividends (whether or not consecutive), the number of directors then constituting the Board of Directors shall be increased by two and the holders of shares of this Series, together with the holders of all other affected classes and series of dividend parity stock similarly entitled to vote for the election of two additional directors, voting separately as a single class, shall be entitled to elect the two additional directors at any annual meeting of stockholders or any special meeting of the holders of shares of this Series and such dividend parity stock called as hereinafter provided. Whenever all arrears in dividends on the shares of this Series and dividend parity stock then outstanding shall have been paid and dividends thereon for the current quarterly dividend period shall have been paid or declared and set aside for payment, then the right of the holders of shares of this Series and such dividend parity stock to elect such additional two directors shall cease (but subject always to the same provisions for the vesting of such voting rights in the case of any similar future arrearages in dividends), and the terms of office of all persons elected as directors by the holders of shares of this Series and such dividend parity stock shall forthwith terminate and the number of directors constituting the Board of Directors shall be reduced accordingly. At any time after such voting power shall have been so vested in the holders of shares of this Series and such dividend parity stock, the Secretary of the Corporation may, and upon the written request of any holder of shares of this Series (addressed to the Secretary at the principal office of the Corporation) shall, call a special meeting of the holders of shares of this Series and such dividend parity stock for the election of the two directors to be elected by them as herein provided, such call to be made by notice similar to that provided in the by-laws for a special meeting of the stockholders or as required by law. If any such

special meeting so required to be called shall not be called by the Secretary within 20 days after receipt of any such request, then any holder of shares of this Series may (at the Corporation's expense) call such meeting, upon notice as herein provided, and for that purpose shall have access to the stock books of the Corporation. The directors elected at any such special meeting shall hold office until the next annual meeting of the stockholders if such office shall not have previously terminated as above provided. In case any vacancy shall occur among the directors elected by the holders of shares of this Series and such dividend parity stock, a successor shall be elected by the Board of Directors to serve until the next annual meeting of the stockholders upon the nomination of the then remaining director elected by the holders of shares of this Series and such dividend parity stock or the successor of such remaining director. If the holders of shares of this Series become entitled under the foregoing provisions to elect or participate in the election of two directors as a result of dividend arrearages, such entitlement shall not affect the right of such holders to vote as stated in paragraph (vii), including the right to vote in the election of the remaining directors.

This Series shall rank as to the payment of dividends and distributions and amounts upon liquidation, dissolution and winding-up junior to all other series or shares of Preferred Stock unless otherwise expressly provided in the terms of such series or shares of Preferred Stock.

In the event that the Corporation or its agents determine that they are obligated to withhold or deduct any tax or other governmental charge under any applicable law on actual or deemed payments or distributions to a holder of the shares of this Series, the Corporation or its agents shall be entitled to (i) deduct and withhold such amount by withholding a portion or all of the cash, securities or other property otherwise deliverable or by otherwise using any property that is owned by such holder, or (ii) in lieu of such withholding, require any holder to make a payment to the Corporation or its agent, in each case in such amounts as they deem necessary to meet their withholding obligations, and in the case of (i) above, shall also be entitled, but not obligated, to sell all or a portion of such withheld securities or other property by public or private sale in such amounts and in such manner as they deem necessary and practicable to pay such taxes and charges.

IN WITNESS WHEREOF, the undersigned have signed and attested this  
certificate on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

\_\_\_\_\_

Attest:

\_\_\_\_\_

\_\_\_\_\_



**FOURTH AMENDMENT  
TO  
AMENDED & RESTATED LIMITED LIABILITY COMPANY AGREEMENT OF  
TERRAFORM POWER, LLC**

This Fourth Amendment (this "Amendment") to the Amended and Restated Limited Liability Company Agreement of TerraForm Power, LLC (the "Company"), dated as of July 23, 2014 (as amended from time to time, the "LLC Agreement"), is entered into as of July 24, 2016 (the "Amendment Date") by TerraForm Power, Inc., a Delaware corporation ("Terra, Inc."), acting in its capacity as sole Managing Member of the Company. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the LLC Agreement.

