
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): June 2, 2016 (May 27, 2016)



TerraForm Power, Inc.

(Exact name of registrant as specified in its charter)

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.

Amendment to Credit and Guaranty Agreement

On May 27, 2016, TerraForm Power Operating, LLC (“Operating”), a subsidiary of TerraForm Power, Inc. (the “Company”), entered into a seventh amendment (the “Seventh Amendment”) to its credit and guaranty agreement with Barclays Bank PLC, as Administrative Agent and Lender, and certain other lenders party thereto (the “Revolver”).

The Seventh Amendment extends the date by which TerraForm Power, LLC (“Holdings”) must deliver to the Administrative Agent and the other lenders party to the Revolver its financial statements and accompanying audit report with respect to fiscal year 2015 to the earlier of (a) the tenth business day prior to the date on which the failure to deliver such financial statements would constitute an event of default under Operating’s Indenture, dated January 28, 2015, with respect to its 5.875% senior notes due 2023 (the “2023 Indenture”) and (b) March 30, 2017. As described below, Operating received a notice of default on May 31, 2016 from the trustee under the 2023 Indenture and, absent a waiver of this default or an extension of the time period for compliance, has a 90 day period from the date of such notice before such failure becomes an event of default under the 2023 Indenture. The date for delivering the financial statements and accompanying audit report for fiscal year 2015 under the Revolver was previously May 28, 2016 as provided in the sixth amendment to the Revolver executed on May 6, 2016. The Seventh Amendment also extends the date by which Holdings must deliver its unaudited quarterly financial statements for the fiscal quarter ending March 31, 2016 to June 30, 2016 and with respect to the fiscal quarters ending June 30, 2016 and September 30, 2016 to the date that is 75 days after the end of each fiscal quarter.

The Seventh Amendment also requires Holdings to undertake certain additional obligations, including to request a waiver or amendment under the Indenture with respect to Operating’s obligation to make available audited financial statements for fiscal year 2015. The Seventh Amendment also may require, depending on the terms upon which the holders of the senior notes agree to any such waiver or amendment under the 2023 Indenture, payment of fees to the Revolver lenders, an increase in the applicable margin used to determine the interest rate on loans under the Revolver and a decrease in the aggregate commitments of the lenders under the Revolver.

The Seventh Amendment requires Holdings and Operating to cause certain project-level subsidiaries to guarantee the obligations under the Revolver and to provide certain collateral to the lenders and other secured parties under the Revolver, in each case, to the extent such subsidiaries are permitted to do so under any applicable project level financing or debt agreements or other project level agreements. These guarantees and the collateral will be automatically released to the extent such subsidiaries incur any project-level financings that would not permit such guarantees or collateral and that are otherwise permitted under the Revolver. The Seventh Amendment also amends the conditions under which Operating and Holdings are permitted to make distributions in respect of their equity, including by adding a requirement that Operating and Holdings satisfy certain minimum liquidity thresholds at the time of making any such distribution. Although the Company is not a party to, or guarantor of Operating’s obligations under, the Revolver, these conditions will also effectively apply to the Company’s payment of dividends on its Class A common stock.

The foregoing description of the Seventh Amendment does not purport to be complete and is qualified in its entirety by reference to the Seventh Amendment, which is filed as Exhibit 10.1 hereto, and is incorporated herein by reference.

Amendment to LLC Agreement

On June 1, 2016, the Company, acting in its capacity as sole managing member of Holdings, adopted an amendment (the “Holdings LLC Agreement Amendment”) to the Amended and Restated Limited Liability Company Agreement of Holdings, dated as of July 23, 2014 (as amended from time to time, the “Holdings LLC Agreement”).

Pursuant to the Holdings LLC Agreement Amendment, until the first annual meeting of the Company’s stockholders held after December 31, 2016, the Company delegated to an independent conflicts committee (the “LLC Conflicts Committee”) the exclusive power to exercise all of its rights, powers and authority as the sole managing member of Holdings to manage and control the business and affairs of Holdings and its controlled affiliates relating to or involving SunEdison, Inc. (“SunEdison”) and any of its affiliates (other than Holdings and its controlled affiliates) (as more specifically defined in the Holdings LLC Agreement Amendment, the “Conflicts Matters”).

The Holdings LLC Agreement Amendment was approved and authorized by the Company’s Corporate Governance and Conflicts Committee (the “Conflicts Committee”), pursuant to the power and authority delegated to it by resolutions of the Board of Directors (the “Board”) of the Company dated March 25, 2016 authorizing the Conflicts Committee, in anticipation of and in connection with a bankruptcy filing by SunEdison, to evaluate and act affirmatively with respect to matters involving or substantially relating to SunEdison, including actions to protect the Company’s contractual and other rights and otherwise to preserve the value of the Company and its assets. The decision to delegate authority to the Conflicts Committee with respect to these SunEdison-related matters was taken by the Board in light of the obligation that material matters relating to SunEdison be approved by the Conflicts Committee. On June 1, 2016, the Board reaffirmed the power and authority delegated to the Conflicts Committee with respect to these SunEdison-related matters by ratifying the adoption of the Holdings LLC Agreement Amendment.

The current members of the LLC Conflicts Committee are Mr. John F. Stark, Mr. Chris Compton and Mr. Hanif “Wally” Dahya. New members may be appointed (i) by a majority of LLC Conflicts Committee members then in office or (ii) by the Company (in its capacity as managing member of Holdings) with the approval of the holders of a majority of the outstanding shares of Class A common stock of the Company, excluding any such shares held, directly or indirectly, by SunEdison or any of its affiliates (“Independent Shareholder Approval”).

Each member of the LLC Conflicts Committee must satisfy, in the determination of the LLC Conflicts Committee, the NASDAQ Power Select Market standards for “independent directors” and nominations committee members.

