Part I Reporting Issuer

1 Issuer's name
SolarCity Corporation

2 Issuer's employer identification number (EIN)
02-0781046

3 Name of contact for additional information
Tesla Investor Relations

4 Telephone No. of contact
(650) 681-6130

5 Email address of contact
ir@tesla.com

6 Number and street (or P.O. box if mail is not delivered to street address) of contact
45500 Fremont Boulevard

7 City, town, or post office, state, and Zip code of contact
Fremont, CA 94538

8 Date of action
November 21, 2016

9 Classification and description
SolarCity Common Stock and Tesla Common Stock

10 CUSIP number
83416T100

11 Serial number(s)

12 Ticker symbol
SCTY and TSLA

13 Account number(s)

Part II Organizational Action
Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► See attached statement.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► See attached statement.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► See attached statement.
17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based. See attached statement.

18 Can any resulting loss be recognized? See attached statement.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year. See attached statement.

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.

[Signature]

Print your name: [Name]

Date: 1/4/2017

Title: VP, GLOBAL TAX

[Printed Name]

[Sign Here]

[PTIN] P01363054

[Check if self-employed]

[Check if firm]

Firm's EIN: 13-5565207

[Address]

Mission Towers I, Suite 100, 3975 Freedom Cir, Santa Clara, CA 95054

Phone no.: (408) 367-5764

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054
SolarCity Corporation  
EIN 02-0781046  
Attachment to Form 8937  

Form 8937, Part II, Box 14:  

On November 21, 2016 (the “Closing Date”), upon the terms and subject to the conditions set forth in the Agreement and Plan of Merger (the “Merger Agreement”), dated as of July 31, 2016, among Tesla Motors, Inc. ("Tesla"), SolarCity Corporation ("SolarCity") and D Subsidiary, Inc., a wholly owned subsidiary of Tesla ("Merger Sub"), and in accordance with applicable law, Merger Sub merged with and into SolarCity (the “Merger”), with SolarCity surviving the Merger as a wholly owned subsidiary of Tesla. 

Under the terms of the Merger Agreement, at the effective time of the Merger (the “Effective Time”), each share of SolarCity common stock, par value $0.0001 per share (the “SolarCity Common Stock”), issued and outstanding immediately prior to the Effective Time (other than shares of SolarCity Common Stock owned by SolarCity as treasury stock or owned by Tesla or Merger Sub, which were cancelled) was converted into the right to receive 0.110 (the “Exchange Ratio”) shares of Tesla common stock, par value $0.001 per share (the “Tesla Common Stock”). No fractional shares of Tesla Common Stock were issued in the Merger, and SolarCity stockholders became entitled to receive cash in lieu of any fractional shares.  

Form 8937, Part II, Box 15:  

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the “Code”) and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations relating to the effects of the Merger as set forth in the Registration Statement on Form S-4, dated October 12, 2016, of Tesla, including the proxy statement of SolarCity forming a part thereof, relating to the transactions contemplated by the Merger Agreement (the “Form S-4), under the heading “Material U.S. Federal Income Tax Consequences.” The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of shareholders. The Form S-4 may be accessed at www.sec.gov.  

Former SolarCity shareholders are encouraged to consult their own tax advisor regarding the particular consequences of the Merger to them (including the applicability and effect of all U.S. federal, state and local tax laws and foreign tax laws) and should read the Form S-4.  

The aggregate tax basis in the Tesla Common Stock received in the Merger (including any fractional shares of Tesla Common Stock deemed received and exchanged for cash) by a “U.S. holder” (as defined in the Form S-4) of Solar City Common Stock generally is equal to the aggregate tax basis of the SolarCity Common Stock surrendered in the Merger.  

Form 8937, Part II, Box 16:
See item 15 above.

**Form 8937, Part II, Box 17:**

Sections 301, 302, 354, 358, 368, 1001, and 1012.

**Form 8937, Part II, Box 18:**

In general, a U.S. holder of SolarCity Common Stock did not recognize any gain or loss on the exchange of SolarCity Common Stock for Tesla Common Stock pursuant to the Merger, except with respect to cash received in lieu of a fractional share of Tesla Common Stock. The deductibility of any loss may be subject to limitations.

**Form 8937, Part II, Box 19:**

The Merger occurred on November 21, 2016. For a former SolarCity shareholder whose taxable year is the calendar year, the reportable tax year is 2016.