**RECITALS**

**WHEREAS**, reference is made to the Stockholder Protection Rights Agreement, dated as of the date hereof, between Terra, Inc. and Computershare Trust Company, N.A., a federally chartered trust company, as Rights Agent (the "Rights Plan");

**WHEREAS**, any issuance of shares of Class A Common Stock (or shares of Preferred Stock (as defined in the Rights Plan) or other equity securities) by Terra, Inc. as a result of the redemption, exercise or exchange of Rights (as defined in the Rights Plan) pursuant to Sections 2.3, 3.1 and 5.1 of the Rights Plan (any such issuance, a "Rights Plan Share Distribution") will be accompanied by the issuance of an equal number of Class A Units (or membership interests of the Company with designations, preferences and other rights and terms that are substantially the same as those of Terra, Inc.'s newly-issued Preferred Stock or other equity securities) by the Company pursuant to Section 3.2(d)(ii) or Section 3.2(d)(iii) (Class A Common Stock Sale; Exchanges; Authorization and Issuance of Additional Units) of the LLC Agreement (any such issuance, a "Rights Plan Unit Distribution");

**WHEREAS**, the issuance of any shares of Class A Common Stock (or shares of Preferred Stock or other equity securities) by Terra, Inc. in any Rights Plan Share Distribution and the issuance of any Class A Units (or other membership interests of the Company) by the Company in the corresponding Rights Plan Unit Distribution will be for less than the Market Price (as defined in the Rights Plan) of such Terra, Inc. equity securities and the Fair Market Value of such Company membership interests, respectively, requiring the amount distributed on account of Class B Units and Class B1 Units relative to the Class A Units (or other membership interests of the Company issued in such Rights Plan Unit Distribution) to be equitably adjusted by the Managing Member pursuant to the terms of Section 4.1 (Determination of Distributions) of the LLC Agreement;

**WHEREAS**, the Managing Member desires to amend the LLC Agreement to acknowledge that the provisions of Section 4.5 (Adjustments) of the LLC Agreement are intended to require proportionate adjustments to the Target Distributions and any arrearages on Class A Units and Class B1 Units in the event of the issuance of any Class A Units (or other membership interests of the Company) by the Company in any Rights Plan Unit Distribution;



**WHEREAS**, the Managing Member also desires to clarify the manner in which it will effect the adjustments required by Section 4.1 (Determination of Distributions) and Section 4.5 (Adjustments) of the LLC Agreement in connection with any Rights Plan Share Distribution and corresponding Rights Plan Unit Distribution;

**WHEREAS**, pursuant to Section 9.4 (Amendments and Waivers) of the LLC Agreement, the Managing Member may in its sole discretion, without the approval of any other Member or other Person, so amend the LLC Agreement, including to cure any ambiguity, mistake, defect or inconsistency;

**WHEREAS**, pursuant to Section 9.4 (Amendments and Waivers) of the LLC Agreement, without further action or execution on the part of any other Member or other Person, this Amendment may be executed solely by the Managing Member and the other Members shall be deemed a party to and bound by this Amendment as of the date of hereof; and

**WHEREAS**, the LLC Conflicts Committee has unanimously approved and authorized the adoption, execution and delivery of this Amendment by the Managing Member.