The delegation of exclusive power and authority to the LLC Conflicts Committee under the Holdings LLC Agreement Amendment may not be revoked and the members of the LLC Conflicts Committee may not be removed, other than by a written instrument signed by the Company, acting in its capacity as managing member of Holdings, with either (i) the written consent of a majority of the LLC Conflicts Committee members then in office, or (ii) Independent Shareholder Approval.

The foregoing summary of the amendment to the Holdings LLC Agreement is qualified in its entirety by reference to the Holdings LLC Agreement Amendment, a copy of which is attached hereto as Exhibit 10.2 and incorporated by reference herein.

Item 7.01 Regulation FD Disclosure.

On May 31, 2016, Operating received a notice of default from the trustee under the 2023 Indenture governing Operating's 5.875% senior notes due 2023 (the "2023 Notes"), and from the trustee under the Indenture, dated as of July 17, 2015 (the "2025 Indenture" and collectively with the 2023 Indenture, the "Indentures"), governing Operating's 6.125% senior notes due 2025 (the "2025 Notes"). Under the terms of each of the Indentures, the Company is required to timely file with the Securities and Exchange Commission (the "SEC") or make publicly available annual and quarterly reports within the time periods (including any extensions thereof) specified in the SEC rules and regulations. Under each of the Indentures, Operating has 90 days from the date such notice of default is deemed to be duly given under the Indenture to cure the default by filing or making publicly available its annual report for the year ended December 31, 2015 (the "2015 Annual Report"). If Operating does not cure the default under an Indenture, the trustee under such Indenture or the holders of at least 25% of the notes under such Indenture may accelerate the notes issued under such Indenture and the unpaid principal and accrued interest on the applicable notes then outstanding would become immediately due and payable. The notices of default do not result in an acceleration of the 2023 Notes or 2025 Notes prior to the expiration of such cure period, nor do the notices of default result in a cross-default under the Revolver. However, if an event of default under either Indenture were to occur, such event of default would result in a cross-default under the Revolver that would permit the lenders holding more than 50% of the aggregate exposure under the Revolver to accelerate the outstanding principal amount of loans and terminate the outstanding commitments under the Revolver. As of the date hereof, Operating has \$950 million aggregate principal amount of 2023 Notes outstanding and \$300 million aggregate principal amount of 2025 Notes outstanding. There can be no assurance that the Company will file or make available the 2015 Annual Report within the cure periods under the applicable Indenture. The notices of default are furnished as Exhibits 99.1 and 99.2 to this Report.

In accordance with General Instruction B.2 of Form 8-K, the information contained in Item 7.01 of this Current Report on Form 8-K and the attached notices of default shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in Item 7.01 of this Current Report on Form 8-K and the attached notices of default shall not be incorporated by reference into any filing or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing or document.

Item 9.01 Financial Statement and Exhibits.

(d) Exhibits

<u>Exhibit</u> <u>No.</u>	<u>Description</u>
10.1	Seventh Amendment to Credit and Guaranty Agreement, dated May 27, 2016
10.2	Third Amendment to the Amended and Restated Limited Liability Company Agreement of TerraForm Power, LLC, dated as of June 1, 2016
99.1*	Notice of default letter regarding 5.875% senior notes due 2023, dated May 31, 2016
99.2*	Notice of default letter regarding 6.125% senior notes due 2025, dated May 31, 2016

* Document furnished herewith

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: June 2, 2016

By: /s/ Sebastian Deschler

Name: Sebastian Deschler

Title: Senior Vice President, General Counsel and Secretary

Exhibit Index

Exhibit

<u>No.</u>	<u>Description</u>
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10.2	Third Amendment to the Amended and Restated Limited Liability Company Agreement of TerraForm Power, LLC, dated as of June 1, 2016
99.1*	Press release dated May 16, 2016
99.2*	Notice of default letter regarding 6.125% senior notes due 2025, dated May 31, 2016

* Document furnished herewith

**SEVENTH AMENDMENT
TO CREDIT AND GUARANTY AGREEMENT**

THIS SEVENTH AMENDMENT TO CREDIT AND GUARANTY AGREEMENT (this “**Amendment**”) is dated as of May 27, 2016 and is entered into by and among **TERRAFORM POWER OPERATING, LLC**, a Delaware limited liability company (“**Borrower**”), the other Credit Parties party hereto, **BARCLAYS BANK PLC** (“**Barclays**”), as a Lender and as Administrative Agent (“**Administrative Agent**”) and the other Lenders party hereto, and is made with reference to that certain **CREDIT AND GUARANTY AGREEMENT** dated as of January 28, 2015 (as amended through the date hereof, the “**Credit Agreement**”) by and among Borrower, TERRAFORM POWER, LLC, a Delaware limited liability company, the subsidiaries of Borrower named therein, the Lenders, the Administrative Agent, Collateral Agent and the other Agents named therein. Capitalized terms used herein without definition shall have the same meanings herein as set forth in the Credit Agreement after giving effect to this Amendment.

RECITALS

WHEREAS, the Credit Parties have requested that the Requisite Lenders and Administrative Agent agree to amend certain provisions of the Credit Agreement as provided for herein; and

WHEREAS, subject to certain conditions, the Requisite Lenders and Administrative Agent are willing to agree to such amendments relating to the Credit Agreement.

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the parties hereto agree as follows:

SECTION I. AMENDMENTS TO CREDIT AGREEMENT

- A.** Section 1.1 of the Credit Agreement is hereby amended by adding the following definition in proper alphabetical sequence:

“**DE Shaw Litigation**” means the proceeding commenced by D.E. Shaw Composite Holdings, L.L.C. and/or Madison Dearborn Capital Partners IV, L.P. against Parent and/or Holdings with respect to claims for breaches under the Acquisition Agreement.

“**Liquidity Period End Date**” means the first date on which Total Liquidity shall exceed \$100,000,000 occurring on or after the latest of (i) December 31, 2016, (ii) the date on which Parent has filed its Form 10-K under the Exchange Act with the United States Securities and Exchange Commission with respect to the Fiscal Year ending December 31, 2015 and (iii) the date on which a final, non-appealable judgment is issued or a binding settlement is reached with respect to the DE Shaw Litigation.

