REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this “Agreement”) is made and entered into as of March 31, 2014, by and between Cengage Learning Holdings II, Inc., a Delaware corporation (the “Company”), and each of the shareholders of the Company as of or after the Emergence Date who are issued Company Common Shares pursuant to the Plan (each such party, together with any person or entity who hereafter becomes a party to this Agreement pursuant to Section 7(e) of this Agreement, a “Shareholder” and collectively the “Shareholders”). The Company and the Shareholders are referred to collectively herein as the “Parties.”

WHEREAS, the Company and each of the Shareholders have entered into the Shareholders Agreement dated as of March 31, 2014 (the “Shareholders Agreement”); and

WHEREAS, the Company has agreed to provide the registration rights and other rights set forth in this Agreement for the benefit of the Holders (as defined herein) pursuant to the Shareholders Agreement.

NOW THEREFORE, IN CONSIDERATION of the mutual covenants and agreements set forth herein and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each party hereto, the parties hereby agree as follows:

1. Definitions. As used in this Agreement, the following terms shall have the respective meanings set forth in this Section 1:

   “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 or any of their respective portfolio companies (and vice versa) (ii) if such Person is an investment fund, 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” has the meaning set forth in the preamble.

   “Board” has the meaning set forth in the Shareholders Agreement.

   “Business Day” means 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.

   “Commission” means the Securities and Exchange Commission or any other federal agency then administering the Securities Act or Exchange Act.

   “Company” has the meaning set forth in the preamble.
“Company Common Shares” has the meaning set forth in the Shareholders Agreement.

“Compulsory Piggyback Holders” has the meaning set forth in Section 2(b)(i).

“Demand Eligible Holder” has the meaning set forth in Section 2(a)(i).

“Demand Eligible Holder Request” has the meaning set forth in Section 2(a)(i).

“Demand Notice” has the meaning set forth in Section 2(a)(i).

“Demand Registration” has the meaning set forth in Section 2(a)(i).

“Demand Registration Statement” has the meaning set forth in Section 2(a)(i).

“Effective Date” means the time and date that a Registration Statement is first declared effective by the Commission or otherwise becomes effective.

“Effectiveness Period” has the meaning set forth in Section 2(a)(iii).

“Elective Piggyback Holders” has the meaning set forth in Section 2(b)(i).

“Emergence Date” means the Effective Date as such term is defined in the Shareholders Agreement.


“Family Member” shall mean, with respect to any natural Person, such Person’s parents, spouse (but not including a former spouse or a spouse from whom such Person is legally separated) 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 (but not including a former spouse or a spouse from whom such Person is legally separated) and/or descendants.

“Holder” means any holder of Registrable Securities, including any owner or person having the ability to control or direct the sale of Registrable Securities.

“Indemnified Persons” has the meaning set forth in Section 5.

“Initial Public Offering” shall mean the initial firm commitment underwritten Public Offering of Company Common Shares for cash registered under the Securities Act or equivalent foreign securities laws (other than a registration statement on Form F-4, Form S-4 or Form S-8 (or any similar or successor form or equivalent foreign form)) pursuant to which the Company Common Shares are listed on a national securities exchange in the United States or the applicable foreign jurisdiction.

“Initiating Holder” means, subject to the limitations of Section 2(a)(ii), any Holder or group of Holders that delivers a Demand Notice pursuant to Section 2(a)(i) hereof.

“Issuer Free Writing Prospectus” means an issuer free writing prospectus, as defined in Rule 433 under the Securities Act, relating to an offer of the Registrable Securities.

“Lock-Up Party” has the meaning set forth in Section 7(f).
“Losses” has the meaning set forth in Section 5.

“Parties” has the meaning set forth in the preamble.

“Person” means 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.

“Piggyback Eligible Holder” has the meaning set forth in Section 2(b)(i).

“Piggyback Notice” has the meaning set forth in Section 2(b)(i).

“Piggyback Registration” has the meaning set forth in Section 2(b)(i).

“Piggyback Registration Statement” has the meaning set forth in Section 2(b)(i).

“Piggyback Request” has the meaning set forth in Section 2(b)(i).

“Plan” means that certain Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code (as the same may have been subsequently amended, modified or supplemented).

“Potential Takedown Participant” has the meaning set forth in Section 2(d)(ii).

“Proceeding” means any action, claim, suit, proceeding or investigation (including a preliminary investigation or partial proceeding, such as a deposition) pending or known to the Company to be threatened.

“Prospectus” means the prospectus included in a Registration Statement (including a prospectus that includes any information previously omitted from a prospectus filed as part of an effective Registration Statement in reliance upon Rule 430A promulgated under the Securities Act), all amendments and supplements to the Prospectus, including post-effective amendments, all material incorporated by reference or deemed to be incorporated by reference in such Prospectus and any Issuer Free Writing Prospectus.

“Registrable Securities” means any Company Common Shares and any other securities issued or issuable with respect to, on account of or in exchange for Registrable Securities, whether by stock split, stock dividend, recapitalization, merger, charter amendment or otherwise that are held by the Shareholders or any transferee or assignee of any Shareholder pursuant to Section 7(e), all of which Company Common Shares are subject to the rights provided herein until such rights terminate pursuant to the provisions of this Agreement. As to any particular Registrable Securities, such securities shall cease to be Registrable Securities when (i) a registration statement registering such Registrable Securities under the Securities Act has been declared effective and such Registrable Securities have been sold or otherwise transferred by the Holder thereof pursuant to such effective registration statement, (ii) such Registrable Securities are sold to the public pursuant to Rule 144 under circumstances in which any legend borne by such Company Common Shares relating to restrictions on transferability thereof, under the Securities Act or otherwise, is removed by the Company, (iii) such Registrable Securities may be sold pursuant to Rule 144 (or any similar provision then in effect) without limitation thereunder on volume or manner of sale, or (iv) such securities cease to be outstanding.
“Registration Expenses” has the meaning set forth in Section 4.

“Registration Statement” means a registration statement of the Company filed with or to be filed with the Commission under the Securities Act and other applicable law, and including any Prospectus, amendments and supplements to each such registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto, and all material incorporated by reference or deemed to be incorporated by reference in such registration statement.

“Rule 144” means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

“Rule 158” means Rule 158 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

“Rule 174” means Rule 174 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

“Rule 405” means Rule 405 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

“Rule 415” means Rule 415 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

“Rule 424” means Rule 424 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations thereunder.

“Selling Expenses” means all underwriting fees, discounts, selling commissions, placement agency fees and stock transfer taxes applicable to the sale of Registrable Securities and related legal and other fees not otherwise addressed in this Agreement.

“Shareholders” has the meaning set forth in the preamble.

“Shareholders Agreement” has the meaning set forth in the preamble.

“Shares” has the meaning set forth in the Shareholders Agreement.

“Shelf Period” has the meaning set forth in Section 2(c)(iii).

“Shelf Registration” has the meaning set forth in Section 2(c)(i)(a).

“Shelf Registration Notice” has the meaning set forth in Section 2(c)(ii).

“Shelf Registration Request” has the meaning set forth in Section 2(c)(i)(a).
2. **Registration.**

   (a) **Demand Registration.**

   (i) Subject to the terms and conditions of this Agreement (including Section 2(a)(ii)), at any time after the third (3rd) anniversary of the date hereof, or if the Company consummates an Initial Public Offering prior to the third (3rd) anniversary of the date hereof, the date that is one hundred eighty (180) days after the completion of the Initial Public Offering, upon written notice to the Company (a “Demand Notice”) delivered by an Initiating Holder or group of Initiating Holders at any time requesting that the Company effect the registration (a “Demand Registration”) under the Securities Act of any or all of the Registrable Securities held by such Holders, the Company shall promptly
(but in any event, not later than five (5) Business Days of the Company’s receipt of such Demand Notice) give written notice of the receipt of such Demand Notice to all other Holders that, to its knowledge, hold at least 0.5% of the Company Common Shares then outstanding (each, a “Demand Eligible Holder”) and shall promptly file the appropriate registration statement (the “Demand Registration Statement”) and use its commercially reasonable efforts to effect, at the earliest practicable date, the registration under the Securities Act and applicable state securities laws of (A) the Registrable Securities which the Company has been so requested to register by the Initiating Holders in the Demand Notice, and (B) all other Registrable Securities which the Company has been requested to register by the Demand Eligible Holders by written request (the “Demand Eligible Holder Request”) given to the Company within ten (10) Business Days or, to the extent the Company states in such written notice that such registration will be on Form S-3, five (5) Business Days, after the giving of such written notice by the Company, in each case subject to Section 2(a)(v), all to the extent required to permit the disposition (in accordance with the intended methods of disposition) of the Registrable Securities to be so registered.