#### AMENDMENT

**NOW THEREFORE**, the Managing Member hereby amends the LLC Agreement as follows:

1. Rights Plan Equitable Adjustment. Section 4.1 (Determination of Distributions) of the LLC Agreement is supplemented by adding the following provision as Section 4.1(e):

(e) Rights Plan Equitable Adjustment. In the event of any issuance of shares of Class A Common Stock (or shares of Preferred Stock (as defined in the Stockholder Protection Rights Agreement, dated as of July 24, 2016, between Terra, Inc. and Computershare Trust Company, N.A., a federally chartered trust company, as Rights Agent (the "Rights Plan")) or other equity securities) by Terra, Inc. as a result of the redemption, exercise or exchange of Rights (as defined in the Rights Plan) pursuant to Sections 2.3, 3.1 and 5.1 of the Rights Plan (any such issuance, a "Rights Plan Share Distribution"), which will be accompanied by the issuance of an equal number of Class A Units (or membership interests of the Company with designations, preferences and other rights and terms that are substantially the same as those of Terra, Inc.'s newly-issued Preferred Stock or other equity securities) by the Company pursuant to Section 3.2(d)(ii) or Section 3.2(d)(iii) (Class A Common Stock Sale; Exchanges; Authorization and Issuance of Additional Units) of this Agreement (any such issuance, a "Rights Plan Unit Distribution"), the Managing Member will effect the equitable adjustment required by Section 4.1 (Determination of Distributions) of this Agreement as follows:

- (i) In the event of any exchange of Rights pursuant to Section 3.1(c) of the Rights Plan or redemption of Rights pursuant to Section 5.1 of the Rights Plan, and simultaneously with any Rights Plan Share Distribution pursuant thereto and corresponding Rights Plan Unit Distribution, the Managing Member will cause the Company to issue a number of Class B Units for each Class B Unit issued and outstanding as of the earlier of (x) the Exchange Time (as defined in the Rights Plan) or the Redemption Time (as defined in the Rights Plan), respectively, and (y) the Separation Time (as defined in the Rights Plan), to the Member holding such Class B Unit calculated as follows:

*Class B Units Issued per Class B Unit Outstanding* = Exchange Anti-Dilution Factor - 1,

where “Exchange Anti-Dilution Factor” means a fraction (a) the numerator of which shall be equal to the sum of (x) the number of Class A Units outstanding as of the Exchange Time or Redemption Time, as the case may be, plus (y) the number of Class A Units (or membership interests of the Company with designations, preferences and other rights and terms that are substantially the same as those of Terra, Inc.’s newly-issued Preferred Stock or other equity securities) issued in the corresponding Rights Plan Unit Distribution and (b) the denominator of which shall be equal to the number of Class A Units outstanding as of the Exchange Time or Redemption Time, as the case may be. The number of membership interests of the Company to be used for purposes of clause (a), sub-clause (y) of the immediately preceding sentence will be adjusted accordingly in case each such membership interest is not the economic and voting equivalent of one Class A Unit.

- (ii) In the event of any exercise of Rights pursuant to Section 3.1(a) of the Rights Plan, and simultaneously with any Rights Plan Share Distribution pursuant thereto and corresponding Rights Plan Unit Distribution, the Managing Member will cause the Company to issue a number of Class B Units for each Class B Unit issued and outstanding as of the Separation Time to the Member holding such Class B Unit equal to the difference between (1) the number of Class B Units calculated as set forth below, *less* (2) the aggregate number of any Class B Units issued in respect of such Class B Unit pursuant to this Section 4.1(e)(ii) as a result of any prior exercise of Rights pursuant to Section 3.1(a) of the Rights Plan:

*Class B Units Issued per Class B Unit Outstanding* = Exercise Anti-Dilution Factor - 1,