“**Seventh Amendment Date**” means May 27, 2016.

“**Total Liquidity**” means, (x) the sum of (i) the aggregate unused portion of Revolving Commitments, plus (ii) the aggregate amount of cash held in accounts of Borrower and the Guarantors that are subject to a deposit account control agreement in favor of the Collateral Agent in an amount not to exceed \$100,000,000, plus (iii) the aggregate amount of cash held in accounts of Borrower and the Guarantors that are subject to a deposit account control agreement in favor of the Collateral Agent in

excess of \$100,000,000; provided, that the amount determined pursuant to this clause (iii) shall in no event exceed the amount determined pursuant to subclause (y) of this definition, minus (y) the amount of current liabilities with respect to the DE Shaw Litigation (as determined in accordance with GAAP).

- B.** Section 5.1(b) of the Credit Agreement is hereby amended by amending and restating the proviso appearing at the end thereof in its entirety to read as follows:

“provided, that, notwithstanding anything herein to the contrary, the financial statements and accompanying information required to be delivered pursuant to this Section 5.1(b) with respect to (i) (x) the Fiscal Quarter ending March 31, 2016 shall be delivered on or before June 30, 2016 and (y) the Fiscal Quarters ending June 30, 2016 and September 30, 2016 shall be delivered on or before the date that is 75 days after the end of each such Fiscal Quarter and (ii) the Fiscal Quarters ending March 31, 2016, June 30, 2016 and September 30, 2016 shall be satisfied by delivery of unaudited quarterly consolidated financial statements of the Parent for the applicable Fiscal Quarter prepared in accordance with GAAP so long as the requirements set forth in clauses (x), (y) and (z) of Section 5.1(q) are satisfied, together with (x) comparisons to the corresponding figures for the corresponding Fiscal Quarter of the previous Fiscal Year, (y) a Financial Officer Certification and (z) information that explains in reasonable detail the differences, if any, between the information relating to Parent and any of its Subsidiaries other than Holdings and its Subsidiaries, on the one hand, and the information relating to Holdings and its Subsidiaries on a stand-alone basis, on the other hand;”

- C.** Section 5.1(c) of the Credit Agreement is hereby amended to replace the date “May 28, 2016” appearing therein with the following:

“the earlier of (x) the tenth (10th) Business Day prior to the date on which the failure to deliver the financial statements required to be delivered pursuant to Section 4.03(a)(1) of the Senior Notes Indenture constitutes an “Event of Default” under and as then defined in the Senior Notes Indenture and (y) March 30, 2017.”

- D.** Section 5.19 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

“5.19 Additional Obligations. Holdings shall (i) cause the Borrower, its subsidiaries and management thereof to use commercially reasonable efforts to cooperate with Zolfo Cooper, LLC as directed by the Administrative Agent, (ii) cause the Borrower to submit a request to the holders of the Senior Notes pursuant to Section 9.02 of the Senior Notes Indenture (a) requesting a waiver (the “**Senior Notes Waiver**”) of any default or event of default arising under the Senior Notes Indenture from the Borrower’s failure to file with the SEC or make publicly available on a website the annual report required to be delivered pursuant to Section 4.03(a)(1) of the Senior Notes Indenture with respect to the Fiscal Year ending December 31, 2015, so long as such annual report is filed with the SEC or made publicly available on a website on or before the Business Day prior to the date on which the failure to file such annual report with the SEC or make publicly available on a website such annual report constitutes an “Event of Default” under and as then defined in the Senior Notes Indenture (as amended by such amendment) or (b) requesting an amendment to such provisions of the Senior Notes Indenture removing the requirement to comply with such provisions with respect to the Fiscal Year ending December 31, 2015, (iii) in the event that (A) the interest rate payable with respect to the Senior Notes is materially increased in connection with the Senior Notes Waiver or (B) a material repayment of the Senior Notes is

effectuated in connection with the Senior Notes Waiver, then the Borrower and the other Credit Parties shall simultaneously offer to enter into an amendment to the Credit Agreement with the Lenders to make (x) in the case of clause (A), corresponding increases in the Applicable Margin at all leverage levels equal to 50% of the increase in the interest rate (expressed in basis points) of the increase in interest rate for the Senior Notes in connection with the terms of the Senior Notes Waiver, for such period of time as such principal amounts shall be outstanding under the Credit Agreement and such increased interest rate shall be in effect with respect to the Senior Notes and (y) in the case of clause (B), a permanent reduction in the Revolving Commitments that represents, on a percentage basis, a reduction of 50% of the reduction in the outstanding amount of Senior Notes as a result of repurchases or repayments made in connection with the terms of the Senior Notes Waiver and (iv) cause the Borrower to pay an additional fee to the Lenders in an amount equal to the excess, if any, of any consent or similar fee paid in connection with the Senior Notes Waiver over 0.50% of the outstanding principal amount of the Senior Notes.”

- E. Section 5 of the Credit Agreement is hereby amended to insert the following new Section 5.20 at the end thereof:

“5.20 Further Security Obligations.

