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For each executive, the restricted stock will vest in four equal annual installments commencing on the first anniversary of the completion of this offering, subject to accelerated vesting upon certain events. Under certain circumstances upon a termination of employment, any unvested shares of Class A common stock held by the terminated executive will be forfeited.

IPO Grants

Prior to the completion of this offering, we expect our board of directors to approve a grant of restricted stock units to several persons who have provided or are expected to provide services to us. Although the specific terms of these grants have not been finalized, we expect that these grants will consist of approximately 695,200 restricted stock units, or "RSUs," which are expected to vest in four equal annual installments commencing on the first anniversary of this offering. The RSUs will not entitle the holders to voting rights with respect to matters presented to our stockholders, and holders of the RSUs will not have any right to receive dividends.

TerraForm Global, Inc. 2014 Long-Term Incentive Plan

The 2014 Incentive Plan became effective as of September 29, 2014. The material terms of the 2014 Incentive Plan are summarized below. Certain awards which have been made, or we expect will be made prior to the completion of this offering, under the 2014 Incentive Plan are summarized above.

The purpose of the 2014 Incentive Plan is to enhance the profitability and value of our company for the benefit of our stockholders by enabling us to offer eligible individuals cash and stock-based incentives in order to attract, retain and reward such individuals and strengthen the mutuality of interests between such individuals and our stockholders. Eligibility to participate in the 2014 Incentive Plan is limited to our and our affiliates' employees (including officers and directors who are employees) and consultants who are designated by our board or a committee of our board which is authorized to administer the plan, in its discretion, as eligible to receive awards under the 2014 Incentive Plan. The 2014 Incentive Plan provides for the grant of non-qualified stock options, incentive stock options (within the meaning of Section 422 of the Code), stock appreciation rights, restricted stock, performance shares, restricted stock units or any other cash or stock based award. The material terms of the 2014 Incentive Plan are as follows:

- **Shares subject to the plan.** The maximum aggregate number of shares that may be issued under the 2014 Incentive Plan shall not exceed a number of shares of common stock that represent an aggregate 10% economic interest in Global LLC, or 17,884,910 shares, based on the assumptions set forth in 'Summary—The offering—Certain assumptions,' subject to certain adjustments to prevent dilution, of which shares remain available for future issuances. This limitation does not apply to any awards settled in cash. To the extent any stock option or other stock-based award granted under the 2014 Incentive Plan is forfeited, cancelled, terminated, expires or lapses without having been exercised or paid in full, the shares subject to such awards will become available for future grant or sale under the 2014 Incentive Plan; provided that the following shares shall not become available for future grants: (i) shares not issued or delivered as a result of the net settlement of an outstanding stock appreciation right or stock option; (ii) shares used to pay the exercise price or withholding taxes related to an outstanding stock option or stock appreciation right; or (iii) shares repurchased on the open market with the proceeds of a stock option exercise price. The restricted stock issued, subject to outstanding awards or reserved under the 2014 Incentive Plan, will convert at the time of our initial public offering into shares of Class A common stock. As used herein and in the 2014 Incentive Plan, references to 'common stock' mean, prior to the completion of this offering, our restricted stock and, following the completion of this offering, our Class A common stock.
- **Award limitations.** During the course of any fiscal year, the maximum number of shares subject to any award of stock options, stock appreciation rights, shares of restricted stock or other stock-based awards for