CENGAGE LEARNING HOLDINGS II, INC.

SHAREHOLDER AGREEMENT

Dated as of March 31, 2014
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SHAREHOLDER AGREEMENT

This Shareholder Agreement (as it may be amended from time to time, this “Agreement”) is made as of March 31, 2014 by and among Cengage Learning Holdings II, Inc., a Delaware corporation (the “Company”), and each of the shareholders of the Company as of the date hereof and such other Persons, if any, that from time to time become parties hereto (as transferees of Shares pursuant to Section 3.3 or otherwise) (collectively, the “Shareholders”).

RECITALS

WHEREAS, pursuant to the Certificate (as defined herein), among other things, the Company is authorized to issue capital stock consisting of 300,000,000 shares of Common Stock, par value $0.01 per share (the “Company Common Shares”), and 50,000,000 shares of Preferred Stock, par value $0.01 per share (the “Company Preferred Shares”).

WHEREAS, pursuant to that certain Findings of Fact, Conclusions of Law, and Order Confirming the Debtors’ Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code [Docket No. 1225] dated March 14, 2014, which, among other things, confirmed the Debtors’ Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code, dated March 12, 2014 [Docket No. 1215] (as the same may have been subsequently amended, modified or supplemented, the “Plan”), as of the Effective Date, certain Shareholders are being issued Company Common Shares.

WHEREAS, the Plan provides that this Agreement shall be deemed to be valid, binding and enforceable in accordance with its terms, and each Shareholder shall be deemed to be bound hereby, in each case without the need for execution of this Agreement by any party hereto other than the Company.

WHEREAS, the parties hereto desire to establish certain rights and obligations with respect to the composition of the Company’s board of directors (the “Board”), to manage, in certain circumstances, the Transfer of Company Common Shares, to provide for certain additional covenants and to provide for certain rights and obligations as among themselves in relation to the affairs of the Company and its Subsidiaries and certain other matters as set forth herein as hereinafter provided.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties to this Agreement intending to be bound hereby agree as follows:

1. EFFECTIVE DATE. This Agreement shall become effective as of the date first written above immediately after the Certificate has become effective in accordance with Delaware law (the “Effective Date”).

- 1 -
2. BOARD OF DIRECTORS; VOTING AGREEMENT.

2.1 Board of Directors.

2.1.1 Board Size. The authorized number of directors of the Board shall be fixed at seven (7); provided, however, that the Board may increase the authorized number of directors of the Board from seven (7) up to a maximum of nine (9) (and fill any vacancies created by such increase in the authorized number of directors in accordance with the Governing Documents) solely to add a director that is a representative of or otherwise affiliated with any Person who is issued more than ten percent (10%) of the outstanding Company Equity Shares, by vote or value, in one transaction or a series of related transactions, or to whom the Company issues more than ten percent (10%) of the outstanding Company Equity Shares, by vote or value, as consideration in any business combination or acquisition transaction involving the Company or any Subsidiary or in any joint venture or strategic partnership, in each case, pursuant to an Issuance made in compliance with Section 5.

2.1.2 Initial Designation of Directors.

(a) As of the Effective Date, the Board shall consist of the following individuals: Michael Hansen (the "Initial CEO"), Christian Stahl, who is a designee of Apax (the "Apax Designee Director"), Jamison C. Ely, who is a designee of KKR (the "KKR Designee Director") Eric Sondag, who is a designee of Searchlight (the "Searchlight Designee Director" and, together with the Apax Designee Director and the KKR Designee Director, the "Initial Designee Directors," with the person who designated such Initial Designee Directors being referred to as the "Board Designator"), John D. Dionne, Richard Sarnoff and Wade Davis (collectively, Messrs. Dionne, Sarnoff and Davis, the "Non-Designee Directors"). Commencing as of the Effective Date and continuing through at least the 2017 annual meeting of Shareholders (the "Third Annual Meeting"), pursuant to the Bylaws (i) the directors of the Company shall be divided, with respect to the time for which they severally hold office, into three classes, with the Initial CEO (or any replacement thereof selected in accordance with the Governing Documents) to serve in Class I with a term expiring at the 2015 annual meeting of Shareholders (the "First Annual Meeting"), each Initial Designee Director (or any replacement thereof selected in accordance with Section 2.2 and the Governing Documents) to serve in Class II with a term expiring at the 2016 annual meeting of Shareholders (the "Second Annual Meeting") and each Non-Designee Director (or any replacement thereof selected in accordance with Section 2.2 and the Governing Documents) to serve in Class III with a term expiring at the Third Annual Meeting and (ii) commencing with the First Annual Meeting, each director that is elected shall be elected for a three-year term.

(b) The Initial CEO (or his successor as Chief Executive Officer of the Company) shall be nominated for election as a director of the Company at the First Annual Meeting, and each Shareholder will take all Necessary Action so as
to elect the Initial CEO (or his successor as Chief Executive Officer of the Company) as a director of the Company at such meeting.

(c) The individuals nominated for election as directors of the Company at the Second Annual Meeting shall include, and each Shareholder will take all Necessary Action so as to elect as a director of the Company, the following individuals:

(i) if Apax beneficially owns Company Common Shares constituting at least the Minimum Designating Ownership, the Apax Designee Director (or any replacement thereof selected in accordance with Section 2.2 and the Governing Documents);

(ii) if KKR beneficially owns Company Common Shares constituting at least the Minimum Designating Ownership, the KKR Designee Director (or any replacement thereof selected in accordance with Section 2.2 and the Governing Documents); and

(iii) if Searchlight beneficially owns Company Common Shares constituting at least the Minimum Designating Ownership, the Searchlight Designee Director (or any replacement thereof selected in accordance with Section 2.2 and the Governing Documents).

(d) Except as otherwise provided in Section 2.2 and Section 9.2, after the Second Annual Meeting, no Shareholder shall have any special rights with respect to the nomination and election of directors of the Company, and directors shall be nominated and elected in accordance with the Governing Documents.

2.1.3. Board Observer. At all times prior to the Initial Public Offering, each Shareholder that is a Board Designator and that continues to beneficially own Company Common Shares constituting at least ten percent (10%) of the Outstanding Company Common Shares shall be entitled to appoint one (1) observer (the “Observer”) that is a representative of or otherwise affiliated with such Shareholder as an observer to the Board for so long as such Shareholder continues to hold at least ten percent (10%) of the Outstanding Company Common Shares, which percentage shall be automatically adjusted to offset (for purposes of this Section 2.1.3) the dilution occurring upon the Issuance of any Company Common Shares after the Effective Date solely to the extent such Issuance is of a type described in Sections 5.3(b), (c), (f) or (g). Such Observer(s) shall be entitled to attend all meetings of the Board, and the Company shall provide to the Observer(s), concurrently with the members of the Board and in the same manner, notice of such meetings and a copy of all materials provided to such members; provided, however, that no Observer shall be entitled to compensation for their services as an Observer to the Board, but each Observer shall be entitled to reimbursement of reasonable, documented out-of-pocket expenses incurred in connection with attendance at meetings of the Board; provided, further, for the avoidance of doubt, the Observer shall be subject to customary confidentiality obligations, including without limitation, the confidentiality obligations set forth in Section 6.2 hereof and other customary and
generally applicable board policies, and the Shareholder that designated such Observer shall be responsible for the Observer's compliance therewith.

2.2 **Resignation; Removal and Replacement; Vacancies.**

2.2.1 **Removal of Designee Director.** Prior to the Second Annual Meeting, no Shareholder will vote (or act by written consent) or take any Necessary Action to remove any Designee Director, except (a) for Cause or (b) for Cause or without Cause upon the written request to the Company of the Board Designator that designated such Designee Director, delivered in its sole discretion (a “Removal Request”), which Removal Request may designate a replacement director. Additionally, at any time following the Effective Time (including following the Second Annual Meeting), a Board Designator that beneficially owns Company Common Shares constituting at least the Minimum Designating Ownership may deliver in its sole discretion, for Cause or without Cause, a Removal Request with respect to the Designee Director that it designated, which Removal Request may designate a replacement director. Upon receipt of a valid Removal Request by the Company, the Company, Board and each Shareholder agrees to take all Necessary Action so as to remove the Designee Director identified in such Removal Request. Following such removal, if a proposed replacement Designee Director is designated in the Removal Request, then the Company, Board and Shareholders will take all Necessary Action to cause such proposed Designee Director to be promptly nominated, elected and installed in office.

2.2.2 **Vacancies of Designee Directors.**

(a) Prior to the Second Annual Meeting:

(i) if any Director Designee resigns, dies, is removed or is unable to serve for any reason and the applicable Board Designator designates a proposed replacement Designee Director, then the Company, Board and Shareholders will take all Necessary Action to cause such proposed replacement Designee Director to be promptly nominated, elected and installed in office; and

(ii) if any Board Designator entitled to designate a person to serve as the replacement Designee Director fails to designate a proposed replacement Designee Director pursuant to clause (i) above, then such directorship shall remain vacant until such Board Designator designates a proposed replacement Designee Director (or, if such Board Designator fails to designate a proposed replacement Designee Director prior to the Second Annual Meeting, until filled by the Board in accordance with Section 2.2.2(b)(ii)).

(b) From and after the Second Annual Meeting until the 2019 annual meeting of Shareholders (the “Fifth Annual Meeting”):

(i) if any Director Designee resigns, dies, is removed or is unable to serve for any reason and the applicable Board Designator
beneficially owns Company Common Shares constituting at least the Minimum Designating Ownership at the time that such vacancy occurs, such Board Designator may designate a proposed replacement Designee Director within twenty (20) Business Days of receipt of notice from the Company to such Board Designator of such vacancy occurring, in which event the Company, Board and Shareholders will take all Necessary Action to cause such proposed replacement Designee Director to be promptly nominated, elected and installed in office;

(ii) if any Board Designator entitled to designate a person to serve as the replacement Designee Director pursuant to clause (i) above fails to do so within twenty (20) Business Days of receipt of notice from the Company to such Board Designator of such vacancy occurring, then such vacancy may be filled by the Board in accordance with the Governing Documents; and

(iii) if any Director Designee resigns, dies, is removed or is unable to serve for any reason and the applicable Board Designator beneficially owns Company Common Shares constituting less than the Minimum Designating Ownership at the time that such vacancy occurs, then such vacancy may be filled by the Board in accordance with the Governing Documents.

(c) From and after the Fifth Annual Meeting, if any Director Designee resigns, dies, is removed or is unable to serve for any reason, then such vacancy may be filled by the Board in accordance with the Governing Documents.

2.2.3 Non-Designee Directors. Prior to the Third Annual Meeting, no Shareholder will vote (or act by written consent) or otherwise take any Necessary Action to remove any Non-Designee Director (or any replacement thereof selected in accordance with the Governing Documents), except for Cause.

2.3 Committees of the Board: Directors of Subsidiaries. The size and composition of the committees of the Board and the boards of directors or equivalent governing bodies of the Company’s Subsidiaries shall be as determined by the Board from time to time.