(a) Notwithstanding anything to the contrary contained herein or in the other Credit Documents but subject to Section 5.20(b), Holdings and the Borrower shall, on or prior to July 31, 2016 (or such later date as the Administrative Agent shall determine in its sole discretion):

(i) deliver a certificate of an Authorized Officer to the Administrative Agent that (i) attaches an organizational chart of the Borrower and its subsidiaries as of the date of such certificate and (ii) sets forth all Non-Recourse Subsidiaries of the Borrower as of the date of such certificate and indicates, with respect to each such Non-Recourse Subsidiary, whether any Non-Recourse Project Indebtedness, tax equity financing document, hedging agreement, project document or (to the extent the Non-Recourse Subsidiary is not wholly owned by a Subsidiary of Holdings) organizational document (collectively, “**Relevant Agreements**”) of such Non-Recourse Subsidiary, of any Subsidiary of such Non-Recourse Subsidiary or of the direct or indirect parent of such Non-Recourse Subsidiary, or any applicable restriction imposed by a Governmental Authority, in each case prohibits, restricts or requires consent for the guarantees and Liens described in this Section 5.20 with respect to the applicable Non-Recourse Subsidiary (in each case, a “**Lien Prohibition**”); and

(ii) cause each Non-Recourse Subsidiary in existence on such date (and promptly (and in any event not less than ten (10) Business Days) after the formation or acquisition of any Non-Recourse Subsidiary after the Seventh Amendment Date cause such Non-Recourse Subsidiary) (I) that is the direct owner of a Clean Energy System commonly referred to as “First Wind”, “Atwell Island”, “MA Operating”, “Thor”, “Mt. Signal”, “Regulus”, the “UK Portfolio” or the “Canada Portfolio” or (II) that directly or indirectly owns a Non-Recourse Subsidiary described in clause (I), in each case to execute and deliver such documents and do such other acts and things as the Administrative

Agent or Collateral Agent may reasonably request to cause each such Non-Recourse Subsidiary to guarantee the Obligations and to secure such guarantee with perfected Liens granted to the Collateral Agent on substantially all of such Non-Recourse Subsidiary's assets (including outstanding Equity Interests of such Non-Recourse Subsidiary's subsidiaries but excluding Real Estate Assets (other than fixtures to the extent a security interest therein can be perfected by filing a financing statement in the secretary of state or similar office in the jurisdiction of the grantor's formation)), in all cases pursuant to documentation reasonably acceptable to the Administrative Agent (including delivery of customary legal opinions relating thereto).

(b) Notwithstanding anything to the contrary in Section 5.20(a), (i) no guarantee or Lien shall be required under Section 5.20(a) if such Non-Recourse Subsidiary is subject to a Lien Prohibition so long as such Lien Prohibition was not put in place in contemplation of this requirement and (ii) such guarantee and Lien shall be automatically released and terminated upon (I) the entry into by the applicable Non-Recourse Subsidiary of a Relevant Agreement that imposes a Lien Prohibition or the application of a restriction of a Governmental Authority on the imposition of such guarantee and/or Lien (provided that any such Relevant Agreement was not entered into for the purpose of avoiding application of the requirements of Section 5.20(a) to such Non-Recourse Subsidiary) and (II) a disposition of property permitted by the Credit Agreement, and in each case, the Administrative Agent and Collateral Agent shall, at the Borrower's expense, execute and deliver or otherwise authorize the filing of such documents as the Borrower or applicable Non-Recourse Subsidiary shall reasonably request, including financing statement amendments, to evidence such release and termination; provided, however, that if such Lien Prohibition lapses or is otherwise no longer in existence at any time then Holdings and the Borrower shall cause the applicable Non-Recourse Subsidiary to promptly take the actions contemplated by this Section 5.20; provided, further, that any Non-Recourse Subsidiary that is prohibited from pledging the Stock of all of its Subsidiaries (but, for the avoidance of doubt, not prohibited from guaranteeing the Obligations) shall not guarantee the Obligations unless the Administrative Agent requires such guarantee in its sole discretion.

(c) Nothing in this Section 5.20, including the delivery of guarantees or the granting of liens described in this Section 5.20, shall result in a Non-Recourse Subsidiary (i) ceasing to be a Non-Recourse Subsidiary for purposes of this Agreement or (ii) being considered a Guarantor or Credit Party for purposes of this Agreement."

F. Section 6.4(c) of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

"(c) Borrower may make Restricted Junior Payments to Holdings, and Holdings may make Restricted Junior Payments to its equity holders; provided that (x) immediately prior to any such Restricted Junior Payment and after giving effect thereto, no Event of Default shall have occurred and be continuing or would result therefrom, (y) immediately prior to any such Restricted Junior Payment and after giving effect thereto, Borrower shall be in compliance on a pro forma basis with each of the financial covenants set forth in Section 6.7 and (z) until the Liquidity Period End Date, immediately prior

to any such Restricted Junior Payment and after giving effect thereto, Total Liquidity shall exceed \$300,000,000; provided that, so long as the condition in clause (z) remains in effect, Borrower shall set forth the calculation of Total Liquidity on a quarterly basis in its financial statements package required to be delivered pursuant to Section 5.1(b).”

SECTION II. CONDITIONS TO EFFECTIVENESS

This Amendment shall become effective as of the date hereof only upon the satisfaction of all of the following conditions precedent (the date of satisfaction of such conditions being referred to herein as the “**Seventh Amendment Effective Date**”):

A. Execution. Administrative Agent shall have received a counterpart signature page of this Amendment duly executed by each of the Credit Parties, the Administrative Agent, the Collateral Agent and the Requisite Lenders.

B. Representations and Warranties. The representations and warranties contained in Section III hereof and in Sections 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, and 4.25 of the Credit Agreement shall be true and correct in all material respects on and as of the date hereof to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date; provided that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof.

C. Default. As of the date hereof, no event shall have occurred and be continuing or would result from the effectiveness of this Amendment that would constitute an Event of Default or a Default.

D. Fees. The Administrative Agent shall have received, or shall have received satisfactory confirmation of payment of, all fees and other amounts due and payable on or prior to the Seventh Amendment Effective Date, including, to the extent invoiced, all out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder or under any other Credit Document.

SECTION III. REPRESENTATIONS AND WARRANTIES

In order to induce Administrative Agent and the Requisite Lenders to enter into this Amendment and to amend the Credit Agreement in the manner provided herein, each Credit Party party hereto represents and warrants to Administrative Agent that the following statements are true and correct in all respects:

A. Corporate Power and Authority. Each Credit Party party hereto has all requisite power and authority to enter into this Amendment and to carry out the transactions contemplated by, and perform its obligations under, the Credit Agreement as amended by this Amendment (the “**Amended Agreement**”) and the other Credit Documents.