(ii) Limitations on Demand Rights. (A) The Company shall only be required to comply with a Demand Notice requesting that the Company conduct an Initial Public Offering (i) if delivered on or after the third (3rd) anniversary but prior to the fourth (4th) anniversary of the date hereof, when delivered by Holders of 50% or more of the Company Common Shares then outstanding and (ii) if delivered on or after the fourth (4th) anniversary of the date hereof, when delivered by Holders of 33 1/3% or more of the Company Common Shares then outstanding.

(B) Subject to Section 2(a)(ii)(C) below, beginning one hundred eighty (180) days after the consummation of an Initial Public Offering, any Holder or a group of Holders of an aggregate of 5.0% or more of the Company Common Shares then outstanding shall be entitled to request Demand Registrations under Section 2(a)(i).

(C) The Company shall only be required to (1) effect one Demand Registration on Form S-1 in any six (6) month period, (2) effect one Demand Registration on Form S-3 in any three (3) month period, and (3) comply with a request for a Demand Registration if the Initiating Holders, together with all other Demand Eligible Holders that request Registrable Securities be included in the Demand Registration pursuant to 2(a)(i), are requesting the registration of Registrable Securities, which is reasonably expected to result in aggregate gross proceeds in excess of $150 million (in the case of an Initial Public Offering), $50 million (in the case of public offerings on Form S-1) or $10 million (in the case of public offerings on Form S-3). The Company may effect any requested Demand Registration using Form S-3 whenever the Company is eligible to register for resale the Registrable Securities on Form S-3 (unless the Initiating Holder(s) or the managing underwriter(s) of such offering requests the Company to use a Form S-1 in order to sell all of the Registrable Securities requested to be sold).

(iii) Fulfillment of Registration Obligations. Upon receipt of a Demand Notice, subject to the limitations of this Section 2(a), and as promptly as practicable, the Company shall (A) file a Demand Registration Statement covering all of the Registrable Securities to be included in such Demand Registration as directed by the Initiating
Holders and Demand Eligible Holders in accordance with the terms and conditions of the Demand Notice; and (B) use its commercially reasonable efforts to cause such Demand Registration Statement to be declared effective by the Commission as soon as practicable thereafter and to keep such Demand Registration Statement continuously effective under the Securities Act for the period of time (in no event, less than six (6) months following the Effective Date) necessary for the underwriters or Holders to sell all the Registrable Securities covered by such Demand Registration Statement or such shorter period which will terminate when all Registrable Securities covered by such Demand Registration Statement have been sold pursuant thereto (including, if necessary, by filing with the Commission a post-effective amendment or a supplement to the Demand Registration Statement or the related Prospectus or any document incorporated therein by reference or by filing any other required document or otherwise supplementing or amending the Demand Registration Statement, if required by the rules, regulations or instructions applicable to the registration form used by the Company for such Demand Registration Statement or by the Securities Act, any state securities or “blue sky” laws, or any other rules and regulations thereunder) (the “Effectiveness Period”).

A Demand Registration requested pursuant to this Section 2(a) shall not be deemed to have been effected (i) if the Registration Statement is withdrawn without becoming effective, (ii) if the Registration Statement does not remain effective in compliance with the provisions of the Securities Act and the laws of any state or other jurisdiction applicable to the disposition of the Registrable Securities covered by such Registration Statement for the Effectiveness Period, (iii) if, after it has become effective, such Registration Statement is subject to any stop order, injunction or other order or requirement of the Commission or other governmental or regulatory agency or court for any reason other than a violation of applicable law solely by any selling Holder and has not thereafter become effective, (iv) in the event of an underwritten offering, if the conditions to closing specified in the underwriting agreement entered into in connection with such registration are not satisfied or waived other than by reason of some wrongful act or omission by the Initiating Holder, (v) if the Company does not include in the applicable Registration Statement any Registrable Securities held by a Holder that is required by the terms hereof to be included in such Registration Statement, or (vi) in the case of an Initial Public Offering only, if the Commission has indicated all of its comments on the Registration Statement have been cleared and the executive officers of the Company have participated in the related roadshow but the Registration Statement does not thereafter become effective.

(iv) Notwithstanding any other provision of this Section 2(a), the Company shall not be required to file or effect any Demand Registration: (A) during the period starting with the date sixty (60) days prior to a good faith estimate, with the approval of a simple majority of the Board, of the date of filing of, and ending on the date one hundred eighty (180) days (in the case of an Initial Public Offering) or ninety (90) days (in the case of all other public offerings) after the Effective Date of, a Company-initiated registration; provided that the Company is actively employing commercially reasonable efforts to cause such Registration Statement to become effective; (B) for a period of up to ninety (90) days after the date of a Demand Notice for registration pursuant to this Section 2(a) if at the time of such request (1) the Company is engaged, or has fixed plans
with the approval of a simple majority of the Board to engage, within ninety (90) days of the time of such Demand Notice, in a firm commitment underwritten public offering of Company Common Shares in which the Holders of Registrable Securities may include Registrable Securities pursuant to Section 2(b), or (2) the Company is currently engaged in a self-tender or exchange offer and the filing of a Registration Statement would cause a violation of the Exchange Act; or (C) for a period of up to sixty (60) days if (1) the Company’s Board determines in good faith that any registration of the Registrable Securities should not be made or continued because it would materially and adversely interfere with any pending material financing or material acquisition, merger, recapitalization, consolidation or reorganization or similar transaction involving the Company or (2) the Board determines, in its good faith judgment, that a postponement is in the best interest of the Company due to an investigation or other event involving the Company, and in the case of this clause (C), the Company determines in good faith that the filing of the Registration Statement would cause the disclosure of material non-public information (any such period, a “Suspension Period”); provided, however, that in such event, the Initiating Holder will be entitled to withdraw their request for a Demand Registration and, if such request is withdrawn, such Demand Registration will not count as a Demand Registration, and the Company will pay all registration expenses in connection with such registration; and provided further, that in no event shall the Company postpone or defer any Demand Registration pursuant to this Section 2(a)(iv) and/or Section 7(f) more than twice in any twelve month period or for more than an aggregate of ninety (90) days in any twelve (12) month period. The Company shall give written notice to the Holders that have requested registration pursuant to Section 2(a) of its determination to postpone or defer a Demand Registration and of the expiration of the relevant Suspension Period.

(v) Notwithstanding any other provision of this Section 2(a), if (A) the Initiating Holders intend to distribute the Registrable Securities covered by a Demand Registration by means of an underwritten offering and (B) the managing underwriter advises the Company and the Initiating Holders that, in such underwriter’s opinion, the amount of Registrable Securities requested to be included in such offering exceeds the amount which can be sold in (or during the time of) such offering within a proposed price range without materially adversely affecting the distribution of the Registrable Securities being offered, then the Company shall so advise all Demand Eligible Holders of Registrable Securities that would otherwise be included in such underwritten offering, and will include in such offering, prior to the inclusion of any other securities on behalf of the Company or any other person, the maximum number of Registrable Securities requested to be included by the Initiating Holders and Demand Eligible Holders of such Registrable Securities that the Company and the Initiating Holders are so advised can be sold in (or during the time of) such offering within such price range, allocated on a pro rata basis among such Initiating Holders and the Demand Eligible Holders requesting such registration based on the number of Registrable Securities held by all such Initiating Holder and Demand Eligible Holders. Any Registrable Securities excluded or withdrawn from such underwriting shall be withdrawn from the registration.

(vi) The determination of whether any offering of Registrable Securities pursuant to a Demand Registration will be an underwritten offering shall be made in the
sole discretion of the Holders of a majority of the Registrable Securities included in such underwritten offering, and such Holders of a majority of the Registrable Securities shall have the right to (i) determine the plan of distribution, including the price at which the Registrable Securities are to be sold and the underwriting commissions, discounts and fees, (ii) select the investment banker or bankers and managers to administer the offering, including the lead managing underwriter (provided that such investment banker or bankers and managers shall be reasonably satisfactory to the Company) and (iii) select one firm of counsel to represent all of Holders.