2.4 Necessary Action by all Shareholders Relating to Board of Directors. Each Shareholder hereby agrees to take, at any time and from time to time, all Necessary Action to accomplish the provisions of Sections 2.1 and 2.2, and the Company hereby agrees to take all Necessary Action to ensure that the provisions of Sections 2.1 and 2.2 are accomplished in all material respects. In the event and to the extent that the Company incurs reasonable out-of-pocket expenses pursuant to the immediately preceding sentence as the result of a Shareholder failing to comply with the provisions of Sections 2.1 or 2.2, such non-compliant Shareholder agrees to reimburse the Company for such out-of-pocket expenses. Each Shareholder hereby grants an irrevocable proxy coupled with an interest to vote, including in any action by written consent, such Shareholder’s Shares in accordance with such Shareholder’s agreements contained in this Section 2.4 to (a) each Board Designator (and each officer or director thereof, if
applicable) then entitled to designate any Initial Designee Directors solely in respect of the election or removal of such Board Designator’s Initial Designee Directors prior to the Second Annual Meeting and (b) each officer of the Company in respect of each other matter upon which a Shareholder is required to vote pursuant to the provisions of Section 2.1 and 2.2 (including in any action by written consent). Each of the foregoing proxies shall be valid and remain in effect until the provisions of this Section 2.4 expire pursuant to Section 2.10.

2.5 **Actions in Contravention.** Subject to applicable law, the Company will not, and will take all Necessary Action to cause its Subsidiaries not to, give effect to any action by any Shareholder or any other Person which is in contravention of this Section 2.

2.6 **Amendment of Certificate.** Each Shareholder hereby agrees that so long as this Section 2 remains in effect, such Shareholder will take all Necessary Action to reject any proposal to alter, terminate, repeal or otherwise cause the expiration of Article XIII of the Certificate or to adopt any provision of the Certificate inconsistent with Article XIII of the Certificate.

2.7 **Directors’ and Officers’ Insurance.** The Company shall maintain customary directors and officers liability insurance coverage on terms satisfactory to the Board.

2.8 **Expenses.** The Company shall pay or reimburse the reasonable, documented out-of-pocket expenses incurred by the Directors in connection with their service on the Board.

2.9 **Bylaws.** Each Shareholder acknowledges and agrees that (a) in accordance with the Plan, the bylaws attached to this Agreement as Exhibit A shall be the initial bylaws of the Company as of the Effective Time, (b) each Shareholder is deemed to have approved the adoption of such bylaws and (c) each Shareholder agrees to take all Necessary Action, including voting (or acting by written consent) to further ratify or approve the adoption of such bylaws at the request of the Company.

2.10 **Period.** Each of the foregoing provisions of this Section 2 shall automatically terminate in their entirety and be of no further force and effect upon the completion of the Initial Public Offering or the earlier termination of this Agreement.

3. **TRANSFER RESTRICTIONS.**

3.1 **General Transfer Restrictions.** Each Shareholder understands and agrees that the Shares held by such Shareholder on the date hereof have not been registered under the Securities Act or registered or qualified under any state or foreign securities laws. No Shareholder shall Transfer such Shares (or solicit any offers in respect of any Transfer of such Shares), except in compliance with the Securities Act, any applicable state or foreign securities laws and any restrictions on Transfer contained in this Agreement (including, without limitation, the transfer procedures set forth in Sections 3.2.1 and 3.3 hereof) or any other provisions set forth in the Registration Rights Agreement or any other agreements or instruments pursuant to which such Shares were issued.

3.2 **Transfer Restrictions to Maintain Private Company Status.** Until the Company otherwise becomes obligated to file reports under Section 13 or Section 15(d) of the Exchange
Act or upon receipt of prior written approval from the Board, no Shareholder shall Transfer any of such Shareholder’s Shares to any other Person to the extent such Transfer would cause the Company to have, including as a result of passage of time and giving effect to the exercise of all Options, Warrants and Convertible Securities, in excess of 1,950 Holders of Record (or 450 or more Holders of Record who are not accredited investors), calculated in accordance with Section 12(g) of the Exchange Act (or 50 fewer than such other numbers of shareholders as may subsequently be set forth in Section 12(g), or any successor provision, from time to time of the Exchange Act, as the minimum number of Holders of Record or shareholders for a class of capital stock to be required to be registered under Section 12 of the Exchange Act). The Company and any transfer agent for the Company’s Shares shall be entitled to enforce this provision (including by denying any requested Share Transfer). The Company and any transfer agent for the Company’s Shares shall determine the number of Holders of Record from time to time in consultation with Company counsel in order to give full effect to the restriction set forth in this Section 3.2. For the avoidance of doubt, any Shareholder may Transfer any or all of such Shareholders’ Shares in any Public Offering without complying with this Section 3.2.

3.2.1 Other Private Transfers. Any Shares Transferred prior to the Initial Public Offering shall comply with the transfer restrictions contained in Section 3.3 of the Agreement and any such Shares Transferred shall conclusively be deemed thereafter to be Shares under this Agreement and each transferee shall be bound by the terms of this Agreement in accordance with Section 3.3.

3.3 Transferees to Become Parties. Prior to effectuating any Transfer (including pursuant to Section 4.1), the Shareholder proposing to make such Transfer shall deliver to the Company (i) the name of the Person or Persons to whom the proposed Transfer is to be made; (ii) if reasonably requested by the Company, a written opinion of legal counsel in form and substance reasonably satisfactory to the Company’s legal counsel to the effect that the proposed Transfer may be effected without registration under the Securities Act or any applicable federal, state or foreign securities laws, provided that no such opinion shall be required from any Shareholder that the Company determines is (x) Transferring Shares received in the Company’s reorganization pursuant to the Plan and that are subject to the exemption provided by 11 U.S.C. §1145 and (y) is not, and was not at any time during the 90 days immediately before the proposed Transfer, an “affiliate” of the Company (as defined in Rule 144); and (iii) subject to the proviso to the immediately preceding clause (ii), such other information as the Company may reasonably request in order to determine that the proposed Transfer will be made in compliance with the provisions of this Agreement (including information used to determine whether any Person to whom the proposed Transfer is to be made is an accredited investor). Other than a Transfer of Shares in a Public Offering, no purported Transfer of Shares by any Shareholder to any other Person shall be effective unless and until such Person has delivered to the Company an executed joinder to this Agreement, substantially in the form set forth in Exhibit B hereto, pursuant to which such Person agrees to be bound by the terms and conditions of this Agreement as if an original party hereto.

3.4 Impermissible Transfer. Subject to applicable law, any attempted Transfer of Shares not in compliance with the terms of this Section 3 shall be null and void, and neither the Company nor any transfer agent for any Company Common Shares shall be required to record
such Transfer on its books and records or otherwise in any way give effect to any such impermissible Transfer.

3.5 Cooperation. Subject to the terms and conditions of this Agreement, including the other sections in this Section 3, the Company shall use its commercially reasonable efforts to cooperate with any Shareholder desiring to Transfer its Shares in accordance with this Section 3.

3.6 Period. Each of the foregoing provisions of this Section 3 shall automatically terminate in their entirety and be of no further force and effect upon the completion of the Initial Public Offering.

4. "TAG ALONG" AND "DRAG ALONG" RIGHTS.

4.1 Tag Along. Without limiting any other terms and conditions of this Agreement (including Section 3 hereof), if Shareholders that collectively beneficially own more than fifty percent (50%) of the Outstanding Company Common Shares (the "Prospective Selling Shareholders") propose to Sell fifty percent (50%) or more of the Outstanding Company Common Shares (or equivalent voting power), in one transaction or a series of related transactions, to any Prospective Buyer(s) other than in a Transfer undertaken as a Public Offering:

4.1.1. Notice. The Prospective Selling Shareholders shall, prior to consummating any such proposed Transfer, deliver a written notice (the "Tag Along Notice") to the Company, and the Company shall promptly (and in any event within five (5) Business Days following receipt thereof) deliver a copy of the Tag Along Notice to each other Shareholder (each such Shareholder, a "Tag Along Holder" and collectively, the "Tag Along Holders"). The Tag Along Notice shall include:

(a) the principal terms and conditions of the proposed Sale, including (i) the number and class of the Shares to be purchased from the Prospective Selling Shareholders, (ii) the fraction(s), expressed as a percentage, determined by dividing (x) the number of Shares of each class proposed to be purchased from the Prospective Selling Shareholders by (y) the total number of Shares of each such class held by the Prospective Selling Shareholders (for each class, the "Tag Along Sale Percentage"), (iii) the purchase price or the formula by which such price is to be determined and the payment terms, including a description of any non-cash consideration sufficiently detailed to permit valuation thereof, (iv) the name and address of each Prospective Buyer and (v) if known, the proposed Transfer date; and

(b) an invitation to each Tag Along Holder to include in the proposed Sale to the applicable Prospective Buyer(s) Shares of the same class(es) being sold by the Prospective Selling Shareholders held by such Tag Along Holder (not in any event in an amount for any class exceeding the product of (x) the Tag Along Sale Percentage for such class and (y) the total number of Shares of such class held by such Tag Along Holder), on the same terms and conditions, with
respect to each Share Sold, as the Prospective Selling Shareholders shall Sell each of its Shares of the applicable class.

4.1.2. **Exercise.** No later than the tenth (10th) Business Day after the date of delivery of the Tag Along Notice to the Tag Along Holders (such date the “Tag Along Deadline”), each Tag Along Holder desiring to include Shares in the proposed Sale (each a “Participating Tag Seller” and, together with the Prospective Selling Shareholders and any other Shareholders entitled to participate in the proposed Transfer, collectively, the “Tag Along Sellers”) shall deliver a written notice (the “Tag Along Offer”) to the Prospective Selling Shareholders and the Company indicating the number of Shares of each class that such Participating Tag Seller desires to have included in the proposed Sale (subject to the limitation set forth in Section 4.1.1(b)). Each Tag Along Holder who does not make a Tag Along Offer in compliance with the above requirements, including the time period, shall be deemed to have waived all of such Tag Along Holder’s rights to participate in such Sale, and the Tag Along Sellers shall thereafter be free to Sell to the Prospective Buyer(s), at a purchase price no greater than the purchase price set forth in the Tag Along Notice (other than as a result of a change in the estimated purchase price pursuant to an adjustment mechanism described in the Tag Along Notice, if the purchase price is not fixed) and on other terms and conditions which are not materially more favorable to the Tag Along Sellers than those set forth in the Tag Along Notice, without any further obligation to such non-accepting Tag Along Holder(s) pursuant to this Section 4.1.

4.1.3. **Irrevocable Offer.** The offer of each Participating Tag Seller contained in such Participating Tag Seller’s Tag Along Offer shall be irrevocable, and, to the extent such offer is accepted, such Participating Tag Seller shall be bound and obligated to Sell in the proposed Sale on the same terms and conditions, with respect to each Share Sold, as the Prospective Selling Shareholders, up to such number of Shares as such Participating Tag Seller shall have specified in such holder’s Tag Along Offer; provided, however, that if the principal terms of the proposed Sale change with the result that (i) the purchase price shall be less than the purchase price set forth in the Tag Along Notice (other than as a result of a change in the estimated purchase price pursuant to an adjustment mechanism described in the Tag Along Notice, if the purchase price is not fixed), (ii) the number of Shares to be acquired from the Tag Along Sellers is reduced, or (iii) the other terms and conditions shall be materially less favorable to the Tag Along Sellers than those set forth in the Tag Along Notice, the Prospective Selling Shareholders shall provide written notice thereof to the Company, and the Company shall promptly (and in any event within five (5) Business Days) deliver a copy of such notice to each Participating Tag Seller, and each Participating Tag Seller shall be permitted to withdraw the offer contained in such holder’s Tag Along Offer by written notice to the Prospective Selling Shareholder and the Company within five (5) Business Days after delivery of such written notice from the Company and upon such withdrawal such Participating Tag Seller shall be released from its obligations thereunder.