B. Authorization of Agreements. The execution and delivery of this Amendment and the performance of the Amended Agreement and the other Credit Documents have been duly authorized by all necessary action on the part of each Credit Party.

C. No Conflict. The execution and delivery by each Credit Party of this Amendment and the performance by each Credit Party of the Amended Agreement and the other Credit Documents do not and will not (i) violate (A) any provision of any law, statute, rule or regulation, or of the certificate or articles of incorporation or partnership agreement, other constitutive documents or by-laws of Borrower or any Credit Party or (B) any applicable order of any court or any rule, regulation or order of any Governmental Authority, (ii) be in conflict with, result in a breach of or constitute (alone or with notice or lapse of time or both) a default under any Contractual Obligation of the applicable Credit Party, where any such conflict, violation, breach or default referred to in clause (i) or (ii) of this Section III.C., individually or in the aggregate could reasonably be expected to have a Material Adverse Effect, (iii) except as permitted under the Amended Agreement, result in or require the creation or imposition of any Lien upon any of the properties or assets of any Credit Party (other than any Liens created under any of the Credit Documents in favor of Collateral Agent on behalf of Lenders), or (iv) require any approval of stockholders or partners or any approval or consent of any Person under any Contractual Obligation of any Credit Party, except for such approvals or consents which will be obtained on or before the date hereof and except for any such approvals or consents the failure of which to obtain will not have a Material Adverse Effect.

D. Governmental Consents. No action, consent or approval of, registration or filing with or any other action by any Governmental Authority is or will be required in connection with the execution and delivery by each Credit Party of this Amendment and the performance by each Credit Party of the Amended Agreement and the other Credit Documents, except for such actions, consents and approvals the failure to obtain or make which could not reasonably be expected to result in a Material Adverse Effect or which have been obtained and are in full force and effect.

E. Binding Obligation. This Amendment and the Amended Agreement have been duly executed and delivered by each of the Credit Parties party hereto and thereto and each constitutes a legal, valid and binding obligation of such Credit Party, to the extent a party hereto and thereto, enforceable against such Credit Party in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally and except as enforceability may be limited by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

F. Incorporation of Representations and Warranties from Credit Agreement. The representations and warranties contained in Sections 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, and 4.25 of the Amended Agreement are and will be true and correct in all material respects on and as of the date hereof to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case they were true and correct in all material respects on and as of such earlier date; provided that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof.

G. Absence of Default. No event has occurred and is continuing or will result from the consummation of the transactions contemplated by this Amendment that would constitute an Event of Default or a Default.

SECTION IV. ACKNOWLEDGMENT AND CONSENT; REAFFIRMATION

Each Credit Party hereby acknowledges that it has reviewed the terms and provisions of the Credit Agreement and this Amendment and consents to the amendment of the Credit Agreement effected

pursuant to this Amendment. Each Credit Party hereby confirms and reaffirms that each Credit Document to which it is a party or otherwise bound and all Collateral encumbered thereby will continue to guarantee or secure, as the case may be, to the fullest extent possible in accordance with the Credit Documents the payment and performance of all "Obligations" and "Secured Obligations", as applicable, under each of the Credit Documents to which it is a party (in each case as such terms are defined in the applicable Credit Document).

Each Credit Party acknowledges and agrees that, after giving effect to this Amendment, any of the Credit Documents to which it is a party or otherwise bound shall continue in full force and effect and that all of its obligations thereunder shall be valid and enforceable and shall not be impaired or limited by the execution or effectiveness of this Amendment. As of the Seventh Amendment Effective Date, each Credit Party reaffirms each Lien it granted to the Collateral Agent for the benefit of the Secured Parties, and any Liens that were otherwise created or arose under each of the Credit Documents to which such Credit Party is party and reaffirms the guaranties made in favor of each Secured Party under each of the Credit Documents to which such Credit Party is party, which Liens and guaranties shall continue in full force and effect during the term of the Credit Agreement and any amendments, amendments and restatements, supplements or other modifications thereof and shall continue to secure the Obligations of the Borrower and the other Credit Parties under any Credit Document, in each case, on and subject to the terms and conditions set forth in the Credit Agreement and the Credit Documents.

Each Guarantor acknowledges and agrees that (i) notwithstanding the conditions to effectiveness set forth in this Amendment, such Guarantor is not required by the terms of the Credit Agreement or any other Credit Document to consent to the amendments to the Credit Agreement effected pursuant to this Amendment and (ii) nothing in the Credit Agreement, this Amendment or any other Credit Document shall be deemed to require the consent of such Guarantor to any future amendments to the Credit Agreement.

SECTION V. MISCELLANEOUS

A. Reference to and Effect on the Credit Agreement and the Other Credit Documents.

(i) On and after the Seventh Amendment Effective Date, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof", "herein" or words of like import referring to the Credit Agreement, and each reference in the other Credit Documents to the "Credit Agreement", "thereunder", "thereof" or words of like import referring to the Credit Agreement shall mean and be a reference to the Credit Agreement as amended by this Amendment.

(ii) Except as specifically amended by this Amendment, the Credit Agreement and the other Credit Documents shall remain in full force and effect and are hereby ratified and confirmed.

(iii) The execution, delivery and performance of this Amendment shall not constitute a waiver of any provision of, or operate as a waiver of any right, power or remedy of any Agent or Lender under, the Credit Agreement or any of the other Credit Documents.

B. Headings. Section headings herein are included herein for convenience of reference only and shall not constitute a part hereof for any other purpose or be given any substantive effect.

C. Applicable Law. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER (INCLUDING, WITHOUT LIMITATION, ANY CLAIMS SOUNDING IN CONTRACT LAW OR TORT LAW ARISING OUT OF THE SUBJECT MATTER HEREOF AND ANY DETERMINATIONS WITH RESPECT TO POST-JUDGMENT INTEREST) SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES THEREOF THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK.

D. Counterparts. This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or in electronic format (i.e., "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Amendment.