(vii) Any Holder whose Registrable Securities were to be included in any such registration pursuant to Section 2(a) may elect to withdraw any or all of its Registrable Securities therefrom, without prejudice to the rights of any such Holder or Holders to include Registrable Securities in any future registration (or registrations), by written notice to the Company delivered on or prior to the Effective Date of the relevant Demand Registration Statement.

(b) Piggyback Registration.

(i) If at any time the Company proposes to file a Registration Statement (a “Piggyback Registration Statement”) other than pursuant to any Demand Registration under Section 2(a) or a Shelf Registration under Section 2(c), for an offering of Company Common Shares for cash (whether in connection with a public offering of Company Common Shares by the Company, a public offering of Company Common Shares by shareholders other than Holders, or both, but excluding an offering relating solely to an employee benefit plan, an offering relating to a transaction on Form S-4 or an offering on any Registration Statement form that does not permit secondary sales), including an IPO, the Company shall give written notice (the “Piggyback Notice”) to (A) all Holders that, to its knowledge, hold 1% or more of the Company Common Shares then outstanding (collectively, the “Compulsory Piggyback Holders”) and (B) at the Company’s sole election, any other Holders that, to its knowledge, hold less than 1% of the Company Common Shares then outstanding (the “Elective Piggyback Holders” and, together with the Compulsory Piggyback Holders, each a “Piggyback Eligible Holder”) of the Company’s intention to file a Piggyback Registration Statement reasonably in advance of (and in any event at least ten (10) Business Days before) the anticipated filing date of such Piggyback Registration Statement. The Piggyback Notice shall offer the Piggyback Eligible Holders the opportunity to include for registration in such Piggyback Registration Statement the number of Registrable Securities as they may request (a “Piggyback Registration”). Subject to Section 2(b)(ii), the Company shall use its commercially reasonable efforts to include in each such Piggyback Registration such Registrable Securities for which the Company has received written requests (each a “Piggyback Request”) from Piggyback Eligible Holders within five (5) Business Days after mailing of the Piggyback Notice. If a Compulsory Piggyback Holder decides not to include all of its Registrable Securities in any Registration Statement thereafter filed by the Company, such Compulsory Piggyback Holder shall nevertheless continue to have the right to include any Registrable Securities in any subsequent registration statement or registration statements as may be filed by the Company with respect to offerings of Shares, all upon the terms and conditions set forth herein. The Company shall use commercially reasonable efforts to effect the registration under the Securities Act of all
Registrable Securities which the Company has been so requested to register pursuant to the Piggyback Requests, to the extent required to permit the disposition of the Registrable Securities so requested to be registered.

(ii) If the Piggyback Registration under which the Company gives notice pursuant to Section 2(b)(i) is an underwritten offering, and the managing underwriter or managing underwriters of such offering advise the Company and the Piggyback Eligible Holders in writing that, in their reasonable opinion, the amount of Registrable Securities requested to be included in such registration exceeds the amount which can be sold in (or during the time of) such offering within a proposed price range without materially adversely affecting the distribution of the Registrable Securities being offered, the Company shall include in such offering only that number or amount, if any, of Registrable Securities held by the Piggyback Eligible Holders (after inclusion of all securities on behalf of the Company (in a Company initiated registration) or such other holder (in a non-Company initiated registration)) that, in the reasonable opinion of the managing underwriter or managing underwriters, can be sold in (or during the time of) such offering within such price range, with any reduction in the amount of Registrable Securities to be registered applied pro rata among all Piggyback Eligible Holders desiring to register Registrable Securities based on the number of Registrable Securities owned by each such Piggyback Eligible Holder of the class (or classes) for which registration is being sought and, in the case of a Company initiated registration, as to any other holders of Shares who may be seeking to register such Shares, with such reduction applied first subject to the rights of any holder that has priority by virtue of an any agreement approved in accordance with Section 2(h) below, to the amount of Shares sought to be registered by such other holders. If any Piggyback Eligible Holder disapproves of the terms of any such underwriting (including the price offered by the underwriter(s) in such offering), such Piggyback Eligible Holder may elect to withdraw any or all of its Registrable Securities therefrom, without prejudice to the rights of any such Holder or Holders to include Registrable Securities in any future registration (or registrations), by written notice to the Company and the managing underwriter(s) delivered on or prior to the Effective Date of such Piggyback Registration Statement. Any Registrable Securities withdrawn from such underwriting shall be excluded and withdrawn from the registration. For any Piggyback Eligible Holder that is a partnership, limited liability company, corporation or other entity, the partners, members, stockholders, subsidiaries, parents and Affiliates of such Piggyback Eligible Holder, or the estates and Family Members of any of the foregoing Persons, shall be deemed to be a single “Piggyback Eligible Holder,” and any pro rata reduction with respect to such “Piggyback Eligible Holder” shall be based upon the aggregate amount of securities carrying registration rights owned by all entities and individuals included in such “Piggyback Eligible Holder,” as defined in this sentence. Promptly following receipt of notification by the Company from the managing underwriter of a range of prices at which such Registrable Securities are likely to be sold, the Company shall so advise each Piggyback Eligible Holder requesting registration in such offering of such price.

(iii) The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 2(b) prior to the Effective Date of such
Registration Statement or, in the case of a Shelf Registration Statement, prior to the consummation of such offering, whether or not any Piggyback Eligible Holder has elected to include Registrable Securities in such Registration Statement, without prejudice, however, to the right of the Holders (subject to the limitations set forth in Section 2(a)(ii) and Section 2(c)(i)) immediately to request that such registration be effected as a registration under Section 2(a) or Section 2(c) (including a Shelf Registration) to the extent permitted thereunder. The registration expenses of such withdrawn registration shall be borne by the Company in accordance with Section 4 hereof.

(iv) If a Piggyback Registration pursuant to this Section 2(b) involves an underwritten offering, the Company (with the consent of the Holders of a majority of the Registrable Securities included in such underwritten offering) shall have the right to (i) determine the plan of distribution, including the price at which the Registrable Securities are to be sold and the underwriting commissions, discounts and fees, (ii) select the investment banker or bankers and managers to administer the offering, including the lead managing underwriter and (iii) select counsel for the selling Holders.

No registration effected under this Section 2(b) shall relieve the Company of its obligations to effect any registration of the sale of Registrable Securities upon request under Section 2(a) or 2(c) hereof and no registration effected pursuant to Section 2(b) shall be deemed to have been effected pursuant to Section 2(a) or 2(c) hereof.

(c) Shelf Registration.

(i) Request for Demand Shelf Registration.

a. At any time that the Company is eligible to file a Registration Statement on Form S-3, upon the written request of any Holder or Group of Holders of at least 0.5% of the Company Common Shares then outstanding (a “Shelf Registration Request”), the Company shall promptly (but in no event, later than thirtieth (30th) day after the receipt of such Shelf Registration Request) file with the Commission a shelf Registration Statement on Form S-3 pursuant to Rule 415 under the Securities Act (“Shelf Registration Statement”), including, if the Company is at any time a WKSI, an automatic shelf registration statement, relating to the offer and sale of Registrable Securities by any Holders thereof from time to time in accordance with the methods of disposition elected by such Holders and the Company shall use its commercially reasonable efforts to cause such Shelf Registration Statement to promptly become effective under the Securities Act. Any such Registration pursuant to a Shelf Registration Request shall hereinafter be referred to as a “Shelf Registration.”

b. If on the date of the Shelf Registration Request: (i) the Company is a WKSI, then the Shelf Registration Request may request the registration of an unspecified amount of Registrable Securities; and (ii) the Company is not a WKSI, then the Shelf Registration Request shall specify the aggregate amount of Registrable Securities to be registered.
(ii) Promptly upon receipt of a Shelf Registration Request (but in no event, more than three (3) Business Days thereafter), the Company shall deliver a written notice (a “Shelf Registration Notice”) of any such request and the Company’s intention to file a Shelf Registration Statement to all other Holders that, to the Company’s knowledge, hold at least 0.5% of the Company Common Shares then outstanding, which notice shall specify, if applicable, the amount of Registrable Securities to be registered and the intended methods of disposition, and the Shelf Registration Notice shall offer each such Holder the opportunity to include in the Shelf Registration that number of Registrable Securities as each such Holder may request in writing. The Company shall include in such Shelf Registration all such Registrable Securities with respect to which the Company has received written requests for inclusion therein within five (5) Business Days after the date that the Shelf Registration Notice has been delivered to such Holders.