where “Exercise Anti-Dilution Factor” means a fraction (a) the numerator of which shall be equal to the sum of (xx) the number of Class A Units outstanding as of the Flip-in Date (as defined in the Rights Plan), plus (yy) the number of Class A Units (or membership interests of the Company with designations, preferences and other rights and terms that are substantially the same as those of Terra, Inc.’s newly-issued Preferred Stock or other equity securities) issued in the Rights Plan Unit Distributions corresponding to such Rights Plan Share Distribution and any prior Rights Plan Share Distributions pursuant to Section 3.1(a) of the Rights Plan, and (b) the denominator of which shall be equal to the sum of (x) the number of Class A Units outstanding as of the Flip-in Date, plus (y) the number of Class A Units which the aggregate Exercise Price (as defined in the Rights Plan) payable in such Rights Plan Share Distribution and any prior Rights Plan Share Distributions pursuant to Section 3.1(a) of the Rights Plan would purchase at Fair Market Value (it being agreed that, for these purposes, the Fair Market Value of each Class A Unit will be equal to the Market Price (as defined in the Rights Plan) of each share of Class A Common Stock as of the Stock Acquisition Date (as defined in the Rights Plan)). The number of membership interests of the Company to be used for purposes of clause (a), sub-clause (yy) of the immediately preceding sentence will be adjusted accordingly in case each such membership interest is not the economic and voting equivalent of one Class A Unit.

- (iii) Simultaneously with the issuance by the Company of any Class B Units pursuant to Section 4.1(e)(i) or Section 4.1(e)(ii), Terra, Inc. will issue to the Member holding such Class B Units an equal number of shares of Class B Common Stock. In the event that there shall not be sufficient authorized but unissued shares of Class B Common Stock to permit the issuance of Class B Common Stock pursuant to the immediately preceding sentence, Terra, Inc. will issue, instead of each share of Class B Common Stock required to be issued pursuant to the immediately preceding sentence, a fraction of a share of a series of Preferred Stock, par value \$0.01 per share, of Terra, Inc. (the “Series B Preferred Stock”) which will be designated such that each such fraction of a share of Series B Preferred Stock is the economic and voting equivalent of one share of Class B Common Stock. Any fraction of a share of Series B Preferred Stock issued pursuant to this Section 4.1(e)(iii) shall be treated as a share of Class B Preferred Stock for purposes of this Agreement and the Exchange Agreement. Any shares of Class B Common Stock or fractions of a share of Series B Preferred Stock issued pursuant to this Section 4.1(e)(iii) will be validly issued, fully paid and nonassessable shares of Class B Common Stock or fractions of a share of Series B Preferred Stock, and Terra, Inc. will be deemed to have received as consideration for such issuance a benefit having a value that is at least equal to the aggregate par value of the shares so issued.
  - (iv) If SunEdison and its Controlled Affiliates hold any Class B1 Units outstanding as of the Exchange Time, the Redemption Time or the Separation Time, the Managing Member will effect the equitable adjustment required by this Section 4.1 with respect to such Class B1 Units on substantially the same terms as those set forth in Section 4.1(e)(i) through (iii) with respect to the Class B Units.
2. Minimum Quarterly Distribution Adjustment in connection with Rights Plan. Section 4.5 (Adjustments) of the LLC Agreement is amended and restated as follows:
- (a) The Target Distributions and any arrearages with respect to Class A Units and Class B1 Units shall be proportionately adjusted in the event of any distribution, combination or subdivision (whether effected by a distribution payable in Units or otherwise) of Units or other Membership Interests and, subject to and in accordance with the provisions of Section 4.5(b) below, in the event of any Rights Plan Unit Distribution. The Target Distributions shall also be subject to adjustment pursuant to Section 3.8 and Section 4.6.
  - (b) In the event of any Rights Plan Unit Distribution, the Minimum Quarterly Distribution to be in effect after such Rights Plan Unit Distribution shall be determined by dividing the Minimum Quarterly Distribution in effect immediately prior to the first Rights Plan Unit Distribution (as such Minimum Quarterly Distribution may be adjusted pursuant to Section 4.5(a) other than in connection with a Rights Plan Unit Distribution) by the Exchange Anti-Dilution Factor or the Exercise Anti-Dilution Factor, as applicable. In the event of any Rights Plan Unit Distribution, to the extent any distribution arrearages exist with respect to the Class A Units or Class B1 Units (if any), the Managing Member will make proportional adjustments to any such distribution arrearages based on the Minimum Quarterly Distribution for each relevant period revised as set forth in the immediately preceding sentence.

