



**Part II Organizational Action (continued)**

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶

IRC 305

IRC 307

Treas. Regs. 1.307-1 and 1.307-2

IRC 1001

18 Can any resulting loss be recognized? ▶ The organizational action does not result in recognition of loss.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The organizational action was effective as of May 14, 2015. Accordingly, the reportable tax year for a shareholder is its tax year that includes May 14, 2015 (e.g., the 2015 tax year for shareholders on a calendar year tax year).

The US federal income tax rules are complex and we urge you to consult your own tax advisors regarding the application of these rules to your particular circumstances.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ *Janet Kean* Date ▶ 6/15/15

Print your name ▶ \_\_\_\_\_ Title ▶ \_\_\_\_\_

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

**Attachment to Form 8937**

**NRG Yield, Inc.**

**"Report of Organizational Actions Affecting Basis of Securities"**

**Part II, Item 14.**

As part of the organizational action, NRG Yield, Inc. ("NYLD") amended its certificate of incorporation to establish two new classes of common stock, i.e., Class C common stock and Class D common stock. On May 14, 2015, NYLD caused its existing class of common stock to split as follows: (i) Class A common stock split into one share of Class A common stock and one share of Class C common stock; and (ii) Class B common stock split into one share of Class B common and one share of Class D common stock. (Note that the outstanding shares of Class B common stock and Class D common stock are not publicly traded, and are all held by one shareholder, a C corporation.)

**Part II, Item 15.**

A shareholder's aggregate tax basis in his or her shares of Class A common stock held immediately prior to the stock split should be allocated to the Class A common stock and the Class C common stock in proportion to their relative fair market values. Fair market value generally is the price at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell, and both having reasonable knowledge of the facts. U.S. federal income tax law does not specifically prescribe how a taxpayer should determine the fair market value of the Class A common stock and the Class C common stock for purposes of allocating basis.

There are several possible methods for determining the fair market values of the Class A common stock and the Class C common stock. One possible method is to use the average of the high and low trading price of the stock on May 15, 2015, the first day of trading of the Class A common stock and the Class C common stock following the stock split. Based on this approach, and as described in Item 16 below, 50.28% of a shareholder's aggregate tax basis in his or her shares of the Class A common stock immediately prior to the stock split would be allocated to such shareholder's shares of Class A common stock and 49.72% of it would be allocated to such shareholder's shares of Class C common stock received pursuant to the stock split.

Other approaches to determine fair market value may also be possible. You are not bound by the approach illustrated above and may, in consultation with your tax advisor, use another approach in determining fair market values for the Class A common stock and the Class C common stock.

**Part II, Item 16.**

The opening, closing, high, low and average of the high and low trading prices of the Class A common stock and the Class C common stock on May 15, 2015 are set forth in the table below:

	Class A common stock	Class C common stock
Open	\$23.80	\$24.94
Close	\$24.37	\$24.50
High	\$26.73	\$25.50
Low	\$23.80	\$24.47
Average of High/Low	\$25.265	\$24.985

Based on this information, and determining the fair market value based on the average of the high and low trading price, the pre-stock split basis should be allocated 50.28% to the Class A common stock ( $\$25.265/(\$25.265+\$24.985)$ ), and 49.72% to the Class C common stock ( $\$24.985/(\$25.265+\$24.985)$ ).