(iii) The Company shall use its commercially reasonable efforts to keep such Shelf Registration Statement continuously effective under the Securities Act in order to permit the Prospectus forming part of the Shelf Registration Statement to be usable by Holders until the earlier of: (i) the date as of which all Registrable Securities covered by the Shelf Registration Statement have been sold pursuant to the Shelf Registration Statement (but in no event prior to the applicable period referred to in Section 4(a)(3) of the Securities Act and Rule 174 thereunder); and (ii) the date on which there shall cease to be any Registrable Securities covered by such Shelf Registration Statement (such period of effectiveness, the “Shelf Period”).

(iv) If one of the conditions specified in Section 3(d)(vi) exists at a time when a Shelf Registration Statement is effective and the continued use of such Shelf Registration Statement would require the Company to make an adverse disclosure, the Company may, upon giving prompt written notice to the Holders, suspend use of the Shelf Registration Statement (a “Shelf Suspension”); provided, however, that the Company shall not be permitted to exercise a Shelf Suspension or other deferral or suspension of the Company’s obligations under Section 2(a), 2(c) or 7(f), more than twice in any twelve month period or for more than an aggregate of ninety (90) days in any twelve (12) month period. The Company shall give prompt written notice of the expiration of the relevant Shelf Suspension to the Holders that have requested registration.

(d) Shelf Takedown.

(i) At any time during which the Company has an effective Shelf Registration Statement with respect to a Holder’s Registrable Securities, such Holder may make a written request (which request shall specify the intended method of disposition thereof) (a “Shelf Takedown Request”) to the Company to effect a public offering, of all or a portion of such Holder’s Registrable Securities that are covered by such Shelf Registration Statement, and the Company shall, as soon as practicable, but in no event, later than fifth (5th) day after receipt of such Shelf Takedown Request, file a prospectus supplement (a “Shelf Takedown Prospectus Supplement”) for such purpose. Any Holder or group of Holders entitled to a Shelf Takedown Request pursuant to this Section 2(d)(i) may request that any such public offering be conducted as an underwritten public offering.
(an “Underwritten Shelf Takedown”), but only if the aggregate gross proceeds from the sale of Registrable Securities in such offering is expected to exceed $10 million.

(ii) Except in connection with an underwritten, overnight “block trade,” promptly upon receipt of a Shelf Takedown Request (but in no event more than three (3) Business Days thereafter) for any Underwritten Shelf Takedown, the Company shall deliver a notice (a “Shelf Takedown Notice”) to each other Holder with Registrable Securities covered by the applicable Registration Statement, or to all other Holders that, to its knowledge, hold at least 0.5% of the Company Common Shares then outstanding, if such Registration Statement is undesignated (each a “Potential Takedown Participant”). The Shelf Takedown Notice shall offer each such Potential Takedown Participant the opportunity to include in any Underwritten Shelf Takedown that number of Registrable Securities as each such Potential Takedown Participant may request in writing. The Company shall include in the Underwritten Shelf Takedown all such Registrable Securities as each such Potential Takedown Participant may request in writing. The Company shall include in the Underwritten Shelf Takedown all such Registrable Securities of each Holder (such Holders, together with the Holder requesting such Shelf Takedown Prospectus Supplement, the “Shelf Takedown Selling Shareholders”) with respect to which the Company has received written requests for inclusion therein within two (2) Business Days after the date that the Shelf Takedown Notice has been delivered. Any Potential Takedown Participant’s request to participate in an Underwritten Shelf Takedown shall be binding on the Potential Takedown Participant; provided that each such Potential Takedown Participant that elects to participate may condition its participation on the Underwritten Shelf Takedown being completed within ten (10) Business Days of its acceptance.

(iii) The Company shall not be obligated to take any action to effect any Underwritten Shelf Takedown if a Demand Registration or an Underwritten Shelf Takedown was consummated within the preceding ninety (90) days (unless otherwise consented to by the Company’s Board of Directors).

(iv) Subject to the limitations of Section 2(d)(i), the determination of whether any offering of Registrable Securities pursuant to a Shelf Registration Statement or a Shelf Takedown Prospectus Supplement will be an underwritten offering shall be made in the sole discretion of the Holders of a majority of the Registrable Securities included in such offering, and the Holders of such majority shall have the right to (i) determine the plan of distribution, including the price at which the Registrable Securities are to be sold and the underwriting commissions, discounts and fees, (ii) select the investment banker or bankers and managers to administer the offering, including the lead managing underwriter (provided that such investment banker or bankers and managers shall be reasonably satisfactory to the Company) and (iii) select one firm of counsel to represent all of Holders.

Notwithstanding any other provision of this Section 2(d), if the managing underwriter advises the Company and the Shelf Takedown Selling Shareholders that, in such underwriter’s opinion, the amount of Registrable Securities requested to be included in such offering exceeds the amount which can be sold in (or during the time of) such offering within the proposed price range without materially adversely affecting the distribution of the Registrable Securities being offered, then the Company shall so advise all such Holders, and will include in such offering,
prior to the inclusion of any other securities on behalf of the Company or any other person that may have piggyback registration rights, the maximum number of Registrable Securities held by
the Shelf Takedown Selling Shareholders that the Company and the Shelf Takedown Selling Shareholders are so advised can be sold in (or during the time of) such Underwritten Shelf
Takedown, allocated on a pro rata basis among such Shelf Takedown Selling Shareholders based
on the number of Registrable Securities held by each such Holder.

(e) Any Demand Notice, Demand Eligible Holder Request, Piggyback Request, Shelf Registration Request or Shelf Takedown Request shall (i) specify the number of Registrable Securities and, in the case of an Initial Public Offering, the Company Common Shares, intended to be offered and sold by the Holder making the request, (ii) express such Holder’s present intent to offer such Registrable Securities and, in the case of an Initial Public Offering, the Company Common Shares, for distribution, (iii) describe the nature or method of the proposed offer and sale of Registrable Securities and, in the case of an Initial Public Offering, the Company Common Shares, and (iv) contain the undertaking of such Holder to provide all such information and materials and take all action as may reasonably be required in order to permit the Company to comply with all applicable requirements in connection with the registration of such Registrable Securities or Company Common Shares, as the case may be.

(f) No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

(g) The Company may require each seller of Registrable Securities as to which any Registration Statement is being filed or sale is being effected to furnish to the Company such information regarding the distribution of such securities and such other information relating to such Holder and its ownership of Registrable Securities as the Company may from time to time reasonably request in writing (provided that such information shall be used only in connection with such registration) and the Company may exclude from such registration or sale the Registrable Securities of any such Holder who unreasonably fails to furnish such information within a reasonable time after receiving such request. Each Holder agrees to furnish such information to the Company and to cooperate with the Company as reasonably necessary to enable the Company to comply with the provisions of this Agreement.

(h) The Company has not entered into and, unless agreed in writing by each Holder, on or after the date of this Agreement, will not enter into, any agreement which (a) is inconsistent with, or adversely affects, the rights granted to the Holders with respect to Registrable Securities in this Agreement or otherwise conflicts with the provisions hereof in any material respect or (b) other than as set forth in this Agreement, would allow any holder of Company Common Shares to include Company Common Shares in any Registration Statement filed by the Company on a basis that is superior or more favorable in any material respect to the rights granted to the Holders hereunder.

(i) All registration rights granted under this Section 2 shall continue to be applicable with respect to any Holder until such Holder can sell all of the Registrable Securities held by such Holder (without any limitation on volume, timing or manner of sale that would not be applicable to a sale registered under the Securities Act).