E. Credit Document. This Amendment shall constitute a Credit Document.

F. DE Shaw Litigation. The Administrative Agent and each Lender party hereto acknowledge that as of the date of this Amendment, the Borrower has informed the Administrative Agent and each Lender that it believes the claims in the complaint described in the definition of "DE Shaw Litigation" are without merit and the Borrower and TerraForm Power, Inc. plan to vigorously defend them. Nothing herein shall be construed as an admission of liability with respect to such claims or a waiver of any rights or defenses of the Borrower or any other Credit Party with respect thereto.

[Remainder of this page intentionally left blank.]

SUNEDISON CANADA YELDCO MASTER HOLDCO, LLC
SUNEDISON YELDCO CHILE MASTER HOLDCO, LLC
SUNEDISON YELDCO DG-VIII MASTER HOLDCO, LLC
SUNEDISON YELDCO UK HOLDCO 3 MASTER HOLDCO,
LLC
SUNEDISON YELDCO UK HOLDCO 2 MASTER HOLDCO,
LLC
SUNEDISON YELDCO NELLIS MASTER HOLDCO, LLC
SUNEDISON YELDCO REGULUS MASTER HOLDCO, LLC
SUNEDISON YELDCO ACQ1 MASTER HOLDCO, LLC
SUNEDISON YELDCO ACQ2 MASTER HOLDCO, LLC
SUNEDISON YELDCO ACQ3 MASTER HOLDCO, LLC
SUNEDISON YELDCO ACQ9 MASTER HOLDCO, LLC
SUNEDISON YELDCO ACQ4 MASTER HOLDCO, LLC
SUNEDISON YELDCO ACQ5 MASTER HOLDCO, LLC
SUNEDISON YELDCO ENFINITY MASTER HOLDCO, LLC
SUNEDISON YELDCO DGS MASTER HOLDCO, LLC
SUNEDISON YELDCO ACQ7 MASTER HOLDCO, LLC
SUNEDISON YELDCO ACQ8 MASTER HOLDCO, LLC
SUNEDISON YELDCO ACQ6 MASTER HOLDCO, LLC
TERRAFORM POWER IVS I MASTER HOLDCO, LLC
TERRAFORM LPT ACQ MASTER HOLDCO, LLC
TERRAFORM SOLAR MASTER HOLDCO, LLC
SUNEDISON YELDCO DG MASTER HOLDCO, LLC
TERRAFORM CD ACQ MASTER HOLDCO, LLC
TERRAFORM REC ACQ MASTER HOLDCO, LLC
TERRAFORM SOLAR XVII ACQ MASTER HOLDCO, LLC
TERRAFORM FIRST WIND ACQ MASTER HOLDCO, LLC
TERRAFORM THOR ACQ MASTER HOLDCO, LLC

By: TERRAFORM POWER OPERATING, LLC, its
Sole Member and Sole Manager

By: TERRAFORM POWER, LLC,
its Sole Member and Sole Manager

By: /s/ Rebecca Cranna
Name: Rebecca Cranna
Title: EVP, CFO

BARCLAYS BANK PLC, as Administrative Agent,
Collateral Agent, Swing Line Lender and as a Lender

By: /s/ Matthew Cybul
Name: Matthew Cybul
Title: Assistant Vice President

[Signature Page to Seventh Amendment to Credit and Guaranty Agreement]

CITIBANK N.A.,
as a Lender

By: /s/ Authorized Signatory
Authorized Signatory
Margo Chen Campbell
Director
Institutional Clients Group

[Signature Page to Seventh Amendment to Credit and Guaranty Agreement]

GOLDMAN SACHS BANK USA,
as a Lender

By: /s/ Authorized Signatory
Authorized Signatory

[Signature Page to Seventh Amendment to Credit and Guaranty Agreement]

KeyBank National Association,
as a Lender

By: /s/ Authorized Signatory
Authorized Signatory

[Signature Page to Seventh Amendment to Credit and Guaranty Agreement]

MIHI LLC, as a Lender

By: /s/ Authorized Signatory
Authorized Signatory

By: /s/ Authorized Signatory
Authorized Signatory

[Signature Page to Seventh Amendment to Credit and Guaranty Agreement]

MORGAN STANLEY BANK, N.A.,
as a Lender

By: /s/ Authorized Signatory
Authorized Signatory

[Signature Page to Seventh Amendment to Credit and Guaranty Agreement]

MORGAN STANLEY SENIOR FUNDING, INC.,
as a Lender

By: /s/ Authorized Signatory
Authorized Signatory
Vice President

[Signature Page to Seventh Amendment to Credit and Guaranty Agreement]

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

This Third 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 June 1, 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, the Managing Member desires to amend the LLC Agreement to delegate all of the Managing Member's rights, powers and authority with respect to Conflicts Matters (as defined below in this Amendment) to an independent conflicts committee, subject to the terms and conditions set forth in this Amendment;

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;

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 Corporate Governance and Conflicts Committee of the Board of Directors of Terra, Inc. (the "CGCC"), exercising the power and authority delegated to it under the Resolutions of the Board of Directors of Terra, Inc. dated March 25, 2016 (the "Resolutions") to evaluate and act affirmatively with respect to the SUNE Restructuring-Related Matters (as defined in the Resolutions), has unanimously approved and authorized the adoption, execution and delivery of this Amendment by the Managing Member; and

WHEREAS, the approval of this Amendment by the CGCC satisfies the requirement set forth in Section 9.4 (Amendments and Waivers) of the LLC Agreement that this Amendment be approved by a majority of the independent directors of the Managing Member (as determined in accordance with the applicable listing rules of the NASDAQ Global Select Market).

AMENDMENT

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

1. Managing Member; Delegation of Authority and Duties. Section 6.1 (Managing Member; Delegation of Authority and Duties) of the LLC Agreement is supplemented by adding the following provision as Section 6.1(d):

“(d) Delegation of Authority by Managing Member to Conflicts Committee.