3. Additional Adjustments. Article IV (Distributions) of the LLC Agreement is supplemented by adding the following provisions in a new Section 4.8 (Additional Adjustments):
  - (a) Amendment or Modification of Rights Plan. In the event of any amendment or modification of the Rights Plan, Section 4.1 and Section 4.5 shall be amended, supplemented or modified to reflect such amendment or modification of the Rights Plan and effect the adjustments required by Section 4.1 and Section 4.5.
  - (b) Additional Adjustments.
    - (i) If, by applying the adjustment mechanisms set forth in Section 4.1(e) or Section 4.5(b), the economic or voting rights of the Class B Units, Class B1 Units (if any), shares of Class B Common Stock or Incentive Distribution Rights, relative to the Class A Units and shares of Class A Common Stock, of the Company and/or Terra, Inc., in each case, outstanding immediately prior to any such adjustment, are either diminished or increased, individually or taken as a whole, when compared to such relative economic or voting rights as they existed immediately prior to the related Rights Plan Share Distribution and corresponding Rights Plan Unit Distribution, the Managing Member, with the prior written consent of the holders of a majority of the relevant class of Units, Class B Common Stock or Incentive Distribution Rights (which shall not be unreasonably withheld or delayed), shall develop and apply a different adjustment mechanism such that the applicable diminishment or increase is eliminated.
    - (ii) Notwithstanding anything to the contrary in this Agreement, if, as a result of any Rights Plan Share Distribution and corresponding Rights Plan Unit Distribution, and after giving effect to the adjustment mechanisms set forth in Section 4.1(e) or Section 4.5(b), the holders of the Class B Common Stock, in the aggregate, cease to control a majority of the total voting power of the outstanding Common Stock of Terra, Inc., the Managing Member shall develop and apply additional adjustment mechanisms or take such other actions as necessary to restore majority control to such holders of the Class B Common Stock.
4. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of Delaware without regard to conflict of laws principles.
5. Captions. The headings of the several sections and subsections of this Amendment are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Amendment.
6. Reference to the LLC Agreement. Any and all notices, requests, certificates and other documents or instruments executed and delivered concurrently with or after the execution and delivery of this Amendment may refer to the LLC Agreement without making specific reference to this Amendment, but all such references shall be deemed to include this Amendment, unless the context shall otherwise require.

7. Effectiveness of the LLC Agreement. Except as expressly provided herein, nothing in this Amendment shall be deemed to waive or modify any of the provisions of the LLC Agreement. In the event of any conflict between the LLC Agreement and this Amendment, this Amendment shall prevail.

IN WITNESS WHEREOF, the Managing Member has executed this Amendment, effective as of the date first written above.

TerraForm Power, Inc.

By: /s/ Peter Blackmore

Name: Peter Blackmore

Title: Chairman and Interim Chief Executive Officer





## TerraForm Power, Inc. Announces Adoption of Stockholder Protection Rights Agreement

*TerraForm Power, TerraForm Global and SunEdison Working Collaboratively to Explore Potential Value Creation Options for SunEdison's Interests in the Yieldcos*

Bethesda, MD, July 25, 2016 -- TerraForm Power, Inc. (the "Company" or "TerraForm Power") (Nasdaq: TERP) today announced that its Board of Directors has adopted a Stockholder Protection Rights Agreement (the "Rights Agreement") and declared a dividend of one Right on each outstanding share of the Company's Class A Common Stock. The record date to determine which stockholders are entitled to receive the Rights is August 4, 2016.

Peter Blackmore, Chairman and Interim CEO of TerraForm Power, said, "The Rights Agreement was adopted in response to the potential sale of a significant equity stake in TerraForm Power by SunEdison and the announced accumulation of TerraForm Power Class A shares by entities affiliated with Brookfield Asset Management. The TerraForm Power Board of Directors believes it is in the best interests of all TerraForm Power stockholders for acquisition proposals for all or a portion of the TerraForm Power equity interests to be able to emerge in an environment free of a blocking position accumulated by possible bidders."