3. Registration Procedures.
The procedures to be followed by the Company and each participating Holder to register the sale of Registrable Securities pursuant to a Registration Statement in accordance with this Agreement, and the respective rights and obligations of the Company and such Holders with respect to the preparation, filing and effectiveness of such Registration Statement, are as follows:

(a) The Company will (i) prepare and file a Registration Statement or a prospectus supplement, as applicable, with the Commission (within the time period specified in Section 2(a), 2(c) or 2(d), as applicable, in the case of a Demand Registration Statement, a Shelf Registration Statement or a Shelf Takedown Prospectus Supplement) which Registration Statement (x) shall be on a form selected by the Company for which the Company qualifies, (y) shall be available for the sale or exchange of the Registrable Securities in accordance with the intended method or methods of distribution, in the case of a Demand Registration Statement, a Shelf Registration Statement or a Shelf Takedown Prospectus Supplement, and (z) shall comply as to form in all material respects with the requirements of the applicable form and include and/or incorporate by reference all financial statements required by the Commission to be filed therewith, (ii) use its commercially reasonable efforts to cause such Registration Statement to become effective and remain effective for the periods provided under Sections 2(a) or 2(c), as applicable, in the case of a Demand Registration Statement, a Shelf Registration Statement or a Shelf Takedown Prospectus Supplement, (iii) use its commercially reasonable efforts to prevent the occurrence of any event that would cause a Registration Statement to contain a material misstatement or omission or to be not effective and usable for resale of the Registrable Securities registered pursuant thereto (during the period that such Registration Statement is required to be effective and usable), and (iv) cause each Registration Statement and the related Prospectus and any amendment or supplement thereto, as of the effective date of such Registration Statement, amendment or supplement (x) to comply in all material respects with any requirements of the Securities Act and the rules and regulations of the Commission and (y) not to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. The Company will, (i) at least ten (10) Business Days prior to the anticipated filing of a Registration Statement or any related Prospectus or any amendment or supplement thereto furnish to such Holders and the managing underwriter or underwriters of an underwritten offering of Registrable Securities, if applicable, copies of all such documents proposed to be filed, (ii) use its commercially reasonable efforts to address in each such document prior to being so filed with the Commission such comments as such Holder or underwriter reasonably shall propose within five (5) Business Days of receipt of such copies by the Holders and (iii) except in the case of a registration under Section 2(b), not file any Registration Statement or any related Prospectus or any amendment or supplement thereto to which a participating Holder objects.

(b) The Company will as promptly as reasonably possible (i) prepare and file with the Commission such amendments, including post-effective amendments, and supplements to each Registration Statement and the Prospectus used in connection therewith as (x) may be reasonably requested by any Holder of Registrable Securities covered by such Registration Statement necessary to permit such Holder to sell in accordance with its intended method of distribution or (y) may be necessary under applicable law to keep such Registration Statement continuously effective with respect to the disposition of all Registrable Securities covered thereby for the Effectiveness Period or for the Shelf Period, as the case may be, in accordance with the intended method of distribution and, subject to the limitations contained in this Agreement, prepare and
file with the Commission such additional Registration Statements in order to register for resale under the Securities Act all of the Registrable Securities held by the Holders; (ii) cause the related Prospectus to be amended or supplemented by any required prospectus supplement, and as so supplemented or amended, to be filed pursuant to Rule 424; and (iii) respond to any comments received from the Commission with respect to each Registration Statement or Prospectus or any amendment thereto and, as promptly as reasonably possible, provide such Holders true and complete copies of all correspondence from and to the Commission relating to such Registration Statement or Prospectus other than any comments that the Company determines in good faith would result in the disclosure to such Holders of material and non-public information concerning the Company that is not already in the possession of such Holder.

(c) The Company will comply in all material respects with the provisions of the Securities Act and the Exchange Act (including Regulation M under the Exchange Act) with respect to each Registration Statement and the disposition of all Registrable Securities covered by each Registration Statement.

(d) The Company will notify such Holders who hold more than 5% of the Company’s Common Shares then outstanding and the managing underwriter or underwriters of an underwritten offering of Registrable Securities, if applicable, as promptly as reasonably practicable: (i)(A) when a Registration Statement, any pre-effective amendment, any Prospectus or any prospectus supplement or post-effective amendment to a Registration Statement or any free writing prospectus is proposed to be filed; (B) when the Commission notifies the Company whether there will be a “review” of such Registration Statement and whenever the Commission comments on such Registration Statement (in which case the Company shall provide true and complete copies thereof and all written responses thereto to each Holder and underwriter, if applicable, other than information which the Company determines in good faith would constitute material and non-public information that is not already in the possession of such Holder); and (C) with respect to each Registration Statement or any post-effective amendment thereto, when the same has been declared effective; (ii) of any request by the Commission or any other federal or state governmental or regulatory authority for amendments or supplements to a Registration Statement or Prospectus or for additional information (whether before or after the Effective Date of the Registration Statement) or any other correspondence with the Commission or any such authority relating to, or which may affect, the Registration Statement; (iii) of the issuance by the Commission or any other governmental or regulatory authority of any stop order, injunction or other order or requirement suspending the effectiveness of a Registration Statement covering any or all of the Registrable Securities or the initiation of any Proceedings for that purpose; (iv) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any Proceeding for such purpose; (v) if, at any time, the representations and warranties of the Company in any applicable underwriting agreement or similar agreement cease to be true and correct in all material respects; or (vi) of the occurrence of any event that makes any statement made in such Registration Statement or Prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or if, as a result of such event or the passage of time, such Registration Statement, Prospectus or other documents requires revisions so that, in the case of such Registration Statement or the Prospectus, as the case may be, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make
the statements therein (in the case of the Prospectus, in the light of the circumstances under which they were made) not misleading, or when any Issuer Free Writing Prospectus includes information that may conflict with the information contained in the Registration Statement or Prospectus, or if, for any other reason, it shall be necessary during such time period to amend or supplement such Registration Statement or Prospectus in order to comply with the Securities Act, which shall correct such misstatement or omission or effect such compliance.

(e) The Company will use commercially reasonable efforts to avoid the issuance of, or, if issued, obtain the withdrawal of (i) any stop order or other order suspending the effectiveness of a Registration Statement or the use of any Prospectus, or (ii) any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction, at the earliest practicable moment, or if any such order or suspension is made effective during any Suspension Period, at the earliest practicable moment after the Suspension Period is over.

(f) During the Effectiveness Period or the Shelf Period, the Company will furnish to each Holder and the managing underwriter or underwriters of an underwritten offering of Registrable Securities, if applicable, without charge, at least one conformed copy of each Registration Statement and each amendment thereto and all exhibits to the extent requested by such Holder or underwriter (including those incorporated by reference) promptly after the filing of such documents with the Commission; provided, that the Company will not have any obligation to provide any document pursuant to this clause that is available on the Commission’s EDGAR system.

(g) The Company will promptly deliver to each Holder and the managing underwriter or underwriters of an underwritten offering of Registrable Securities, if applicable, without charge, as many copies of each Prospectus or Prospectuses (including each form of prospectus) and each amendment or supplement thereto as such Holder or underwriter may reasonably request in order to facilitate the disposition of the Registrable Securities by such Holder or underwriter. The Company consents to the use of such Prospectus and each amendment or supplement thereto by each of the selling Holders and any applicable underwriter in connection with the offering and sale of the Registrable Securities covered by such Prospectus and any amendment or supplement thereto.

(h) The Company will use its commercially reasonable efforts to (i) register or qualify the Registrable Securities covered by a Registration Statement, no later than the time such Registration Statement is declared effective by the Commission, under all applicable securities laws (including the “blue sky” laws) of such jurisdictions each underwriter, if any, or any Holder shall reasonably request; (ii) keep each such registration or qualification effective during the period such Registration Statement is required to be kept effective and (iii) do any and all other acts and things which may be reasonably necessary or advisable to enable such underwriter, if any, and each Holder to consummate the disposition in each such jurisdictions of the Registrable Securities covered by such Registration Statement; provided, however, that the Company will not be required to (x) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph, (y) subject itself to taxation in any such jurisdiction or (z) consent to general service of process (other than service of process in connection with such registration or qualification or any sale of Registrable Securities in connection therewith) in any such jurisdiction.
(i) The Company will cooperate with each Holder and the underwriter or managing underwriter of an underwritten offering of Registrable Securities, if applicable, to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be delivered to a transferee pursuant to a Registration Statement, which certificates shall be free of all restrictive legends indicating that the Registrable Securities are unregistered or unqualified for resale under the Securities Act, Exchange Act or other applicable securities laws, and to enable such Registrable Securities to be in such denominations and registered in such names as each Holder or the underwriter or managing underwriter of an underwritten offering of Registrable Securities, if any, may request in writing. In connection therewith, if required by the Company’s transfer agent, the Company will promptly, after the Effective Date of the Registration Statement, cause an opinion of counsel as to the effectiveness of the Registration Statement to be delivered to and maintained with its transfer agent, together with any other authorizations, certificates and directions required by the transfer agent which authorize and direct the transfer agent to issue such Registrable Securities without any such legend upon sale by the Holder or the underwriter or managing underwriter of an underwritten offering of Registrable Securities, if any, of such Registrable Securities under the Registration Statement.