(i) In accordance with Section 6.1(c), to the fullest extent permitted by law, until the first annual meeting of the stockholders of Terra, Inc. held after December 31, 2016, the Managing Member hereby delegates to the LLC Conflicts Committee (as defined in Section 6.1(d)(iv) below) exclusive power to exercise all rights, powers and authority of the Managing Member to manage and control the business and affairs of the Company and its Controlled Affiliates relating to or involving SunEdison or any of its Affiliates (other than the Company and its Controlled Affiliates) (the “Conflicts Matters”), including to:

- a. enter into, terminate, modify, cancel, waive or amend any agreement, lease, license, evidence of indebtedness, mortgage, indenture, security agreement or other contract, whether written or oral, with or involving SunEdison or any of its Affiliates (other than the Company and its Controlled Affiliates) (each, a “SUNE Agreement”);
- b. exercise, enforce or waive any rights, powers, preferences or authority of the Company or any of its Controlled Affiliates under or in connection with any SUNE Agreement;
- c. initiate, pursue, defend, settle, release, waive or compromise any claim, action, suit, arbitration, proceeding, investigation, audit or inquiry, in each case, whether civil, criminal or administrative, in law or in equity, involving SunEdison, any of its Affiliates (other than the Company and its Controlled Affiliates) or any of its or their directors or officers (in their capacity as such), whether with respect to past, present or future acts or omissions;
- d. exercise, enforce or waive any rights, powers, preferences or authority under this Agreement, the Act or applicable law, or enter into any agreement or arrangement with any party, with respect to or in connection with the potential disposition by SunEdison of Equity Securities of the Managing Member, the Company or any other Controlling Affiliate of the Company (whether by stock or asset sale, merger,

consolidation or other business combination), including the establishment of arrangements for access to confidential information about the Company and its Affiliates and the implementation of takeover defenses;

- e. amend, supplement, waive or modify this Agreement in any manner that impacts the rights or obligations of SunEdison or any of its Affiliates (other than the Company and its Controlled Affiliates) in their capacity as Members or holders of Equity Interests in the Company; and
- f. such other matters as the LLC Conflicts Committee may determine from time to time involve a conflict of interest between the interests of the Company or any of its Controlled Affiliates and the interests of SunEdison or any of its Affiliates (other than the Company and its Controlled Affiliates);

provided, however, that “Conflicts Matters” shall not include the Managing Member’s rights, power and authority under clause (ii) of Section 6.1(d)(iii) below and clause (y) of Section 6.1(d)(iv) below to revoke, amend, supplement, waive or modify the delegation of exclusive rights, powers and authority with respect to Conflicts Matters to the LLC Conflicts Committee pursuant to this Section 6.1(d)(i) or to remove or appoint any member of the LLC Conflicts Committee, in each case with Independent Shareholder Approval.

(ii) Until such time as such delegation of rights, powers and authority expires or is revoked by the Managing Member in accordance with the terms of this Agreement, (x) the LLC Conflicts Committee exclusively shall have all rights, powers and authority of the Managing Member under this Agreement and the Act with respect to the Conflicts Matters, and (y) no action by the Company or the Managing Member pursuant to this Agreement or the Act with respect to any Conflicts Matter shall be effective unless taken, approved or ratified by the LLC Conflicts Committee or any Person to whom the LLC Conflicts Committee shall have delegated the right, power and authority to take, approve or ratify such action in accordance with this Section 6.1(d). For the avoidance of doubt, the LLC Conflicts Committee shall have the exclusive power and authority to delegate to one or more other Persons (including Officers) the rights, powers and authority with respect to Conflicts Matters delegated to it by the Managing Member to the same extent as the Managing Member has the power and authority to delegate rights, powers and authority pursuant to Section 6.1(c). The LLC Conflicts Committee shall also be entitled to the benefit of all rights and powers of the Managing Member in connection with the exercise of the rights delegated hereunder.

(iii) Notwithstanding any other provision of this Agreement (including Section 9.1 (Separate Agreements; Schedules) and Section 9.4 (Amendments and Waivers)), the delegation of exclusive rights, powers and authority with respect to Conflicts Matters by the Managing Member to the LLC Conflicts Committee pursuant to Section 6.1(d)(i) may not be revoked and the provisions of this Section 6.1(d) may not be amended, supplemented, waived or modified (including in connection with any merger, restructuring, plan of reorganization or liquidation, dissolution, winding-up or consolidation) and the members of the LLC Conflicts Committee may not be removed, except by a written instrument signed by the Managing Member acting with either (i) the prior written consent of a majority of the members of the LLC Conflicts Committee as of the time of such revocation, amendment, supplement, waiver or modification or removal or (ii) the prior approval of the holders (other than, directly or indirectly, SunEdison or any of its Affiliates) of a majority of the outstanding shares of Class A Common Stock (other than any such shares of Class A Common Stock held, directly or indirectly, by SunEdison or any of its Affiliates) (clause (ii) being the “Independent Shareholder Approval”).

(iv) The term “LLC Conflicts Committee” shall mean a committee composed of (x) Mr. Jack Jenkins-Stark, Mr. Chris Compton and Mr. Hanif “Wally” Dahya, (y) any individual appointed to the LLC Conflicts Committee by the Managing Member with Independent Shareholder Approval of such individual and (z) any individual appointed to the LLC Conflicts Committee by a majority of the members of the LLC Conflicts Committee in office immediately prior to such appointment, in each case until their resignation or removal; provided that, except as otherwise determined by the affirmative vote of a majority of the members of the LLC Conflicts Committee under exceptional and limited circumstances, each member of the LLC Conflicts Committee must satisfy such independence requirements as, in the determination of the LLC Conflicts Committee, would satisfy the NASDAQ Global Select Market standards for “independent directors” and nominations committee members, if such standards were applicable to the LLC Conflicts Committee.