TerraForm Power and TerraForm Global (Nasdaq: GLBL), in collaboration with SunEdison (OTC PINK: SUNEQ), are working together to explore potential value creating options for SunEdison's interests in both companies. The independent directors of TerraForm Power and TerraForm Global have determined that it is in the best interests of their respective Class A stockholders for any potential SunEdison transaction to achieve a strong valuation, including because a sale that includes Class A shares may emerge and be in the best interests of all stockholders.

Mr. Blackmore continued, "The Conflicts Committees of the Boards of Directors of TerraForm Power and TerraForm Global have approved the companies to work cooperatively with SunEdison and focus on increasing value for all stockholders in this process. TerraForm Power and TerraForm Global have important interests at stake in connection with these sales and the companies will take actions that it believes are in the best interests of its stockholders."

### **Rights Plan Terms**

Until the earlier of (i) the Company's announcing that a person or group (an "Acquiring Person") has acquired beneficial ownership of 15% or more of the Class A Common Stock (the "Flip-in Date") and (ii) the tenth business day, or such later date designated by the Board of Directors, after any person or group commences a tender offer that will result in such person or group beneficially owning 15% or more of the Class A Common Stock, the Rights will be evidenced by the Class A Common Stock certificates, will automatically trade with the Class A Common Stock and will not be exercisable. Thereafter, separate Rights certificates will be distributed and each Right will entitle its holder to purchase fractions of Participating Preferred Stock having economic and voting terms similar to those of one share of Class A Common Stock for an exercise price of \$40.

Upon the occurrence of the Flip-in Date, each Right (other than Rights beneficially owned by any Acquiring Person or transferees thereof, which Rights become void) will be automatically exchanged for one share of Class A Common Stock, unless the Board of Directors, with the prior written approval of holders of a majority of the shares of Class B Common Stock, determines otherwise or the Acquiring Person beneficially owns more than 50% of the Company's Class A Common Stock. If the Board determines, with the prior written approval of holders of a majority of the shares of Class B Common Stock, not to effect the exchange, each Right (other than the voided ones) will entitle its holder to purchase, for the exercise price, a number of shares of the Class A Common Stock having a market value of twice the exercise price. Also, if after an Acquiring Person controls the Company's Board of Directors or is the owner of 50% or more of the Class A Common Stock, the Company is involved in a merger or sells more than 50% of its assets or earning power or is involved with an Acquiring Person in certain "self-dealing" transactions and, in the case of a merger, the Acquiring Person will receive different treatment than all other stockholders or the transaction is with the Acquiring Person, each Right will entitle its holder to purchase, for the



exercise price, a number of shares of common stock of the Acquiring Person (or other party to the transaction) having a market value of twice the exercise price.

The Rights may generally be redeemed by the Board of Directors for \$0.01 per Right prior to the Flip-in Date. In response to a Qualified Offer, the Stockholder Protection Rights Agreement also provides stockholders with the right to request that the Board of Directors call a special meeting of stockholders to vote on a resolution authorizing the redemption of the Rights by submitting written notice to the Board of Directors executed by, or on behalf of, the holders of at least 10% of the shares of Class A Common Stock or of the voting power of the shares of Common Stock, not giving effect to any affirmative votes cast by the offeror or any of its Affiliates or Associates. The Rights will be redeemed (or the Board of Directors shall take such other action as would prevent the existence of the Rights from interfering with the consummation of the Qualified Offer) if the holders of at least a majority of the voting power of the shares of Common Stock and a majority of the shares of Class A Common Stock outstanding, not giving effect to any affirmative votes cast by the offeror or any of its Affiliates or Associates, vote in favor of the resolution authorizing the redemption at the special meeting or if a special meeting has not been held 90 business days after notice is received by the Board of Directors (unless the meeting is not held because of the absence of a quorum due to the failure of SunEdison, Inc. ("SunEdison") to be present).