(j) Upon the occurrence of any event contemplated by Section 3(d)(vi) or any event that causes a Shelf Suspension, as promptly as reasonably possible, the Company will prepare a supplement or amendment, including a post-effective amendment, if required by applicable law, to the affected Registration Statement or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference or to the applicable Issuer Free Writing Prospectus, and file any other required document so that, as thereafter delivered, no Registration Statement nor any Prospectus will contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein (in the case of a Prospectus, in the light of the circumstances under which they were made) not misleading and no Issuer Free Writing Prospectus will include information that conflicts with information contained in the Registration Statement or Prospectus and such that each selling Holder can resume disposition of such Registrable Securities covered by such Registration Statement or Prospectus.

(k) Such Holders may distribute the Registrable Securities by means of an underwritten offering (including an Initial Public Offering pursuant to Section 2 above); provided that (i) such Holders provide written notice to the Company in the Demand Notice, Shelf Registration Request or Shelf Takedown Request of their intention to distribute Registrable Securities by means of an underwritten offering, (ii) the right of any Holder to include such Holder’s Registrable Securities in such registration shall be conditioned upon such Holder’s participation in such underwriting and the inclusion of such Holder’s Registrable Securities in the underwriting to the extent provided herein, (iii) each Holder participating in such underwritten offering agrees to enter into an underwriting agreement in customary form and sell such Holder’s Registrable Securities on the basis provided in any underwriting arrangements approved by the Holders entitled to select the managing underwriter or managing underwriters hereunder (provided that any such Holder shall not be required to make any representations or warranties to or agreements with the Company or the underwriters other than representations, warranties or agreements regarding such Holder, such Holder’s title to the Registrable Securities, such Holder’s intended method of distribution and any other representations required to be made by the Holder under applicable law, and the aggregate amount of the liability of such Holder in
connection with such offering shall not exceed such Holder’s net proceeds from the disposition of such Holder’s Registrable Securities in such offering) and (iv) each Holder participating in such underwritten offering completes and executes all questionnaires, powers of attorney, custody agreement and other documents reasonably required under the terms of such underwriting arrangements. The Company hereby agrees with each Holder that, in connection with any underwritten offering in accordance with the terms hereof, it will negotiate in good faith and execute all indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements, and will procure auditor “comfort” letters addressed to the underwriters in the offering from the Company’s independent certified public accountants or independent auditors (and, if necessary, any other independent certified public accountants or independent auditors of any subsidiary of the Company or any business acquired by the Company for which financial statements and financial data are, or are required to be, included in the Registration Statement) in customary form and covering such matters of the type customarily covered by comfort letters as the underwriters reasonably request, dated the date of execution of the underwriting agreement and brought down to the closing under the underwriting agreement.

(l) The Company will obtain for delivery to the underwriter or underwriters of an underwritten offering of Registrable Securities, an opinion or opinions from counsel for the Company (including any local counsel reasonably requested by the underwriters) dated the most recent Effective Date of the Registration Statement or, in the event of an underwritten offering, the date of the closing under the underwriting agreement, in customary form, scope and substance, covering the matters customarily covered in opinions requested in sales of securities or underwritten offerings, which opinions shall be reasonably satisfactory to such underwriters and its counsel.

(m) For a reasonable period prior to the filing of any Registration Statement and throughout the Effectiveness Period and the Shelf Period, the Company will make available upon reasonable notice at the Company’s principal place of business or such other reasonable place for inspection by a representative appointed by a majority of the Holders covered by the applicable Registration Statement, by any managing underwriter or managing underwriters selected in accordance with Section 3(k) and by any attorney, accountant or other agent retained by such Holders or underwriter, such financial and other information and books and records of the Company, and cause the officers, employees, counsel and independent certified public accountants of the Company to respond to such inquiries, as shall be reasonably necessary (and in the case of counsel, not violate an attorney-client privilege in such counsel’s reasonable belief) to conduct a reasonable investigation within the meaning of Section 11 of the Securities Act.

(n) The Company will (1) provide and cause to be maintained a transfer agent and registrar for all Registrable Securities covered by the applicable Registration Statement from and after a date not later than the Effective Date of such Registration Statement and provide and enter into any reasonable agreements with a custodian for the Registrable Securities and (2) not later than the Effective Date of the applicable Registration Statement, provide a CUSIP number for all Registrable Securities.

(o) The Company will use commercially reasonable efforts to cause all Registrable Securities covered by a Registration Statement to be listed on a national securities exchange in the case of an Initial Public Offering, and, thereafter, on any securities exchange on which
Registrable Securities are then listed, and to maintain each such listing until each Holder has sold all of its Registrable Securities.

(p) The Company will cooperate with each Holder of Registrable Securities and each underwriter or agent participating in the disposition of Registrable Securities and their respective counsel in connection with any filings required to be made with FINRA and in performance of any due diligence investigations by any underwriter.

(q) The Company will use commercially reasonable efforts to comply with all applicable rules and regulations of the Commission any securities exchange on which the Company’s securities are listed, FINRA and any state securities authority, and make available to each Holder, as soon as reasonably practicable after the Effective Date of the Registration Statement, an earnings statement covering at least 12 months which shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158.

(r) The Company will take all reasonable action to ensure that any Issuer Free Writing Prospectus utilized in connection with any Prospectus complies in all material respects with the Securities Act, is filed in accordance with the Securities Act to the extent required thereby, is retained in accordance with the Securities Act to the extent required thereby and, when taken together with the related Prospectus, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(s) In connection with any registration of Registrable Securities pursuant to this Agreement, the Company will take all commercially reasonable actions as are necessary or advisable in order to expedite or facilitate the disposition of Registrable Securities by such Holders, including using commercially reasonable efforts to cause appropriate officers and employees to be available, on a customary basis and upon reasonable notice, to meet with prospective investors in presentations, meetings and road shows but not in connection with more than four offerings in any twelve months.

4. **Registration Expenses.** All reasonable Registration Expenses incident to the Parties’ performance of or compliance with their respective obligations under this Agreement or otherwise in connection with any Demand Registration, Shelf Registration, Shelf Takedown Request or Piggyback Registration (excluding any Selling Expenses) shall be borne by the Company, whether or not any Registrable Securities are sold pursuant to a Registration Statement. “Registration Expenses” shall include, without limitation, (i) all registration, qualification and filing fees and expenses (including fees and expenses (A) of the Commission or FINRA, (B) incurred in connection with the listing of the Registrable Securities on the Trading Market, and (C) in compliance with applicable state securities or “Blue Sky” laws (including reasonable fees and disbursements of counsel for the underwriters in connection with blue sky qualifications of the Registrable Securities)); (ii) printing expenses (including expenses of printing certificates for Shares and of printing prospectuses); (iii) road show expenses, including all travel, meals and lodging; (iv) messenger, telephone and delivery expenses; (v) fees and disbursements of counsel (including any local counsel), auditors and accountants for the Company (including the expenses incurred in connection with “comfort letters” required by or incident to such performance and compliance); (vi) the fees and disbursements of underwriters to the extent customarily paid by issuers or sellers of securities (including, if applicable, the fees
and expenses of any “qualified independent underwriter” (and its counsel) that is required to be retained in accordance with the rules and regulations of FINRA, (vii) fees and expenses of any special experts retained by the Company, and (viii) Securities Act liability insurance, if the Company so desires such insurance. In addition, the Company shall be responsible for all of its expenses incurred in connection with the consummation of the transactions contemplated by this Agreement (including expenses payable to third parties and including all salaries and expenses of their officers and employees performing legal or accounting duties), the expense of any annual audit, the expense of any liability insurance it determines to obtain and any Selling Expenses applicable to securities sold by the Company. In connection with each Demand Registration, Piggyback Registration or Shelf Takedown Request, the Company will reimburse the Holders that participate in such registration for the reasonable and documented fees and disbursements of one counsel representing all Holders mutually agreed by Holders of a majority of the Registrable Securities participating in the related registration. Each Holder shall pay any Selling Expenses applicable to the sale or disposition of such Holder’s Registrable Securities pursuant to any Demand Registration Statement or Piggyback Registration Statement in proportion to the amount of such selling Holder’s shares of Registrable Securities sold in any offering under such Demand Registration Statement or Piggyback Registration Statement. Each Holder shall pay any Selling Expenses applicable to the sale or disposition of their Registrable Securities pursuant to any Shelf Registration Statement under which such selling Holder’s Registrable Securities were sold.