4.1.4 **Reduction of Shares Sold.** The Prospective Selling Shareholders shall attempt to obtain the inclusion in the proposed Sale of the entire number of Shares which each of the Tag Along Sellers requested to have included in the Sale (as evidenced in the
case of the Prospective Selling Shareholders by the Tag Along Notice and in the case of each Participating Tag Seller by such Participating Tag Seller’s Tag Along Offer). In the event the Prospective Selling Shareholders shall be unable to obtain the inclusion of such entire number of Shares of any class in the proposed Sale, the number of Shares of such class to be sold in the proposed Sale shall be allocated among the Tag Along Sellers on a pro rata basis in proportion to the total number of Shares of such class offered (or proposed, in the case of the Prospective Selling Shareholders) and eligible to be sold in the proposed Sale by each Tag Along Seller.

4.1.5 Additional Compliance. If, prior to consummation, the terms of the proposed Sale shall change with the result that (a) the purchase price to be paid in such proposed Sale shall be greater than the purchase price set forth in the Tag Along Notice (other than as a result of a change in the estimated purchase price pursuant to an adjustment mechanism described in the Tag Along Notice, if the purchase price is not fixed), (b) the number of Shares proposed to be acquired by the Prospective Buyer(s) in the proposed Sale is increased or (c) the other terms of such proposed Sale shall be materially more favorable to the Tag Along Sellers than those set forth in the Tag Along Notice, the Tag Along Notice shall be null and void, and it shall be necessary for a separate Tag Along Notice to be delivered, and the terms and provisions of this Section 4.1 separately complied with, in order to consummate such proposed Sale pursuant to this Section 4.1; provided, however, that in the case of such a separate Tag Along Notice, the applicable period to which reference is made in Section 4.1.2 shall be five (5) Business Days. In addition, if the Prospective Selling Shareholders have not completed the proposed Sale by the end of the 120th day after the date of delivery of the Tag Along Notice, each Participating Tag Seller shall be released from such Participating Tag Seller’s obligations under such Participating Tag Seller’s Tag Along Offer, the Tag Along Notice shall be null and void, and it shall be necessary for a separate Tag Along Notice to be delivered, and the terms and provisions of this Section 4.1 separately complied with, in order to consummate such proposed Sale pursuant to this Section 4.1, unless the failure to complete such proposed Sale resulted from any failure by any Participating Tag Seller to comply with the terms of this Section 4.1.

4.1.6 Actions with Respect to Tag Along. In connection with a proposed Sale to which Section 4.1 applies, each Prospective Selling Shareholder agrees that it shall not enter into any agreement or take any action (directly or indirectly) that prevents, or is reasonably expected to prevent, a particular Tag Along Holder from exercising such Tag Along Holder’s rights pursuant to this Section 4.1. No Prospective Selling Shareholder nor any of its Affiliates shall receive any direct or indirect consideration in connection with Sale to which Section 4.1 applies (including by way of fees, consulting arrangements or a non-compete payment) other than consideration received in exchange for its Shares on the terms described in the Tag Along Notice.

4.2 Drag Along. With respect to a Business Sale that is proposed by holders of more than fifty percent (50%) of the Outstanding Company Common Shares (or equivalent voting power) (“Prospective Dragging Shareholders”) to a purchaser that is not an Affiliate of any such proposing holder (a “Drag-Along Sale”), each Shareholder hereby agrees to vote (including acting by written consent, if requested) in favor of such Drag-Along Sale if any vote is held or
requested, and take all action to waive any dissenters, appraisal or other similar rights such 
Shareholder may have. In furtherance of the provisions of this Section 4.2, for so long as this 
Section 4.2 is in effect, each Shareholder (and its successors, heirs, legal representatives, and 
permitted assigns and transferees) hereby (i) irrevocably appoints each of the directors of the 
Company as his or its agent and attorney-in-fact (the “Drag-Along Agents”) (with full power of 
substitution) to execute all agreements, instruments and certificates and take all Necessary 
Action to effectuate any Drag-Along Sale as contemplated under this Section 4.2, and (ii) grants 
to each Drag-Along Agent a proxy (which shall be deemed to be coupled with an interest and to 
be irrevocable) to vote (including acting by written consent, if requested) all Shares having 
voting power held by such Person and exercise any consent rights applicable thereto in favor of 
any such Drag-Along Sale as provided in this Section 4.2; provided, however, that the Drag-
Along Agents shall not exercise such powers-of-attorney or proxies with respect to any such 
Person unless such Person refuses or fails to comply with its obligations under this Section 4.2. 
EACH SHAREHOLDER AFFIRMS THAT ITS AGREEMENT TO VOTE FOR THE 
APPROVAL OF SUCH A DRAG-ALONG SALE IS GIVEN AS A CONDITION OF THIS 
AGREEMENT AND AS SUCH IS COUPLED WITH AN INTEREST AND IS 
IRREVOCABLE.

4.2.1. Exercise. If the Prospective Dragging Shareholders wish to exercise the 
drag-along rights contained in this Section 4.2, then they shall deliver a written notice 
(the “Drag Along Notice”) to the Company at least fifteen (15) Business Days prior to the 
consummation of the Business Sale transaction, and the Company shall deliver a copy of 
such Drag Along Notice to each other Shareholder (each, a “Participating Drag Seller” 
and, together, with the Prospective Dragging Shareholders, collectively, the “Drag Along 
Sellers”) promptly (and in any event within five (5) Business Days following receipt 
thereof). The Drag Along Notice shall set forth the principal terms and conditions of the 
proposed Business Sale, including (a) the form and structure of the proposed Business 
Sale, (b) the consideration to be received in the proposed Business Sale for each class of 
Shares (including, if applicable, the formula by which such consideration is to be 
determined and the payment terms, including a description of any non-cash consideration 
sufficiently detailed to permit valuation thereof), (c) the name and address of the 
prospective acquirer(s) and (d) if known, the proposed Transfer date. Except as provided 
in Section 4.3.3, each Participating Drag Seller shall receive the same form and amount 
of consideration per Share to be received by the Prospective Dragging Shareholders for 
the corresponding class of Shares (on an as converted basis, in the case of Convertible 
Securities) in the Drag-Along Sale. If any holders of Shares of any class are given an 
option as to the form and amount of consideration to be received, all holders of Shares of 
such class will be given the same option other than to the extent prohibited by law. 
Unless otherwise agreed by each Drag Along Seller, any non-cash consideration shall be 
allocated among the Drag Along Sellers pro rata based upon the aggregate amount of 
consideration to be received by such Drag Along Sellers. If at the end of the 180th day 
after the date of delivery of the Drag Along Notice the proposed Business Sale has not 
been completed, the Drag Along Notice shall be null and void, each Drag Along Seller 
shall be released from such holder’s obligation under the Drag Along Notice and it shall 
be necessary for a separate Drag Along Notice to be delivered and the terms and 
provisions of this Section 4.2 separately complied with, in order to consummate such 
proposed Business Sale pursuant to this Section 4.2.
4.2.2. **No Other Consideration.** No Prospective Dragging Shareholder nor any of its Affiliates shall receive any direct or indirect consideration in connection with a Business Sale to which Section 4.2 applies (including by way of fees, consulting arrangements or a non-compete payment) other than consideration received in exchange for its Shares on the terms described in the Drag Along Notice.

4.3 **Miscellaneous.** The following provisions shall be applied to any proposed transaction to which Section 4.1 or 4.2 applies:

4.3.1. **Further Assurances.** Each Participating Tag Seller or Participating Drag Seller, as applicable, shall take or cause to be taken all Necessary Action, and the Company shall take or cause to be taken all such reasonable actions as may be requested by the Prospective Selling Shareholders or the Prospective Dragging Shareholders, as applicable, in each case, in order to expeditiously consummate each transaction pursuant to Section 4.1 or Section 4.2 and any related transactions, including executing, acknowledging and delivering consents, assignments, waivers and other documents or instruments; furnishing information and copies of documents; filing applications, reports, returns, filings and other documents or instruments with governmental authorities; and otherwise cooperating with the Prospective Selling Shareholder(s) or Prospective Dragging Shareholder(s), as applicable, and the prospective purchaser; provided, however, that Participating Tag Sellers and Participating Drag Sellers shall be obligated to become liable in respect of any representations, warranties, covenants, indemnities or otherwise to the Prospective Buyer or prospective acquirer solely to the extent provided in the immediately following sentence. Without limiting the generality of the foregoing, each Participating Tag Seller and Participating Drag Seller agrees to execute and deliver such agreements as may be reasonably specified by the Prospective Selling Shareholders(s) or Prospective Dragging Shareholder(s), as applicable, to which such Prospective Selling Shareholder(s) or Prospective Dragging Shareholder(s), as applicable, will also be party, including agreements to (a)(i) make individual representations, warranties, covenants and other agreements, but solely as to the unencumbered title to its Shares and the power, authority and legal right to Transfer (with respect to a Sale pursuant to Section 4.1) or vote (with respect to a Business Sale pursuant to Section 4.2) such Shares, the absence of any Adverse Claim with respect to such Shares and the non-contravention of other agreements to which such Participating Tag Seller or Participating Drag Seller is a party (it being understood and agreed that the Participating Tag Seller or Participating Drag Seller, as applicable, shall not be required to make any other representations and warranties) and (ii) be liable, severally and not jointly, as to such representations, warranties, covenants and other agreements, in each case to the same extent (but with respect to its own Shares) as the Prospective Selling Shareholder(s) or Prospective Dragging Shareholder(s), as applicable, and (b), be liable, severally and not jointly (whether by purchase price adjustment, indemnity payments or otherwise) in respect of representations, warranties, covenants and agreements made in respect of the Company and its subsidiaries; provided, however, that the aggregate amount of liability described in this clause (b) in connection with any Sale of Shares shall not exceed the lesser of (i) such Participating Tag Seller's or Participating Drag Seller's pro rata portion of any such liability, to be determined in accordance with such Participating Tag Seller's or Participating Drag Seller's portion of the aggregate proceeds to all Tag Along Sellers.
or Drag Along Sellers, as applicable in connection with such transaction and (ii) the net proceeds to such Participating Tag Seller or Participating Drag Seller in connection with such transaction. Notwithstanding the foregoing, in no event shall, as a condition or requirement of participating in a transaction pursuant to Section 4.1 or Section 4.2, any Participating Tag Seller or Participating Drag Seller that is a Management Shareholder be required to become bound by or otherwise agree to any restrictive covenant that is more restrictive than any similar covenant by which such Management Shareholder is then bound pursuant to any employment, consulting or similar agreement with the Company or any of its Affiliates.