(v) The LLC Conflicts Committee may establish its own rules of procedure from time to time by the affirmative vote of a majority of the members of the LLC Conflicts Committee and shall operate in accordance with such rules. Notwithstanding anything in this Agreement to the contrary, so long as the LLC Conflicts Committee has the same members as the Corporate Governance and Conflicts Committee of the board of directors of Terra, Inc. (the “CGCC”), any action or decision of the CGCC duly taken or made in accordance with Terra, Inc.’s certificate of incorporation, by-laws and charter of the CGCC shall be deemed to constitute an action or decision of the LLC Conflicts Committee if and to the extent it covers any Conflicts Matters.

(vi) Notwithstanding any other provision of this Agreement (including Section 9.3 (Parties in Interest)), (x) the provisions of this Section 6.1(d) are intended to be for the benefit of, and shall be enforceable by, each member of

the LLC Conflicts Committee in his or her capacity as such, and (y) the provisions of Section 6.1(d)(iii), Section 6.1(d)(iv)(y) and this Section 6.1(vi) are intended to be for the benefit of, and shall be enforceable by, the holders of Class A Common Stock (other than SunEdison or any of its Affiliates). The Managing Member hereby designates each member of the LLC Conflicts Committee as an "Indemnitee" for purposes of this Agreement and any act or omission taken in connection with its exercise of rights hereunder.

2. 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.
3. 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.
4. 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.
5. 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

May 31, 2016

Certified Mail

TerraForm Power Operating, LLC
 Attn: Chief Financial Officer
 7550 Wisconsin Ave, 9th Floor
 Bethesda, MD 20814

Re: **Notice of Default**
 TerraForm Power Operating LLC 5.875% Senior Notes Due 2023

Dear Chief Financial Officer:

U.S. Bank National Association serves as trustee (the "Trustee") under that certain Indenture/Resolution pursuant to which the issuance of the above-captioned bonds (the "Bonds") was authorized. Capitalized terms not otherwise defined in this letter shall have the meanings ascribed to such terms in the Indenture/Resolution or that certain agreement referenced in this letter.

Notice is hereby given that you have failed to provide to the Trustee the following items:

<u>Item</u>	<u>Agreement</u>	<u>Section</u>	<u>Due Date</u>
10-K	Indenture Dated January 28, 2015	4.03(a) (1)	May 29, 2016

This letter shall constitute written notice of such failure to comply with the covenants described in the sections of the agreement(s) referenced above. This letter shall also constitute written notice that in the event that all of the covenant defaults are not remedied on or before the date which is 90 days from the date of this notice, the failure to comply with all of the covenants shall constitute an Event of Default pursuant to the agreement(s) referenced above. Extraordinary fees may be assessed until such non-compliance is remedied. The occurrence of an Event of Default under such agreement(s) may also constitute an immediate Event of Default under the Indenture/Resolution or other bond documents.

Page 2
May 31, 2016

Please send all item(s) to the Trustee at Mandy Yell, U.S. Bank National Association, 60 Livingston Ave, St. Paul, Minnesota 55107 or by email in a non-alterable electronic format in their entirety and including all required signatures to [***] as soon as they become available and in any case prior to 90 days from the date of this notice.

This notice is not, and should not be construed as, a waiver of any rights or remedies that the Trustee or the holders may have with respect to the matters described hereunder and nothing in this notice waives, releases, modifies, alters, amends or otherwise changes those rights as contained in the Indenture/Resolution or other bond documents.

Please contact Mandy Yell at [***], [***], or your Account Manager Rick Prokosch at [***], [***], if you have any questions regarding this notice.

Thank you for your attention to this matter.

U.S. Bank National Association, as Trustee,

By: /s/ Mandy Yell
Name: Mandy Yell
Title: Trust Review Analyst

cc: Andrea Nicolas
Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, NY 10036

May 31, 2016

Certified Mail

TerraForm Power Operating, LLC
 Attn: Chief Financial Officer
 7550 Wisconsin Ave, 9th Floor
 Bethesda, MD 20814

Re: **Notice of Default**
 TerraForm Power Operating LLC 6.125% Senior Notes Due 2025

Dear Chief Financial Officer:

U.S. Bank National Association serves as trustee (the "Trustee") under that certain Indenture/Resolution pursuant to which the issuance of the above-captioned bonds (the "Bonds") was authorized. Capitalized terms not otherwise defined in this letter shall have the meanings ascribed to such terms in the Indenture/Resolution or that certain agreement referenced in this letter.

Notice is hereby given that you have failed to provide to the Trustee the following items:

<u>Item</u>	<u>Agreement</u>	<u>Section</u>	<u>Due Date</u>
10-K	Indenture Dated July 17, 2015	4.03(a) (1)	May 29, 2016

This letter shall constitute written notice of such failure to comply with the covenants described in the sections of the agreement(s) referenced above. This letter shall also constitute written notice that in the event that all of the covenant defaults are not remedied on or before the date which is 90 days from the date of this notice, the failure to comply with all of the covenants shall constitute an Event of Default pursuant to the agreement(s) referenced above. Extraordinary fees may be assessed until such non-compliance is remedied. The occurrence of an Event of Default under such agreement(s) may also constitute an immediate Event of Default under the Indenture/Resolution or other bond documents.

Page 2
May 31, 2016

Please send all item(s) to the Trustee at Mandy Yell, U.S. Bank National Association, 60 Livingston Ave, St. Paul, Minnesota 55107 or by email in a non-alterable electronic format in their entirety and including all required signatures to [***] as soon as they become available and in any case prior to 90 days from the date of this notice.

This notice is not, and should not be construed as, a waiver of any rights or remedies that the Trustee or the holders may have with respect to the matters described hereunder and nothing in this notice waives, releases, modifies, alters, amends or otherwise changes those rights as contained in the Indenture/Resolution or other bond documents.

Please contact Mandy Yell at [***], [***], or your Account Manager Rick Prokosch at [***], [***], if you have any questions regarding this notice.

Thank you for your attention to this matter.

U.S. Bank National Association, as Trustee,

By: /s/ Mandy Yell
Name: Mandy Yell
Title: Trust Review Analyst

cc: Andrea Nicolas
Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, NY 10036