5. **Indemnification.**

(a) If requested by a participating Holder, the Company shall indemnify and hold harmless each underwriter, if any, engaged in connection with any registration referred to in Section 2 and provide representations, covenants, opinions and other assurances to any underwriter in form and substance reasonably satisfactory to such underwriter and the Company. Further, in addition to and not in limitation of the Company’s obligations under Section 11.9 of the Shareholders Agreement, the Company shall indemnify and hold harmless each Holder, its Affiliates and each of their respective officers and directors and any Person who controls any such Holder (within the meaning of the Securities Act) and any agent thereof (collectively, “Indemnified Persons”), to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, joint or several, costs (including reasonable costs of preparation and reasonable attorneys’ fees) and expenses, judgments, fines, penalties, interest, settlements or other amounts arising from any and all claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, in which any Indemnified Person may be involved, or is threatened to be involved, as a party or otherwise, under the Securities Act or otherwise (collectively, “Losses”), as incurred, arising out of, based upon, resulting from or relating to (i) any untrue or alleged untrue statement of a material fact contained in any Registration Statement under which any Registrable Securities were registered, Prospectus (including in any preliminary prospectus (if used prior to the Effective Date of such Registration Statement)), or in any summary or final prospectus or free writing prospectus or in any amendment or supplement thereto or in any documents incorporated by reference in any of the foregoing, (ii) the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements made therein (in the case of a Prospectus or preliminary Prospectus, in light of the circumstances under which they were made), not misleading or (iii) any violation or alleged violation by the Company or any of its subsidiaries of any federal, state or common law rule or regulation relating to action or inaction in connection
with any such registration, disclosure document or related document or report, and the Company will reimburse such Indemnified Person for any legal or other expenses reasonably incurred by it in connection with investigating or defending any such loss, claim, liability, action or proceeding; provided, however, that the Company shall not be liable to any Indemnified Person to the extent that any such claim arises out of, is based upon or results from an untrue or alleged untrue statement or omission or alleged omission made in such Registration Statement, such preliminary, summary or final prospectus or free writing prospectus or such amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by or on behalf of such Indemnified Person specifically for use in the preparation thereof.

(b) In connection with any Registration Statement filed by the Company pursuant to Section 2 hereof in which a Holder has registered for sale its Registrable Securities, each such selling Holder agrees (severally and not jointly) to indemnify and hold harmless, to the fullest extent permitted by law, the Company, its directors and officers and each Person who controls the Company (within the meaning of the Securities Act or the Exchange Act) from and against any Losses resulting from (i) any untrue statement of a material fact in any Registration Statement under which such Registrable Securities were registered or sold under the Securities Act (including any final, preliminary or summary Prospectus contained therein or any amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by such selling Holder specifically in the preparation thereof) or (ii) any omission to state therein a material fact required to be stated therein or necessary to make the statements therein (in the case of a Prospectus or preliminary Prospectus, in light of the circumstances under which they were made) not misleading, in each case to the extent, but only to the extent, that such untrue statement or omission is contained in any information furnished in writing by such selling Holder to the Company specifically for inclusion in such Registration Statement or Prospectus and has not been corrected in a subsequent writing prior to or concurrently with the sale of the Registrable Securities to the Indemnified Person asserting the claim. In no event shall the liability of any selling Holder hereunder be greater in amount than the dollar amount of the net proceeds received by such Holder under the sale of Registrable Securities giving rise to such indemnification obligation less any amounts paid by such Holder pursuant to Section 5(d) and any amounts paid by such Holder as a result of liabilities incurred under the underwriting agreement, if any, related to such sale.

(c) Any indemnified person shall (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that any delay or failure to so notify the indemnifying party shall relieve the indemnifying party of its obligations hereunder only to the extent, if at all, that it is actually and materially prejudiced by reason of such delay or failure) and (ii) permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party; provided, however, that any indemnified person shall have the right to select and employ separate counsel and to participate in the defense of such claim, but the fees and expenses of such counsel shall be at the expense of such indemnified person unless (i) the indemnifying party has agreed in writing to pay such fees or expenses, (ii) the indemnifying party shall have failed to assume the defense of such claim within a reasonable time after receipt of notice of such claim from the indemnified person and employ counsel reasonably satisfactory to such indemnified person, (iii) the indemnified party has reasonably concluded (based upon advice of its counsel) that there may be legal defenses available to it or other indemnified persons that are different from or in addition to those
available to the indemnifying party, or (iv) in the reasonable judgment of any such indemnified person (based upon advice of its counsel) a conflict of interest may exist between such indemnified person and the indemnifying party with respect to such claims (in which case, if the indemnified person notifies the indemnifying party in writing that such indemnified person elects to employ separate counsel at the expense of the indemnifying party, the indemnifying party shall not have the right to assume the defense of such claim on behalf of such indemnified person). If the indemnifying party assumes the defense, the indemnifying party shall not have the right to settle such action without the consent of the indemnified person. If such defense is not assumed by the indemnifying party, the indemnifying party will not be subject to any liability for any settlement made without its prior written consent, but such consent may not be unreasonably delayed, withheld or conditioned. It is understood that the indemnifying party or parties shall not, except as specifically set forth in this Section 5(c), in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable fees, disbursements or other charges of more than one separate firm admitted to practice in such jurisdiction at any one time.

(d) If for any reason the indemnification provided for in Section 5(a) and Section 5(b) is unavailable to an indemnified person (other than as a result of exceptions contained in Section 5(a) and Section 5(b)) or insufficient in respect of any Losses referred to therein, then the indemnifying party shall contribute to the amount paid or payable by the indemnified person as a result of such Loss in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and the indemnified person or Persons on the other hand in connection with the acts, statements or omissions that resulted in such Losses, as well as any other relevant equitable considerations. In connection with any Registration Statement filed with the Commission by the Company, the relative fault of the indemnifying party on the one hand and the indemnified person on the other hand shall be determined by reference to, among other things, whether any untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified person and the parties’ relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just or equitable if contribution pursuant to this Section 5(d) were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in this Section 5(d). No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. The amount paid or payable by an indemnified person as a result of the Losses referred to in Sections 5(a) and 5(b) shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified person in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 5(d), in connection with any Registration Statement filed by the Company, a selling Holder shall not be required to contribute any amount in excess of the dollar amount of the net proceeds received by such Holder from the sale of Registrable Securities giving rise to such contribution obligation less any amounts paid by such Holder pursuant to Section 5(b) and any amounts paid by such Holder as a result of liabilities incurred under the underwriting agreement, if any, related to such sale. If indemnification is available under this Section 5, the indemnifying parties shall indemnify each indemnified person to the full extent provided in Sections 5(a) and 5(b) hereof without regard to the provisions of this Section 5(d).
The remedies provided for in this Section 5 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any indemnified party at law or in equity.

6. **Facilitation of Sales Pursuant to Rule 144.** To the extent it shall be required to do so under the Exchange Act, the Company shall use commercially reasonable efforts to timely file the reports required to be filed by it under the Exchange Act or the Securities Act and the rules adopted by the Commission thereunder (including the reports under Sections 13 and 15(d) of the Exchange Act referred to in subparagraph (c)(1) of Rule 144), and shall take such further action as any Holder may reasonably request, all to the extent required from time to time to enable the Holders to sell Registrable Securities without registration under the Securities Act within the limitations of the exemption provided by Rule 144. Upon the request of any Holder in connection with that Holder’s sale pursuant to Rule 144, the Company shall deliver to such Holder a written statement as to whether it has complied with such requirements.