4.3.2 Sale Process. The initiating Prospective Selling Shareholder(s) or Prospective Dragging Shareholder(s), as applicable, shall, in their sole discretion, decide whether or not to pursue, consummate, postpone or abandon any proposed Sale or Business Sale, respectively, and the terms and conditions thereof. No Shareholder nor any Affiliate thereof shall have any liability to any other Shareholder or the Company arising from, relating to or in connection with the pursuit, consummation, postponement, abandonment or terms and conditions of any proposed Sale or Business Sale except to the extent such holder shall have failed to comply with the provisions of this Section 4 and such failure shall have prevented the Company or such other Shareholder from exercising its rights pursuant to Section 4.1 or 4.2, as applicable. The Company shall not have any liability to any Shareholder or any of its Affiliates arising from, relating to or in connection with the pursuit, consummation, postponement, abandonment or terms and conditions of any proposed Sale or Business Sale pursuant to Section 4.1 or 4.2, as applicable except to the extent the Company shall have failed to comply with the provisions of this Section 4 and such failure shall have prevented such Shareholder from exercising its rights pursuant to Section 4.1 or 4.2, as applicable.

4.3.3 Treatment of Options, Warrants and Convertible Securities. If any Drag Along Seller shall Sell any Options, Warrants or Convertible Securities that are exercisable, convertible or exchangeable in any Business Sale pursuant to Section 4.2, such Drag Along Seller shall receive in exchange for such Options, Warrants or Convertible Securities consideration in the amount (if greater than zero) equal to the value of the consideration received by the Prospective Dragging Shareholder(s) in such Business Sale for the number of Outstanding Company Common Shares that would be issued upon exercise, conversion or exchange of such Options, Warrants or Convertible Securities less the exercise price, if any, of such Options, Warrants or Convertible Securities (or, with respect to Convertible Securities, if greater, the amount of the liquidation preference, if any, such securities would be entitled to in connection with such Business Sale in lieu of converting), in each case, subject to reduction for any tax or other amounts required to be withheld under applicable law.

4.3.4 Closing. The closing of a transaction to which Section 4.1 or 4.2 applies shall take place (i) on the proposed Transfer date, if any, specified in the Tag Along Notice or Drag Along Notice, as applicable (provided that consummation of any Transfer may be extended beyond such date to the extent necessary to obtain any applicable governmental approval or other required approval or to satisfy other conditions), (ii) if no proposed Transfer date was so specified, at such time as the Prospective Selling
Shareholders or Prospective Dragging Shareholders, as applicable, shall specify by notice to each Participating Tag Seller or Participating Drag Seller, as applicable, and the Company, as the case may be, and (iii) at such place as the Prospective Selling Shareholder(s) or Prospective Dragging Shareholder(s), as applicable, shall specify by written notice to each Participating Tag Seller or Participating Drag Seller, as applicable. At the closing of any Sale pursuant to Section 4.1, each Participating Tag Seller shall deliver the certificates (if any) evidencing the Shares to be Sold by such Participating Tag Seller, duly endorsed, or with stock (or equivalent) powers duly endorsed, for transfer with signature guaranteed, free and clear of any liens or encumbrances (other than any arising as a result of the terms of this Agreement), with any stock (or equivalent) transfer tax stamps affixed, against delivery of the applicable consideration.

4.4 Period. The provisions of Sections 4.1 through 4.3 shall automatically terminate in their entirety and be of no further force and effect upon the completion of the Initial Public Offering or the earlier termination of this Agreement.

5. PARTICIPATION RIGHTS. The Company shall not, and shall not permit any Subsidiary of the Company (the Company and each such Subsidiary, an "Issuer") to, issue or sell any shares of any of its capital stock or equity securities or any securities convertible into or exchangeable for any shares of its capital stock or equity securities, issue or grant any options or warrants for the purchase of, or enter into any agreements providing for the issuance (contingent or otherwise) of, any of its capital stock or equity securities or any securities convertible into or exchangeable for any shares of its capital stock or equity securities, in each case, to any Person (each an "Issuance" of "Subject Securities"), except in compliance with the provisions of this Section 5. Notwithstanding the foregoing, the provisions of this Section 5 shall not apply to Issuances described below in Section 5.3.

5.1 Right of Participation.

5.1.1 Offer. Not fewer than fifteen (15) Business Days prior to the consummation of an Issuance, a notice (the "Participation Notice") shall be delivered by the Issuer to each Shareholder that holds of record Outstanding Company Common Shares (collectively, the "Participation Offerees"). The Participation Notice shall include:

(a) the principal terms and conditions of the proposed Issuance, including (i) the amount, kind and terms of the Subject Securities to be included in the Issuance, (ii) the percentage of the total number of Shares outstanding as of immediately prior to giving effect to such Issuance which the number of Shares held by such Participation Offeree immediately prior to such issuance constitutes (the "Participation Portion"), (iii) the price (including if applicable, the Price Per Equivalent Share) per unit of the Subject Securities, including a description of any non-cash consideration sufficiently detailed to permit valuation thereof, (iv) the proposed manner through which the Issuer shall effectuate the Issuance, (v) if known, the name and address of the Person to whom the Subject Securities are expected to be issued (the "Prospective Subscriber") and (vi) if known, the proposed Issuance date; and
(b) an offer by the Issuer to issue, at the option of each Participation Offeree, to such Participation Offeree such portion of the Subject Securities to be included in the Issuance as may be requested by such Participation Offeree (not to exceed the Participation Portion of the total amount of Subject Securities to be included in the Issuance), on the same terms and conditions (except that, if non-cash consideration is to be delivered, a Participating Buyer would pay the cash equivalent thereof (as reasonably determined by the Board)), with respect to each unit of Subject Securities issued to the Participation Offeres, as each of the Prospective Subscribers shall be issued units of Subject Securities.

5.1.2 Exercise.

(a) General. Each Participation Offeree desiring to accept the offer contained in the Participation Notice shall accept such offer by delivering a written notice of such acceptance (each, an “Acceptance Notice”) to the Issuer within ten (10) Business Days after the date of delivery of the Participation Notice specifying the amount of Subject Securities (not in any event to exceed the Participation Portion of the total amount of Subject Securities to be included in the Issuance) which such Participation Offeree desires to be issued (each a “Participating Buyer”). Each Participation Offeree who does not accept such offer in compliance with the above requirements, including the applicable time period, shall be deemed to have waived all of such Participation Offeree’s rights to participate in such Issuance, and the Issuer shall therefor be free to issue Subject Securities in such Issuance to the Prospective Subscriber and any Participating Buyers, at a price no less than the minimum price set forth in the Participation Notice and on other terms not materially more favorable to the Prospective Subscriber than those set forth in the Participation Notice, without any further obligation to such non-accepting Participation Offeres pursuant to this Section 5. If, prior to consummation, the terms of such proposed Issuance shall change with the result that the price shall be less than the minimum price set forth in the Participation Notice or the other terms shall be materially more favorable to the Prospective Subscriber than those set forth in the Participation Notice, the Participation Notice shall be null and void and it shall be necessary for a separate Participation Notice to be delivered, and the terms and provisions of this Section 5.1 separately complied with, in order to consummate such Issuance pursuant to this Section 5.1; provided, however, that in such case of a separate Participation Notice, the applicable period to which reference is made in Section 5.1.1 and in the first sentence of this Section 5.1.2(a) shall be three (3) Business Days and two (2) Business Days, respectively.

(b) Irrevocable Acceptance. The acceptance of each Participating Buyer as set forth in such Participating Buyer’s Acceptance Notice shall be irrevocable except as hereinafter provided, and each such Participating Buyer shall be bound and obligated to acquire in the Issuance on the same terms and conditions, with respect to each unit of Subject Securities issued, as the Prospective Subscriber, such amount of Subject Securities as such Participating Buyer shall have specified in such Participating Buyer’s Acceptance Notice.
(c) **Time Limitation.** If at the end of the 90th day after the date of the delivery of the Participation Notice the Issuer has not completed the Issuance, each Participating Buyer shall be released from such Participating Buyer's obligations under such Participating Buyer's Acceptance Notice, the Participation Notice shall be null and void, and it shall be necessary for a separate Participation Notice to be delivered, and the terms and provisions of this Section 5.1 separately complied with, in order to consummate such Issuance pursuant to this Section 5.1; provided, however, that in such case of a separate Participation Notice on substantially the same terms and conditions, the applicable period to which reference is made in Section 5.1.1 and in the first sentence of Section 5.1.2(a) shall be three (3) Business Days and two (2) Business Days, respectively, and the time to complete such Issuance referenced in the first sentence of this Section 5.1.2(c) shall be 60 days instead of 90.

5.1.3. **Other Securities.** The Issuer may condition the participation of the Participation Offeres in an Issuance upon the purchase by such Participation Offeres of any securities (including debt securities) other than Subject Securities ("Other Securities") in the event that the participation of the Prospective Subscriber in such Issuance is so conditioned. In such case, each Participating Buyer shall acquire in the Issuance, together with the Subject Securities to be acquired by it, Other Securities in the same proportion to the Subject Securities to be acquired by it as the proportion of Other Securities to Subject Securities being acquired by the Prospective Subscriber in the Issuance, on the same terms and conditions, as to each unit of Subject Securities and Other Securities issued to the Participating Buyers, as the Prospective Subscriber shall be issued units of Subject Securities and Other Securities.

5.1.4. **Certain Legal Requirements.** In the event that the participation in the Issuance by a Participation Offeree as a Participating Buyer would require under applicable law (i) the registration or qualification of such securities or of any Person as a broker or dealer or agent with respect to such securities where such registration or qualification is not otherwise required for the Issuance, (ii) the provision to any participant in the Sale of any specified information regarding the Company or any of its subsidiaries or the securities that is not otherwise required to be provided for the Issuance or (iii) the Company to comply with other burdensome requirements under foreign law that it is not otherwise required to comply with, the Company shall not be required to deliver a Participation Notice to such Participation Offeree, and such Participation Offeree shall not have the right to participate in the Issuance, unless otherwise approved by the Board. Without limiting the generality of the foregoing, it is understood and agreed that neither the Company nor the Issuer shall be under any obligation to effect a registration of such securities under the Securities Act or similar state statutes or foreign law.

5.1.5. **Further Assurances.** Each Participating Buyer shall take or cause to be taken all such reasonable actions as may be reasonably necessary or reasonably desirable in order to expeditiously consummate each Issuance pursuant to this Section 5.1 and any related transactions, including executing, acknowledging and delivering consents, assignments, waivers and other documents or instruments; filing applications, reports,
returns, filings and other documents or instruments with governmental authorities; and otherwise cooperating with the Issuer and the Prospective Subscriber. Without limiting the generality of the foregoing, each such Participating Buyer agrees to execute and deliver such subscription and other agreements specified by the Issuer to which the Prospective Subscriber will be party.

5.1.6 Closing. The closing of an Issuance pursuant to Section 5.1 shall take place (i) on the proposed date of Issuance, if any, set forth in the Participation Notice (provided that consummation of any Issuance may be extended beyond such date to the extent necessary to obtain any applicable governmental approval or other required approval or to satisfy other conditions), (ii) if no proposed Issuance date was required to be specified in the Participation Notice, at such time as the Issuer shall specify by notice to each Participating Buyer, provided that such closing with respect to a Participating Buyer shall not (without the consent of such Participating Buyer) be prior to the date that is fifteen (15) Business Days after the Company delivers the applicable Participation Notice (or, to the extent the proviso set forth in Section 5.1.2(a) or Section 5.1.2(c) is applicable, such earlier date specified therein) and (iii) at such place as the Issuer shall specify by notice to each Participating Buyer. At the closing of any Issuance under this Section 5.1.6, each Participating Buyer shall be delivered the notes, certificates or other instruments (if any) evidencing the Subject Securities (and, if applicable, Other Securities) to be issued to such Participating Buyer, registered in the name of such Participating Buyer or such holder’s designated nominee, free and clear of any liens or encumbrances (other than any arising pursuant to the terms of this Agreement), with any transfer tax stamps affixed, against delivery by such Participating Buyer of the applicable consideration.