The Rights Agreement expires immediately prior to the sale by SunEdison, directly or indirectly, of all or substantially all of the shares of Common Stock beneficially owned by SunEdison.

Any issuance of shares of Class A Common Stock as a result of any exchange, exercise or redemption of Rights in accordance with the terms of the Rights Agreement will be accompanied by the issuance to the Company of an equal number of Class A Units in TerraForm Power, LLC ("Terra LLC") in accordance with the Amended and Restated Limited Liability Company Agreement for Terra LLC (the "LLC Agreement"). Upon any such issuance of Class A Units, an equitable adjustment will be made in accordance with the terms of the LLC Agreement to protect the Class B Units in Terra LLC from dilution. The adjustment will be made by issuing additional Class B Units in Terra LLC to holders of then existing Class B Units according to an anti-dilution formula set forth in an amendment to the LLC Agreement adopted in connection with the Rights Agreement. Simultaneously with the issuance of additional Class B Units in Terra LLC, the Company will issue an equal number of shares of Class B Common Stock to the recipients of such additional Class B Units.

The Rights Agreement does not in any way weaken TerraForm Power's financial strength or interfere with its business plans. The issuance of the Rights has no dilutive effect, will not affect reported earnings per share, is not taxable to TerraForm Power or its stockholders and will not change the way in which TerraForm Power's shares are traded.

A letter to stockholders regarding the Rights Agreement and a Summary of certain terms of the Rights Agreement will be mailed to stockholders.

The companies noted that no decision has been made and that there can be no assurance that the Board's exploration of alternatives will result in any transaction being entered into or consummated. TerraForm Global and TerraForm Power do not intend to discuss or disclose developments with respect to this process until the Board has approved a definitive course of action.

TerraForm Power is a publicly held company whose shares of Class A Common Stock are listed on the NASDAQ Stock Market under the ticker symbol TERP.

#### **About TerraForm Power**

TerraForm Power is a renewable energy company that is changing how energy is generated, distributed and owned. TerraForm Power creates value for its investors by owning and operating clean energy power plants. For more information about TerraForm Power, please visit: [www.terraformpower.com](http://www.terraformpower.com).

#### **About TerraForm Global**

TerraForm Global is a renewable energy company that is changing how energy is generated, distributed and owned. TerraForm Global creates value for its investors by owning and operating clean energy power plants in high-growth emerging markets. For more information about TerraForm Global, please visit: [www.terraformglobal.com](http://www.terraformglobal.com).

#### **Cautionary Note Regarding Forward-Looking Statements**

This communication contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. These statements involve estimates, expectations, projections, goals, assumptions, known and unknown risks, and uncertainties and typically include words or variations of words such as “expect,” “anticipate,” “believe,” “intend,” “plan,” “seek,” “estimate,” “predict,” “project,” “goal,” “guidance,” “outlook,” “objective,” “forecast,” “target,” “potential,” “continue,” “would,” “will,” “should,” “could,” or “may” or other comparable terms and phrases.

They include, without limitation, statements related to the possibility that a sale may emerge that includes the Class A shares; the future workings or mechanisms of the Rights Agreement; the potential redemption of the Rights by the Board of Directors; the issuance by TerraForm Power or Terra LLC of any Class A Shares, Class A Units, Class B Shares or Class B Units; the Rights Agreement’s effect on TerraForm Power’s reported earnings per share or the way in which TerraForm Power’s shares are traded; TerraForm Power mailing a letter to stockholders; and TerraForm Power’s intention not to discuss or disclose developments until the Board of Directors has approved a definitive course of action.

The risks included above are not exhaustive. Other factors that could adversely affect our business and prospects are described in the filings made by us with the Securities and Exchange Commission.

TerraForm Power undertakes no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

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