7. **Miscellaneous.**

   (a) **Remedies.** In the event of a breach by the Company of any of its obligations under this Agreement, each Holder, in addition to being entitled to exercise all rights granted by law and under this Agreement, including recovery of damages, will be entitled to specific performance of its rights under this Agreement. The Company agrees that monetary damages would not provide adequate compensation for any losses incurred by reason of a breach by it of any of the provisions of this Agreement and further agrees that, in the event of any action for specific performance in respect of such breach, it shall waive the defense that a remedy at law would be adequate.

   (b) **Discontinued Disposition.** Each Holder agrees by its acquisition of Registrable Securities that, upon receipt of a notice from the Company of the occurrence of any event of the kind described in clauses (ii) through (iv) and (vi) of Section 3(d) or of a Shelf Suspension, such Holder will forthwith discontinue disposition of such Registrable Securities under the Registration Statement until such Holder’s receipt of the copies of the supplemental Prospectus or amended Registration Statement or until it is advised in writing by the Company that the use of the applicable Prospectus may be resumed, and, in either case, has received copies of any additional or supplemental filings that are incorporated or deemed to be incorporated by reference in such Prospectus or Registration Statement. The Company may provide appropriate stop orders to enforce the provisions of this Section 7(b). In the event the Company shall give any such notice, the period during which the applicable Registration Statement is required to be maintained effective shall be extended by the number of days during the period from and including the date of the giving of such notice to and including the date when each seller of Registrable Securities covered by such Registration Statement either receives the copies of the supplemented or amended Prospectus or is advised in writing by the Company that the use of the Prospectus may be resumed.

   (c) **Amendments and Waivers.** No provision of this Agreement may be waived or amended except in a written instrument signed by the Parties benefitting from such provision; provided that, notwithstanding the foregoing, the written consent of the holders of not less than 75% of the Registrable Securities may permit the Company to admit additional parties and include such additional party’s Company Common Shares under this Agreement, subject to the other terms and conditions set forth herein; provided that the Company shall be entitled to amend
this Agreement without the consent of any Holder to the extent required, in the good faith opinion of counsel to the Company, to comply with applicable law or the rules and regulations of the Commission. The Company shall provide prior notice to all Holders of any proposed waiver or amendment (other than a Holder’s waiver of only its own rights hereunder). No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any Party to exercise any right hereunder in any manner impair the exercise of any such right.

(d) Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via facsimile or electronic mail as specified in this Section 7(d) prior to 5:00 p.m. (New York time) on a Business Day, (ii) the Business Day after the date of transmission, if such notice or communication is delivered via facsimile or electronic mail as specified in this Agreement later than 5:00 p.m. (New York time) on any date and earlier than 11:59 p.m. (New York time) on such date, (iii) the Business Day following the date of mailing, if sent by nationally recognized overnight courier service or (iv) upon actual receipt by the Party to whom such notice is required to be given. The address for such notices and communications shall be as follows:

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
If to the Shareholders, at the addresses provided by such Shareholder to the Company or its authorized representative in accordance with the Shareholders Agreement,

If to any other Person who is then the registered Holder, to the address of such Holder as it appears in the applicable register for the Registrable Securities,
or such other address as may be designated in writing hereafter, in the same manner, by such Person.

(e) **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their heirs, executors, administrators, successors, legal representatives and permitted assigns. Except as provided in this Section 7(e), this Agreement, and any rights or obligations hereunder, may not be assigned without the prior written consent of the Company and the Holders. Notwithstanding anything in the foregoing to the contrary, the registration rights of a Holder pursuant to this Agreement with respect to all or any portion of its Registrable Securities may be assigned without such consent (but only with all related obligations) with respect to such Registrable Securities (and any Registrable Securities issued as a dividend or other distribution with respect to, in exchange for or in replacement of such Registrable Securities) by such Holder to a transferee of such Registrable Securities; provided (i) the Company is, within a commercially reasonable time after such transfer, furnished with written notice of the name and address of such transferee or assignee and the Registrable Securities with respect to which such registration rights are being assigned and (ii) such transferee or assignee agrees in writing to be bound by and subject to the terms set forth in this Agreement. The Company may not assign its respective rights or obligations hereunder without the prior written consent of each of Holder.

(f) **“Market Stand-Off” Agreement.** In connection with any underwritten offering of Company Common Shares, (A) in the case of an Initial Public Offering, each Holder of 1% or more of the Company Common Shares then outstanding and each Elective Piggyback Holder, and (B) in the case of any other registered offering, each Holder of 1% or more of the Company Common Shares then outstanding and each Elective Piggyback Holder that chooses to participate in such offering, if requested by the managing underwriter for such offering (the “Lock-Up Party”), hereby agrees to enter into a lock-up agreement containing customary restrictions on transfers of Shares held by such Holder (other than those included in such offering) for a period specified by the managing underwriter beginning 10 days prior to the execution of the related underwriting agreement and not to exceed one hundred eighty (180) days (in the case of an Initial Public Offering), ninety (90) days (in the case of the second public offering), forty-five (45) days (in the case of the third public offering) or thirty (30) days (in all other cases) following the closing date of the offering of Shares (the “Stand-Off Period”) including such additional days as may then be market custom to allow the publication of research; provided that all executive officers and directors of Company and holders holding Company’s voting securities in an amount equal to or greater than the amount held by the Lock-Up Parties shall enter into agreements containing substantially similar terms and only if such Persons remain subject thereto (and are not released from such agreement) for such Stand-Off Period. Any discretionary waiver or termination of the Stand-Off Period by the Company or the managing underwriter shall apply to all persons subject to the Stand-Off Agreement on a pro rata basis. Each Holder agrees to
execute and deliver such other agreements as may be reasonably requested by the Company or the underwriter which are consistent with the foregoing or which are necessary to give further effect thereto. The obligations described in this Section 7(f) shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions with respect to Company Common Shares (or other securities) subject to the foregoing restriction until the end of the Stand-Off Period.

(g) **Confidentiality.** All notices received by an Initiating Holder, Demand Eligible Holder and a Piggyback Eligible Holder pursuant to this Agreement regarding any proposed sale of Registered Securities shall be kept confidential by such Holder unless required to be disclosed by any law, rule, regulation, order, decree or subpoena of any governmental agency or authority or court or unless otherwise agreed to by the Company.

(h) **Execution and Counterparts.** This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same Agreement. In the event that any signature is delivered by facsimile or electronic mail transmission, such signature shall create a valid binding obligation of the Party executing (or on whose behalf such signature is executed) the same with the same force and effect as if such signature delivered by facsimile or electronic mail transmission were the original thereof.

(i) **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 New York 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.

(j) **Submission to Jurisdiction.** Each of the Parties to this Agreement, by its execution hereof, (a) hereby irrevocably submits to the exclusive jurisdiction of the United States District Court for the Eastern District of New York and the state courts sitting in the State of New York, County of New York 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 (c) 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 service of process in any such proceeding in any manner permitted by New York law, and agrees that service of process by registered or certified mail, return receipt requested, at its address specified pursuant to Section 7(d) hereof is reasonably calculated to give actual notice.

(k) Waiver of Venue. The Parties irrevocably and unconditionally waive, to the fullest extent permitted by applicable law, (i) any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement in any court referred to in Section 7(j) and (ii) the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(l) Cumulative Remedies. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

(m) Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the Parties shall use their reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the Parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

(n) Entire Agreement. This Agreement, together with each of the other Transaction Documents, constitutes the entire agreement among the Parties with respect to the subject matter hereof and supersedes all prior contracts or agreements with respect to the subject matter hereof and supersedes any and all prior or contemporaneous discussions, agreements and understandings, whether oral or written that may have been made or entered into by or among any of the Parties or any of their respective affiliates relating to the transactions contemplated hereby.

(o) Determination of Ownership. In determining ownership of Company Common Shares hereunder for any purpose, the Company may rely solely on the records of the transfer agent for the Company’s Company Common Shares from time to time, or, if no such transfer agent exists, the Company’s stock ledger.

(p) Headings; Section References. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof. Unless otherwise stated, references to Sections, Schedules and Exhibits are to the Sections, Schedules and Exhibits of this Agreement.

[THIS SPACE LEFT BLANK INTENTIONALLY]
IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

COMPANY:

CENGAGE LEARNING HOLDINGS II, INC.

By: __________________________

Name: Kenneth Carson
Title: EVP, General Counsel