5.2 Post-Issuance Notice. Notwithstanding the requirements of Section 5.1, the Issuer may proceed with any Issuance to any Person (the "Preemptive Shareholder Purchaser") prior to having complied with the provisions of Section 5.1; provided that the Issuer shall:

(a) provide to each Participation Offeree in connection with such Issuance (i) prompt notice of the consummation of such Issuance and (ii) the Participation Notice described in Section 5.1.1 in which the actual price per unit of Subject Securities (and, if applicable, actual Price Per Equivalent Share) and the identity of the Preemptive Shareholder Purchaser shall be set forth;

(b) offer to sell to each Participation Offeree, such number of securities of the type issued in the Issuance as may be requested by such Participation Offeree (not to exceed the Participation Portion that such Participation Offeree would have been entitled to pursuant to Section 5.1 multiplied by the aggregate number of shares issued pursuant to this Section 5.2 in such Issuance) on the same economic terms and conditions with respect to such securities as the Preemptive Shareholder Purchaser received;

(c) keep such offer open for a period of fifteen (15) Business Days, during which period, each such Participation Offeree may accept such offer by sending a written acceptance to the Issuer committing to purchase an amount of
such securities (not in any event to exceed the Participation Portion that such Participation Offeree would have been entitled to pursuant to Section 5.1 multiplied by the aggregate number of shares issued pursuant to this Section 5.2 in such Issuance); and

(d) redeem from the Preemptive Shareholder Purchaser such number of securities of the type to be issued to Participation Offerees that have accepted the offer pursuant to clause (c) above, and the Preemptive Shareholder Purchaser’s binding written agreement to engage in such a redemption shall be a condition precedent to the Company’s consummation of an Issuance to the Preemptive Shareholder Purchaser pursuant to this Section 5.2.

5.3 Excluded Transactions. Notwithstanding anything herein to the contrary, the provisions of this Section 5 shall not apply to Issuances by the Company or any Subsidiary as follows:

(a) Any Issuance of Subject Securities upon the conversion or exercise or exchange of any options, warrants, or other securities convertible into, or exercisable or exchangeable for, equity securities, that are outstanding on the date hereof or are Issued after the date hereof in compliance with the provisions of this Section 5;

(b) Any Issuance of Subject Securities pursuant to the Management Incentive Plan or any other employee benefit or incentive plan that has been approved by the Board and Majority Shareholder Approval;

(c) Any Issuance of Subject Securities as consideration in any business combination or acquisition transaction involving the Company or any Subsidiary or in any joint venture or strategic partnership;

(d) Any Issuance of Shares pursuant to an Initial Public Offering;

(e) Any Issuance of Subject Securities in connection with any stock split or stock dividend, any reverse stock split or any recapitalization, reorganization or reclassification of the Company or any of its Subsidiaries, in each case to the extent such Issuance is made on a pro rata basis to all holders of Outstanding Company Common Shares;

(f) Any Issuance of Subject Securities as a bona-fide “equity kicker” to a lender in connection with a debt financing from a lender that is not a Shareholder or any Affiliate thereof;

(g) Any Issuance of Subject Securities pursuant to the Plan that are to be issued on a deferred basis following the Effective Date as contemplated by the Plan;

(h) Any Issuance of Subject Securities by a Subsidiary to the Company or any of its wholly owned Subsidiaries; or
(i) As to any Participation Offeree, any Issuance of Subject Securities as to which the Issuer has received the written waiver of the provisions of this Section 5 from such Participation Offeree.

5.4 Acquired Shares. Any Subject Securities constituting Company Common Shares acquired by any Shareholder pursuant to this Section 5 shall be deemed for all purposes hereof to be Shares hereunder.

5.5 Period. Each of the foregoing provisions of this Section 5 shall automatically terminate in their entirety and be of no further force and effect upon the completion of the Initial Public Offering or the earlier termination of this Agreement.

5.6 Actions Regarding Participation Rights. In connection with each Issuance to which Section 5 applies, the Company agrees that it shall not enter into any agreement or take any action that prevents a particular Participation Offeree from exercising their participation rights pursuant to this Section 5.

6. COVENANTS.

6.1 Information Rights.

6.1.1 Reports.

6.1.1.1 At all times prior to the Company completing the Initial Public Offering, the Company shall furnish to each Shareholder: (1) within 90 days of the end of each fiscal year, annual audited financial statements for such fiscal year and (2) commencing with the fiscal quarter ended March 31, 2014, within 45 days of the end of each of the first three fiscal quarters of every fiscal year, unaudited financial statements for the interim period as of, and for the period ending on, the end of such fiscal quarter, in each case, with respect to the disclosures to be included therein as set forth in clause (i) below, to be prepared on a basis substantially consistent with then applicable SEC requirements (other than as set forth herein) and in a manner that complies with the applicable requirements of Forms 10-K with respect to (1) above and 10-Q with respect to (2) above that the Company would be required to file with the SEC if it were subject to Section 13 or 15(d) of the Exchange Act which need only include “Business,” “Risk Factors,” “Properties,” “Legal Proceedings,” “Related Stockholder Matters and Issuer Purchases of Equity Securities,” “Defaults Upon Senior Securities,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” “Quantitative and Qualitative Disclosures About Market Risk,” “Financial Statements and Supplementary Data,” “Changes in and Disagreements With Accountants on Accounting and Financial Disclosure,” “Directors, Executive Officers and Corporate Governance,” “Security Ownership of Certain Beneficial Owners and Management,” “Certain Relationships and Related Transactions” and “Principal Accounting Fees and Services” disclosures with respect to the periods presented, but which may exclude “Controls and Procedures,” “Mine Safety” and “Exhibits.” Notwithstanding anything contained
herein, (i) if the Company adopts a fiscal year end of March 31, the first annual report hereunder shall only be due within 150 days from March 31, 2014 and the first quarterly report hereunder shall only be due at the later of (1) 45 days from filing of such annual report, and (2) 45 days from June 30, 2014; and (ii) if the Company adopts a fiscal year end of June 30, the first annual report hereunder shall only be due within 150 days from June 30, 2014 and the first quarterly report hereunder shall only be due at the later of (1) 45 days from furnishing of such annual report, and (2) 45 days from September 30, 2014.

6.1.1.2 Additionally, at all times prior to the Company completing the Initial Public Offering, the Company shall furnish to each Shareholder from time to time after the occurrence of an event required to be therein reported, such other reports (in each case, without exhibits) containing substantially the same information required to be contained in, and within the timing required by, a Current Report on Form 8-K under the Exchange Act (other than Items 1.04 (Min: safety—reporting of shutdowns and patterns of violations), 3.01 (Notice of delisting or failure to satisfy a continued listing rule or standard; transfer of listing), 3.02 (Unregistered sales of equity securities (except as to affiliates or insiders of the Company and its Subsidiaries)), 5.02(e) (Compensatory Arrangements of Certain Officers), 5.04 (Temporary suspension of trading under registrant’s employee benefit plans), 5.05 (Amendments to the Registrant’s Code of Ethics, or Waiver of a Provision of the Code of Ethics), 5.06 (Change in shell company status), 5.07 (Submission of matters to a vote of security holders), 5.08 (Shareholder director nominations), and all items in Section 6 thereof.

6.1.1.3 Notwithstanding anything to the contrary set forth herein, in no event shall such reports be required to contain (i) separate financial statements of businesses acquired or to be acquired that would be required under Article 3, Rule 3-05 of Regulation S-X under the Securities Act (except that copies of financial information regarding a business acquired shall be provided to the extent target has provided the same to the Company and/or its Subsidiaries), (ii) separate financial statements for any guarantors or Subsidiaries, the shares of which are pledged to secure the Company Common Shares or any guarantee that would be required under (A) Section 3-09 of Regulation S-X, (B) Section 3-10 of Regulation S-X, or (C) Section 3-16 of Regulation S-X, (iii) summarized financial information of the Subsidiaries not consolidated and fifty percent or less owned persons that would be required under Article 4, Section 408(g) of Regulation S-X, (iv) Schedule I under Rule 5-04 of Regulation S-X, or (v) signature pages or “302” or “906” certifications.

6.1.1.4 The Company will make available such reports and information provided under Section 6.1.1 by posting such reports and information on a public website; provided however, notwithstanding anything to the contrary contained herein, that the Company will be entitled to redact or withhold commercially sensitive information in its reasonable discretion, so long as the redaction or withholding of such information does not make such reports and information not compliant with GAAP in any material respect. Reports and information made
available by the Company in the manner contemplated by this Section 6.1.1.4 will be
deemed furnished to each Shareholder when so made available for purposes of
Sections 6.1.1.1 and 6.1.1.2.

6.1.1.5 So long as any Shares are outstanding, the Company will also, as
promptly as reasonably practicable after furnishing the annual and quarterly
reports required under Section 6.1.1.1 in accordance with Section 6.1.1.4 or, at the
Company’s election, such earlier time after the completion of such reporting
period, hold a conference call to discuss the results of operations for the relevant
reporting period and to answer questions posed by Shareholders with regard to
those results, with dates and dial-in information publicly announced (including by
posting on the public website utilized by the Company) at least three (3) days
prior to such quarterly calls.

6.1.1.6 Notwithstanding anything herein to the contrary, the Company and
its Subsidiaries will not be deemed to have failed to comply with any of its
obligations hereunder for purposes of Section 6.1.1 until thirty (30) days after the
date any report hereunder is due, or such shorter amount of time for cure for
failure to comply with its obligations hereunder (or similar obligations) as may be
established under any agreement entered into by or on behalf of the Company.

6.1.2. Tax Information. Within 90 calendar days after the end of each fiscal year,
the Company shall cause to be delivered to any Person who was a Shareholder during
such prior fiscal year all information regarding the Company’s restructuring pursuant to
the Plan or any dividends paid by the Company in respect of the Company Equity Shares
to the extent necessary for the preparation of such Person’s income tax returns (whether
federal, state or foreign).

6.1.3. Inspection Rights. So long as any Shareholder was a Shareholder that
owned at least two percent (2%) of the Outstanding Company Common Shares as of the
Effective Date and continues to own at least two percent (2%) of the Outstanding
Company Common Shares and is not (and does not have any Affiliates that are) a
competitor of the Company and/or its Subsidiaries, as determined by the Company in
good faith, such Shareholder shall have the right to (i) inspect, during normal business
hours upon reasonable advance notice to the Company and its Subsidiaries, as applicable,
and without unreasonably interfering with the Company’s and the Subsidiaries’, as
applicable, normal business operations, such of the Company’s and its Subsidiaries’
facilities, records, files and other information as it may reasonably request and (ii) meet
with the Company’s and its Subsidiaries’ officers, other management personnel and
outside accountants to obtain such information regarding the Company and its
Subsidiaries and their respective businesses and prospects as it may reasonably request.

6.1.4. VCOC Rights Letter. Upon reasonable request of a Shareholder, the
Company agrees to enter into a customary management rights letter with such
Shareholder or its applicable Affiliate to the extent such Shareholder has an interest in the
Company that is intended to qualify as a “venture capital operating company” (as defined
in the U.S. Department of Labor regulation codified at 29 C.F.R. Section 2510.3-101).
6.1.5 Period. The provisions of Section 6.1.1 through Section 6.1.4 shall automatically terminate in their entirety and be of no further force and effect upon the completion of the Initial Public Offering or the earlier termination of this Agreement.

6.2 Confidentiality. The terms of this Agreement and all other business, financial or other information relating to the conduct of the business and affairs of the Company or its Subsidiaries (collectively, the “Confidential Information”) that has not been publicly disclosed pursuant to authorization by the Board is confidential and proprietary information of the Company, the disclosure of which could cause irreparable harm to the Company and its shareholders; provided, that, for the avoidance of doubt, any information disclosed or made available as contemplated by Section 6.1.1 shall not be deemed to be Confidential Information. Accordingly, each Shareholder agrees that it will not, and will direct its and its Affiliates’ respective directors, managers, officers, employees, agents and advisors (“Representatives”) not to, use such Confidential Information for any purpose other than to monitor and manage its investment in the Company or disclose such Confidential Information to any Person; provided, that a Shareholder may disclose such Confidential Information: (i) to its Representatives who have a reasonable need to know such information in connection with such Shareholder’s monitoring and management of its investment in the Company, to the extent such Representatives are bound to hold such information on a confidential basis, (ii) to the extent required by applicable law or legal process, regulation or regulatory process, subpoena or the listing standards of any national securities exchange; provided, however, that (A) such Shareholder shall as promptly as practicable (and, if practicable and permitted by applicable law, prior to disclosing such Confidential Information) notify the Company of the existence of, and the basis for, such required disclosed and (B) if requested by the Company, such Shareholder shall reasonably cooperate with the Company in seeking to obtain a protective order or other reliable assurance that confidential treatment shall be accorded to the Confidential Information so disclosed, (iii) to the extent the Confidential Information is publicly available or subsequently becomes publicly available other than through an act of such Shareholder or any of its Representatives, (iv); to the extent the Confidential Information is already in possession of such Shareholder prior to its disclosure by the Company and was received from a third party not known by the Shareholder after due inquiry to be subject to an obligation of confidentiality owed to the Company, or (v) to any bona fide prospective purchaser of any Shares (a “Prospective Purchaser”) of any Shares from such Shareholder, so long as (A) neither such Prospective Purchaser nor any of its Affiliates is a competitor of the Company and/or its Subsidiaries, as determined by Company in good faith, and (B) such Prospective Purchaser agrees in a writing delivered to the Company to be bound by the provisions of this Section 6.2.

7. REMEDIES.

7.1 Generally. The parties hereto shall have all remedies available at law, in equity or otherwise in the event of any breach or violation of this Agreement or any default hereunder. The parties hereto acknowledge and agree that in the event of any breach of this Agreement, in addition to any other remedies which may be available, each of the parties hereto shall be entitled to specific performance of the obligations of the other parties hereto and, in addition, to such other equitable remedies (including preliminary or temporary relief) as may be appropriate in the circumstances.
7.2 Deposit. Without limiting the generality of Section 7.1, if any Shareholder fails to deliver to the purchaser thereof the certificate or certificates (if any) evidencing Shares to be Sold pursuant to Section 4.1, such purchaser may, at its option, in addition to all other remedies it may have, deposit the purchase price for such Shares with any national bank or trust company having combined capital, surplus and undivided profits in excess of One Hundred Million Dollars ($100,000,000) (the “Escrow Agent”), and the Company shall cancel on its books the certificate or certificates representing such Shares and thereupon all of such Shareholder’s rights in and to such Shares shall terminate. Thereafter, upon delivery to such purchaser of the certificate or certificates (if any) evidencing such Shares (duly endorsed, or with stock powers duly endorsed, for transfer, with signature guaranteed, free and clear of any liens or encumbrances, and with any transfer tax stamps affixed), such purchaser shall instruct the Escrow Agent to deliver the purchase price to such Shareholder.

8. LEGENDS.

8.1 Restrictive Legend. Each certificate representing Shares shall have the following legend, or one similar thereto, endorsed conspicuously thereupon in the event that the Company determines such legend to be applicable (if the Shares are held via book entry without certificates proper notation shall be made on the stock register):

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN TRANSFER AND OTHER RESTRICTIONS PURSUANT TO A SHAREHOLDER AGREEMENT DATED AS OF MARCH 31, 2014 AMONG THE ISSUER OF SUCH SECURITIES (THE “COMPANY”) AND CERTAIN OF THE COMPANY’S SHAREHOLDERS, AS AMENDED, AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER SUCH SHAREHOLDER AGREEMENT. A COPY OF SUCH SHAREHOLDER AGREEMENT WILL BE FURNISHED WITHOUT CHARGE BY THE COMPANY TO THE HOLDER HEREOF UPON WRITTEN REQUEST.”

Any Person who acquires Shares which are not subject to the terms of this Agreement shall have the right to have such legend (or the applicable portion thereof) removed from certificates representing such Shares.

8.2 Stop Transfer Instruction. The Company will instruct any transfer agent not to register the Transfer of any Shares until the conditions specified in the foregoing legends and this Agreement are satisfied.

9. AMENDMENT, TERMINATION, ETC.

9.1 Oral Modifications. This Agreement may not be orally amended, modified, extended or terminated, nor shall any oral waiver of any of its terms be effective.

9.2 Written Modifications. Except as otherwise provided herein, the provisions of this Agreement may be amended only with the prior written consent of Shareholders holding not
less than a majority of the total number of Company Common Shares then held by all Shareholders; provided that (a) any amendment of Section 2 prior to the Third Annual Meeting that adversely affects the rights of a Board Designator shall require the written consent of such Board Designator, (b) no amendment (including any amendment by operation of law or otherwise that was, directly or indirectly, intended to circumvent the restrictions in this clause (b)) shall be made (i) to Sections 3.3, 4.1 or 9, (ii) to this Agreement that would condition or limit the right of any Shareholder to be, or to exercise its rights as, a Participation Offeree pursuant to Section 5, or (iii) to Section 6.1 that would materially diminish or restrict access to the information about the Company and its financial performance available to Shareholders (x) prior to the date that is six (6) months after the Effective Date or (y) after the date that is six months after the Effective Date, without the prior written consent of Shareholders holding not less than seventy-five percent (75%) of the total number of Company Common Shares then held by all Shareholders, and (c) any amendment that would adversely change the rights of, or impose any additional material obligations on, a particular Shareholder in a manner disproportionate to the rights of any other Shareholder shall require the prior written consent of each Shareholder so affected. Notwithstanding the foregoing, (i) the addition of new parties to this Agreement in accordance with its terms as a result of Transfers permitted in accordance with this Agreement or Issuances in compliance with this Agreement shall not be deemed to be an amendment requiring the consent of any Shareholder, (ii) the Company shall be permitted to amend this Agreement to correct any printing or clerical errors or omissions without the consent of any Shareholder and (iii) any amendment shall be binding on a Shareholder to the extent such Shareholder has expressly consented thereto in writing. Notwithstanding any provisions to the contrary contained herein, any party may waive any rights with respect to which such party is entitled to benefits under this Agreement. No waiver of or consent to any departure from any provision of this Agreement shall be effective unless signed in writing by the party entitled to the benefit thereof. For purposes of clarification, nothing contained in this Agreement shall prevent the adoption of amendments to this Agreement and to the Governing Documents at any time after the Third Annual Meeting that eliminate a classified Board and provide for the annual election of all directors.

9.3 Effect of Termination. No termination under this Agreement shall relieve any Person of liability for breach prior to termination.

10. DEFINITIONS. For purposes of this Agreement:

10.1 Certain Matters of Construction. In addition to the definitions referred to or set forth below in this Section 10:

(a) The words “hereof,” “herein,” “hereunder” and words of similar import shall refer to this Agreement as a whole and not to any particular Section or provision of this Agreement, reference to a Section refers to the applicable Section of this Agreement and reference to a particular Section of this Agreement shall include all subsections thereof;

(b) The word “including” shall mean including, without limitation;
(c) Definitions shall be equally applicable to both nouns and verbs and the singular and plural forms of the terms defined; and

(d) The masculine, feminine and neuter genders shall each include the other.

10.2 Definitions. The following terms shall have the following meanings:

"Acceptance Notice" shall have the meaning set forth in Section 5.1.2(a).

"Adverse Claim" shall have the meaning set forth in Section 8-102 of the applicable Uniform Commercial Code.

"Affiliate" shall mean, with respect to any Person, (i) any other Person which directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such Person (for the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise); provided, however, that neither the Company nor any of its controlled Affiliates shall be deemed an Affiliate of any of the Shareholders (and vice versa), (ii) if such Person is an investment fund, an Affiliate shall include any other investment fund the primary investment advisor to which is the primary investment advisor to such Person or an Affiliate thereof and (iii) if such Person is a natural Person, any Family Member of such natural Person.

"Agreement" shall have the meaning set forth in the Preamble.

"Amendment" shall have the meaning set forth in Section 9.2.

"Apax" shall mean Apax Partners L.P. or any of its Affiliates (and any investment funds managed by Apax Partners L.P. or any of its Affiliates).

"Apax Designee Director" shall have the meaning set forth in Section 2.1.2(a).

"Board" shall have the meaning set forth in the Recitals.

"Board Designator" has the meaning set forth in Section 2.1.2(a).

"Business Day" shall mean any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by law to be closed in New York, New York.

"Business Sale" shall mean: the occurrence of a merger or similar corporate transaction involving the Company, whether or not the Company is the surviving corporation, other than a transaction which would result in the voting stock of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) at least 50% of the voting stock of the Company or such surviving entity immediately after such transaction.
“Bylaws” shall mean the bylaws of the Company, as amended from time to time.

“Cause” for the removal of any director means (i) material fraud or material dishonesty in performance of duties, (ii) conviction or plea or guilty or *nolo contendere* to a felony or (iii) willful malfeasance or willful misconduct in performance of duties or any willful act or omission (other than in the good faith performance of duties) that is materially injurious to the financial condition or business reputation of the Company.

“Certificate” shall mean the amended and restated certificate of incorporation of the Company, as amended from time to time.

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

“Company Common Shares” shall have the meaning set forth in the Recitals.

“Company Equity Shares” shall mean the Company Common Shares, the Company Preferred Shares and any other classes of capital stock of the Company.

“Company Preferred Shares” shall have the meaning set forth in the Recitals.

“Confidential Information” shall have the meaning set forth in Section 6.2.

“Convertible Securities” shall mean any evidence of indebtedness, shares of stock, or other securities or rights (other than Options and Warrants) which are directly or indirectly convertible into or exchangeable or exercisable for Company Common Shares.

“Designee Director” shall mean an Initial Designee Director, any replacement thereof selected by the applicable Board Designator (and not, for clarity, by the Board) in accordance with Section 2.2 and the Governing Documents, any iterative replacements thereof selected by the applicable Board Designator (and not, for clarity, by the Board) in accordance with Section 2.2 and the Governing Documents.

“Drag Along Agent” shall have the meaning set forth in Section 4.2.

“Drag Along Notice” shall have the meaning set forth in Section 4.2.1.

“Drag Along Sale” shall have the meaning set forth in Section 4.24.2.1.

“Drag Along Sellers” shall have the meaning set forth in Section 4.2.1.

“Effective Date” shall have the meaning set forth in Section 1.

“Equivalent Shares” shall mean, at any date of determination, (a) as to any Outstanding Company Common Shares, such number of Outstanding Company Common Shares and (b) as to any outstanding Options, Warrants or Convertible Securities which constitute Shares, the number of shares of Outstanding Company Common Shares for which or into which such Options, Warrants or Convertible Securities may at the time be exercised, converted or exchanged (or which will become exercisable, convertible or exchangeable on or prior to, or by reason of, the
transaction or circumstance in connection with which the number of Equivalent Shares is to be determined).

"Escrow Agent" shall have the meaning set forth in Section 7.2.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as in effect from time to time.

"Family Member" shall mean, with respect to any natural Person, such Person’s spouse and descendants (whether or not adopted) and any trust, family limited partnership or limited liability company that is and remains solely for the benefit of such Person’s spouse and/or descendants.

"Fifth Annual Meeting" shall have the meaning set forth in Section 2.2.2(b).

"First Annual Meeting" shall have the meaning set forth in Section 2.1.2(a).

"Governing Documents" shall mean the Certificate and the Bylaws.

"Held of Record" shall have the same definition as set forth in Rule 12g5-1 under the Exchange Act, or any successor provision. "Hold of Record" and "Holder of Record" shall have correlative meanings.

"Indemnitees" shall have the meaning set forth in Section 11.9.

"Initial CEO" shall have the meaning set forth in Section 2.1.2(a).

"Initial Designee Director" shall have the meaning set forth in Section 2.1.2(a).

"Initial Public Offering" shall mean the initial firm commitment underwritten Public Offering registered under the Securities Act or equivalent foreign securities laws (other than a registration statement on Form S-4, Form S-4 or Form S-8 (or any similar or successor form or equivalent foreign form)) that is listed on a national securities exchange.

"Issuance" shall have the meaning set forth in Section 5.

"Issuer" shall have the meaning set forth in Section 5.

"KKR" shall mean Kohlberg Kravis Roberts & Co. L.P. or any of its Affiliates (and any investment funds managed by Kohlberg Kravis Roberts & Co. L.P. or any of its Affiliates).

"KKR Designee Director" shall have the meaning set forth in Section 2.1.2(a).

"Majority Shareholder Approval" means the approval of a majority of the outstanding Company Equity Shares entitled to vote on the applicable matter, taken as a single class.

"Management Incentive Plan" means the Company’s 2014 Equity Incentive Plan.
"Management Shareholder" means each officer, director and/or employee of the Company or its Affiliates in its capacity as a holder of Company Common Shares purchased by or granted to such officer, director and/or employee pursuant to, or issued to such officer, director and/or employee upon exercise of any Options granted pursuant to, the Management Incentive Plan.

"Minimum Designating Ownership" shall mean 4,680,000 Company Common Shares (which amount shall be automatically and ratably adjusted if the Company should split, combine or otherwise reclassify the Company Common Shares, make a distribution in Company Common Shares or otherwise change the Company Common Shares into any other securities).

"Necessary Action" shall mean, with respect to a specified result, all actions that are permitted by law and reasonably necessary to cause such result, including, as applicable (i) voting or providing a written consent or proxy with respect to Company Equity Shares, (ii) causing the adoption of Board or Shareholder resolutions and amendments to the applicable Governing Documents, (iii) causing members of the Board (to the extent such members were nominated or designated by the Person obligated to undertake the Necessary Action, and subject to any fiduciary duties that such members may have as directors of the Company) to act in a certain manner or causing them to be removed in the event they do not act in such a manner, (iv) executing agreements and instruments and (v) making, or causing to be made, with governmental, administrative or regulatory authorities, all filings, registrations or similar actions that are required to achieve such result.

"Non-Designee Director" shall have the meaning set forth in Section 2.1.2(a).

"Observer" shall have the meaning set forth in Section 2.1.3.

"Options" shall mean any options to subscribe for, purchase or otherwise directly acquire Company Common Shares or Company Preferred Shares, other than any such option held by the Company or any right to purchase shares pursuant to this Agreement.

"Other Securities" shall have the meaning set forth in Section 5.1.3.

"Outstanding Company Common Shares" shall mean as of the time of determination, the outstanding Company Common Shares as of such time, including any Company Common Shares into which the outstanding Convertible Securities as of such time are convertible (treating such Convertible Securities as a number of outstanding Company Common Shares for which or into which such Convertible Securities may at the time be converted for all purposes of this Agreement except as otherwise specifically set forth herein). Outstanding Company Common Shares does not include (i) Company Common Shares issuable upon exercise of Options or Warrants or (ii) any Company Common Shares to be issued pursuant to the Plan on a deferred basis following the Effective Date as contemplated by the Plan, in each case, which have not actually been issued as of the time of determination.

"Participating Buyer" shall have the meaning set forth in Section 5.1.2(a).

"Participating Drag Seller" shall have the meaning set forth in Section 4.2.1.
“Participating Tag Seller” shall have the meaning set forth in Section 4.1.2.

“Participation Notice” shall have the meaning set forth in Section 5.1.1.

“Participation Offerees” shall have the meaning set forth in Section 5.1.1.

“Participation Portion” shall have the meaning set forth in Section 5.1.1(a).

“Person” shall mean any individual, partnership, corporation, company, association, trust, joint venture, limited liability company, unincorporated organization, entity or division, or any government, governmental department or agency or political subdivision thereof.

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

“Preemptive Shareholder Purchaser” shall have the meaning set forth in Section 5.2.

“Price Per Equivalent Share” shall mean the Board’s good faith determination of the price per Equivalent Share of any Convertible Securities, Warrants or Options which are the subject of an Issuance pursuant to Section 5 hereof.

“Prospective Buyer” shall mean any Person proposing to purchase or otherwise acquire Shares from a Prospective Selling Shareholder.

“Prospective Dragging Shareholders” shall have the meaning set forth in Section 4.2.

“Prospective Purchaser” shall have the meaning set forth in Section 6.2.

“Prospective Selling Shareholders” shall have the meaning set forth in Section 4.1.

“Prospective Subscriber” shall have the meaning set forth in Section 5.1.1(a).

“Public Offering” shall mean a public offering and sale of Company Common Shares by the Company (or any successor) pursuant to an effective registration statement under the Securities Act and/or in compliance with equivalent applicable foreign securities laws.

“Registration Rights Agreement” shall have the meaning set forth in Section 11.4.

“Removal Request” shall have the meaning set forth in Section 2.2.1.

“Representatives” shall have the meaning set forth in Section 6.2

“Rule 144” shall mean Rule 144 under the Securities Act (or any successor rule).

“Sale” shall mean a Transfer for value and the terms “Sell” and “Sold” shall have correlative meanings.

“Searchlight” shall mean Searchlight Capital Partners LLC or any of its Affiliates (and any investment funds managed by Searchlight Capital Partners LLC or any of its Affiliates).
“Searchlight Designee Director” shall have the meaning set forth in Section 2.1.2(a).

“SEC” means the U.S. Securities and Exchange Commission.

“Second Annual Meeting” shall have the meaning set forth in Section 2.1.2(a).

“Securities Act” shall mean the United States Securities Act of 1933, as in effect from time to time.

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

“Shares” shall mean, with respect to any Person (a) all Outstanding Company Common Shares held by such Person, whenever issued, including all Outstanding Company Common Shares issued upon the exercise, conversion or exchange of any Options, Warrants or Convertible Securities, and (b) all Options, Warrants and Convertible Securities held by such Person (treating such Options, Warrants and Convertible Securities as a number of Company Common Shares equal to the number of Equivalent Shares represented by such Options, Warrants and Convertible Securities for all purposes of this Agreement except as otherwise specifically set forth herein).

“Subject Securities” shall have the meaning set forth in Section 5.

“Subsidiary” means, with respect to any Person, any company, corporation, partnership, limited liability company, association, joint venture or other business entity of which (i) if a company or corporation, at least 50% of the total voting power of shares or stock entitled (irrespective of whether, at the time, stock of any other class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof; or (ii) if a partnership, limited liability company, association, joint venture or other business entity, at least 50% of the partnership, joint venture or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, references to a “Subsidiary” of any Person shall be given effect only at such times that such Person has one or more Subsidiaries, and, unless otherwise indicated, the term “Subsidiary” refers to a Subsidiary of the Company.

“Tag Along Deadline” shall have the meaning set forth in Section 4.1.2.

“Tag Along Holder” shall have the meaning set forth in Section 4.1.1.

“Tag Along Notice” shall have the meaning set forth in Section 4.1.1.

“Tag Along Offer” shall have the meaning set forth in Section 4.1.2.

“Tag Along Sale Percentage” shall have the meaning set forth in Section 4.1.1(a).

“Tag Along Sellers” shall have the meaning set forth in Section 4.1.2.
"Third Annual Meeting" shall have the meaning set forth in Section 2.1.2(a).

"Third-Party Claim" shall have the meaning set forth in Section 11.9.

"Transaction Agreements" shall mean this Agreement, the Registration Rights Agreement and any other agreements referenced therein.

"Transfer" shall mean any sale, pledge, assignment, encumbrance or other transfer or disposition of any Shares to any other Person, whether directly, indirectly, voluntarily, involuntarily, by operation of law, pursuant to judicial process or otherwise.

"Warrants" shall mean any warrants to subscribe for, purchase or otherwise directly acquire Company Equity Shares.

11. MISCELLANEOUS.

11.1 Aggregation of Shares. All Shares held by a Shareholder and its Affiliates shall be aggregated together for purposes of determining the availability of any rights hereunder. If the Shares held by a Shareholder are Transferred to one or more Affiliates of such Shareholder, then for purposes of this Agreement, the vote or action of such Shareholder shall be made by the holder(s) of a majority of the Shares of the relevant class(es) held by such Shareholder and its Affiliates, taken as a whole, as to which such vote or action is to be made. Notwithstanding the foregoing, in no event shall two or more Shareholders, acting separately and not on an aggregated basis, be entitled to claim beneficial ownership of the same Shares for purposes of exercising any rights hereunder, and the Company shall be permitted to disregard any such claims in its good faith judgment. Upon the request of the Company or any transfer agent for the Shares, each Shareholder shall promptly provide to the Company or transfer agent, as applicable, written confirmation (including reasonable supporting documentation) of such Shareholder’s then current ownership of Shares. In determining the ownership of Shares for any purposes hereunder, the Company shall be entitled to conclusively rely in good faith on (i) the then most current ownership information provided to it by the transfer agent for the Shares or (ii) if there is no such transfer agent, the most current ownership information then in its possession, and, in each case, any such determination made by the Company in reliance thereon shall be deemed final and binding on all parties hereto.

11.2 Authority; Effect. Each party hereto represents and warrants to and agrees with each other party that the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized on behalf of such party and do not violate any agreement or other instrument applicable to such party or by which its assets are bound. This Agreement does not, and shall not be construed to, give rise to the creation of a partnership among any of the parties hereto, or to constitute any of such parties members of a joint venture, group or other association.

11.3 Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall deemed given if in writing and delivered in the manner specified herein or, in the absence of such specification, shall be deemed to have been duly given (i) three (3) Business Days after mailing by certified mail, (ii) when delivered by hand, (iii) upon confirmation of receipt by facsimile or email, or (iv) one (1) Business Day after sending by a
nationally recognized overnight delivery service, to the respective addresses of the parties set forth below:

(a) If to the Company:

200 First Stamford Place, 4th Floor
Stamford, Connecticut 06902
Facsimile: (203) 965-8509
Attention: Kenneth Carson
Email: ken.carson@cengage.com

with a copy (which shall not constitute notice) to:

Kirkland & Ellis LLP
601 Lexington Avenue
New York, New York 10022
Facsimile: (212) 446-6460
Attention: William B. Sorabella
Christian O. Nagler
Alexander D. Fine
Email: william.sorabella@kirkland.com
christian.nagler@kirkland.com
alexander.fine@kirkland.com

(b) If to a Shareholder, to the name and address provided by such Shareholder to the Company or its authorized representative as part of the completed documentation submitted in connection with the receipt of Company Common Shares pursuant to the Plan, or as set forth in any joinder to this Agreement executed by such Shareholder pursuant to Section 3.3; provided, that any notice or other communications or deliveries required or permitted to be given hereunder by the Company to any Shareholder may be given by posting such notice, communication or delivery to the public website utilized by the Company to disseminate reports and information pursuant to Section 6.1.1.4, and shall be deemed to have been duly given on the date such posting is made, so long as such public website shall automatically send email notifications of new postings to any Shareholder that has complied with the applicable log-in procedures or other applicable registration requirements of such website.

By notice complying with the foregoing provisions of this Section 11.3, each party shall have the right to change the mailing address, facsimile number or email address for future notices, communications or deliveries to such party pursuant to this Agreement and any such change shall not be deemed an amendment to this Agreement.

11.4 Binding Effect, Etc. Except for the Governing Documents and the Registration Rights Agreement dated as of Effective Date among the Company, the Shareholders party thereto and certain other Persons (as amended from time to time, the “Registration Rights Agreement”), this Agreement constitutes the entire agreement of the parties with respect to its subject matter, supersedes all prior or contemporaneous oral or written agreements or discussions
with respect to such subject matter, including any term sheets relating to the subject matter hereof or thereof, and shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, representatives, successors and permitted assigns.

No party hereto may assign any of its respective rights or delegate any of its respective obligations under this Agreement, and any attempted assignment or delegation in violation of the foregoing shall be null and void. Notwithstanding the foregoing, any Person that acquires Shares pursuant to a Transfer made in accordance with Section 3 shall be entitled to rights under and be bound by this Agreement as if an original party hereto except as otherwise set forth herein.

11.5 Descriptive Heading. The descriptive headings of this Agreement are for convenience of reference only, are not to be considered a part hereof and shall not be construed to define or limit any of the terms or provisions hereof.

11.6 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or PDF shall be effective as delivery of a manually executed counterpart to this Agreement. For the purposes of clarity, pursuant to the Plan, this Agreement shall be deemed to be valid, binding and enforceable in accordance with its terms, and each Shareholder shall be deemed to be bound hereby, in each case without the need for execution of this Agreement by any party hereto other than the Company.

11.7 Severability. In the event that any provision hereof would, under applicable law, be invalid or unenforceable in any respect, such provision shall be construed by modifying or limiting it so as to be valid and enforceable to the maximum extent compatible with, and possible under, applicable law. The provisions hereof are severable, and in the event any provision hereof should be held invalid or unenforceable in any respect, it shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

11.8 No Recourse. Notwithstanding anything that may be expressed or implied in this Agreement, the Company and each Shareholder covenant, agree and acknowledge that no recourse under this Agreement or any documents or instruments delivered in connection with this Agreement shall be had against any current or future director, officer, employee, general or limited partner, equityholder, holder of beneficial interest or member of any Shareholder or of any Affiliate or assignee thereof, as such, whether by the enforcement of any assessment or by any legal or equitable proceeding, or by virtue of any statute, regulation or other applicable law, it being expressly agreed and acknowledged that no personal liability whatsoever shall attach to, be imposed on or otherwise be incurred by any current or future officer, agent or employee of any shareholder or any current or future member of any Shareholder or any current or future director, officer, employee, partner, shareholder, holder of beneficial interest or member of any Shareholder or of any Affiliate or assignee thereof, as such, for any obligation of any Shareholder under this Agreement or any documents or instruments delivered in connection with this Agreement for any claim based on, in respect of or by reason of such obligations or their creation.
11.9 Expenses; Indemnity. To the extent permitted by applicable law, the Company will pay, and will indemnify and hold each Board Designator and each of their respective partners, shareholders, members, Affiliates, directors, officers, fiduciaries, managers, controlling Persons, employees and agents and each of the partners, shareholders, members, Affiliates, directors, officers, fiduciaries, managers, controlling Persons, employees and agents of each of the foregoing (collectively, the “Indemnites”) free and harmless from and against any and all liability for payment of, the out-of-pocket expenses (including reasonable fees and expenses of all advisors, accountants and counsel) incurred by the Indemnites or any of them, in connection with any Third-Party Claim arising out of its exercise or enforcement of its rights, or failure to exercise or enforce its rights, under, and in accordance with, the Agreement (but, for purposes of clarification, not liabilities arising out of such Indemnitee’s breach of or non-compliance with this Agreement, any of the other Transaction Agreements, or any other agreement or instrument to which such Indemnitee is or becomes a party). If any Indemnitee receives payment from the Company pursuant to this Section 11.9 in respect of a Third-Party Claim and it is subsequently determined by a court of competent jurisdiction that such Indemnitee was not entitled to be indemnified pursuant to this Section 11.9 in respect of such Third-Party Claim, the Indemnitee shall promptly reimburse the Company all amounts previously paid by or on behalf of the Company to such Indemnitee pursuant to this Section 11.9 in respect of such Third-Party Claim. The rights of any Indemnitee to indemnification hereunder will be in addition to any other rights any such Person may have under any other agreement or instrument referenced above or any other agreement or instrument to which such Indemnitee is or becomes a party or is or otherwise becomes a beneficiary or under law or regulation. A “Third-Party Claim” means any (i) claim brought by a Person other than the Company or any of the Subsidiaries or any Indemnitee and (ii) any derivative claim brought in the name of the Company or any of the Subsidiaries that is initiated by a Person other than any Indemnitee.

11.10 No Third Party Beneficiaries. Nothing in this Agreement is intended to confer upon any Person other than the parties hereto any rights or remedies hereunder.

12. GOVERNING LAW.

12.1 Governing Law. This Agreement and all claims arising out of or based upon this Agreement or relating to the subject matter hereof shall be governed by and construed in accordance with the domestic substantive laws of the State of Delaware without giving effect to any choice or conflict of laws provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction.

12.2 Consent to Jurisdiction. Each party to this Agreement, by its execution hereof, (a) hereby irrevocably submits to the exclusive jurisdiction of the Court of Chancery of the State of Delaware or, if such court lacks jurisdiction, any other state or federal court sitting in the State of Delaware for the purpose of any action, claim, cause of action or suit (in contract, tort or otherwise), inquiry, proceeding or investigation arising out of or based upon this Agreement or relating to the subject matter hereof, (b) hereby waives to the extent not prohibited by applicable law, and agrees not to assert, and agrees not to allow any of its Subsidiaries to assert, by way of motion, as a defense or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that any such proceeding brought in one of the above-named courts is
improper, or that this Agreement or the subject matter hereof or thereof may not be enforced in
or by such court and (e) hereby agrees not to commence or maintain any action, claim, cause of
action or suit (in contract, tort or otherwise), inquiry, proceeding or investigation arising out of or
based upon this Agreement or relating to the subject matter hereof or thereof other than before
one of the above-named courts nor to make any motion or take any other action seeking or
intending to cause the transfer or removal of any such action, claim, cause of action or suit (in
contract, tort or otherwise), inquiry, proceeding or investigation to any court other than one of
the above-named courts whether on the grounds of inconvenient forum or otherwise.
Notwithstanding the foregoing, to the extent that any party hereto is or becomes a party in any
litigation in connection with which it may assert indemnification rights set forth in this
agreement, the court in which such litigation is being heard shall be deemed to be included in
clause (a) above. Notwithstanding the foregoing, any party to this Agreement may commence
and maintain an action to enforce a judgment of any of the above-named courts in any court of
competent jurisdiction. Each party hereto hereby consents, to the fullest extent permitted by law,
to service of process in any such proceeding in any manner permitted by Delaware law, and
agrees that service of process by registered or certified mail, return receipt requested, at its
address specified pursuant to Section 11.3 hereof is reasonably calculated to give actual notice.

12.3 WAIVER OF JURY TRIAL. TO THE EXTENT NOT PROHIBITED BY
APPLICABLE LAW WHICH CANNOT BE WAIVED, EACH PARTY HERETO HEREBY
WAIVES AND COVENANTS THAT IT WILL NOT ASSERT (WHETHER AS PLAINTIFF,
DEFENDANT OR OTHERWISE) ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN
RESPECT OF ANY ISSUE OR ACTION, CLAIM, CAUSE OF ACTION OR SUIT (IN
CONTRACT, TORT OR OTHERWISE), INQUIRY, PROCEEDING OR INVESTIGATION
ARISING OUT OF OR BASED UPON THIS AGREEMENT OR THE SUBJECT MATTER
HEREOF OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO
THE TRANSACTIONS CONTEMPLATED HEREBY, IN EACH CASE WHETHER NOW
EXISTING OR HEREAFTER ARISING. EACH PARTY HERETO ACKNOWLEDGES
THAT IT HAS BEEN INFORMED BY THE OTHER PARTIES HERETO THAT THIS
SECTION 12.3 CONSTITUTES A MATERIAL INDUCEMENT UPON WHICH THEY ARE
RELYING AND WILL RELY IN ENTERING INTO THIS AGREEMENT. ANY PARTY
HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS
SECTION 12.3 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF
EACH SUCH PARTY TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY.

12.4 Exercise of Rights and Remedies. No delay of or omission in the exercise of any
right, power or remedy accruing to any party as a result of any breach or default by any other
party under this Agreement shall impair any such right, power or remedy, nor shall it be
construed as a waiver of or acquiescence in any such breach or default, or of any similar breach
or default occurring later; nor shall any such delay, omission nor waiver of any single breach or
default be deemed a waiver of any other breach or default occurring before or after that waiver.

* * * Signature pages follow * * *
IN WITNESS WHEREOF, the Company has executed this Shareholder Agreement on the day and year first written above, and all Shareholders as of the date hereof are deemed to be bound hereby without the need for execution thereby in accordance with the terms of this Agreement and the Plan.

COMPANY:

CENGAGE LEARNING HOLDINGS II, INC.

By: [Signature]
Name: Kenneth Carson
Title: EVP, General Counsel