UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
CENGAGE LEARNING, INC., *et al.*,	)	Case No. 13-44106 (ESS)
	)	Case No. 13-44105 (ESS)
	)	Case No. 13-44107 (ESS)
	)	Case No. 13-44108 (ESS)
Debtors.	)	(Jointly Administered)

NOTICE OF FILING OF PLAN SUPPLEMENT FOR THE DEBTORS' AMENDED JOINT PLAN OF REORGANIZATION PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

PLEASE TAKE NOTICE that Cengage Learning, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "***Debtors***"), hereby file the following documents that comprise the Plan Supplement in connection with confirmation of the *Debtors' Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code*, dated February 12, 2014 [Docket No. 1098] (as modified from time to time, the "***Plan***"):[1]

Exhibit A:	Schedule of Assumed Executory Contracts and Unexpired Leases;
Exhibit B:	Schedule of Rejected Executory Contracts and Unexpired Leases;
Exhibit C:	Term Sheet for the New Debt Alternative Facility;
Exhibit D:	Term Sheet for the Exit Revolver Facility;
Exhibit E:	New Certificates of Incorporation;
Exhibit F:	New Bylaws;
Exhibit G:	New Shareholders Agreement;
Exhibit H:	New Registration Rights Agreement;
Exhibit I:	List of the Retained Causes of Action;
Exhibit J:	New Management Employment Agreements;
Exhibit K:	Management Incentive Plan;
Exhibit L:	Description of Transaction Steps;
Exhibit M:	Withheld Apax Distribution Gross-Up Percentages;
Exhibit N:	Amount of Balance Sheet Cash and Estimated Available Cash;

[1] All capitalized terms used but not otherwise defined herein and in each of the Exhibits hereto shall have the meanings set forth in the Plan. To the extent a document is identified in the Plan as a document to be included in the Plan Supplement and has not yet been filed with the Court, the Debtors will file such document with the Court as soon as practicable.

Exhibit O: Implied Price Per Share of New Equity Under the Plan; and

Exhibit P: To the extent known, the identity of members of the New Board and the nature and compensation for any member of the New Board who is an "insider" under section 101(31) of the Bankruptcy Code.[2]

PLEASE TAKE FURTHER NOTICE that the Plan Supplement and any exhibits, appendices, supplements, or annexes to the Plan Supplement documents are incorporated into the Plan by reference and are a part of the Plan as if set forth therein. If the Plan is approved, the Plan Supplement will be approved as well. The Debtors reserve the right to alter, amend, modify, or supplement any document in the Plan Supplement in accordance with the Plan and the Plan Support Agreement; provided that if any document in the Plan Supplement is altered, amended, modified, or supplemented in any material respect, the Debtors will file a revised version of such document with the Bankruptcy Court.

PLEASE TAKE FURTHER NOTICE that if you would like to obtain a copy of the Plan or the Plan Supplement, you may contact Donlin, Recano & Company, Inc., the claims agent retained by the Debtors in these chapter 11 cases (the "***Voting and Claims Agent***"), by: (a) calling the Debtors' restructuring hotline toll-free at (800)-654-4134 or international toll at (646) 378-4198; (b) visiting the Debtors' website at www.cengage.com/restructuring; (c) visiting the Voting and Claims Agent's restructuring website at: www.cengagecaseinfo.com; and/or (d) writing to Donlin Recano & Company, Inc., Re: Cengage Learning, Inc., *et al.*, 419 Park Avenue South, Suite 1206, New York, New York 10016. You may also obtain copies of any pleadings filed in these chapter 11 cases for a fee via PACER at: http://www.nyeb.uscourts.gov. Please be advised that the Notice, Claims, and Solicitation Agent is not permitted to provide legal advice.

PLEASE TAKE FURTHER NOTICE that the hearing at which the Court will consider Confirmation of the Plan (the "***Confirmation Hearing***") will commence at **8:30 a.m. prevailing Eastern Time on March 13, 2014**, before the Honorable Elizabeth S. Stong of the Bankruptcy Court for the Eastern District of New York, 271 Cadman Plaza East, Courtroom 2554, Brooklyn, New York 11201.

PLEASE TAKE FURTHER NOTICE that any objection to the Plan must: (a) be in writing; (b) conform to the Bankruptcy Rules, the Local Rules, and any orders of the Court; (c) state, with particularity, the legal and factual basis for the objection and, if practicable, a proposed modification to the Plan (or related materials) that would resolve such objection; and (d)be filed with the Court (contemporaneously with a proof of service) and served upon the following parties so as to be actually received on or before **March 10, 2014 at 4:00 p.m. (prevailing Eastern Time)**:

[2] Pursuant to the Plan, the deadline to file this Plan Supplement document is seven days prior to the Confirmation Hearing, and therefore will be filed at a later date.

<table>
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Attn: Susan Golden, Esq., William Curtin, Esq. and Alicia Leonhard, Esq.
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Office of the United States Trustee</td></tr>
</table>

Please be advised that Article VIII of the Plan contains the following Release, Exculpation, and Injunction provisions. You are advised and encouraged to carefully review and consider the plan, including the release, exculpation and injunction provisions, as your rights might be affected.

Third-Party Release

Notwithstanding anything contained herein to the contrary, on the Confirmation Date and effective as of the Effective Date, each Releasing Party shall, to the maximum extent permitted by applicable law, conclusively, absolutely, unconditionally, irrevocably, and forever discharge and release (and each Entity so discharged and released shall be deemed discharged and released by the Releasing Parties) the Releasees and their respective property from any and all Claims, interests, obligations, debts, rights, suits, damages, causes of action, remedies, and liabilities whatsoever, including any derivative Claims asserted or which could be asserted on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, existing or arising, in law, equity or otherwise, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Restructuring Transactions, these Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated herein the business or contractual arrangements between any Debtor and any Releasee, the restructuring of Claims and Interests prior to or in these Chapter 11 Cases, the negotiation, formulation, or preparation of the Restructuring Support Agreement (and the term sheets attached thereto), the Plan Support Agreement (and the term sheets attached thereto), the Term Sheets, the Plan, the Disclosure Statement, the Plan Supplement, or related agreements, instruments, or other documents; provided, that the foregoing "Third-Party Release" shall not operate to waive or Release any Claims, obligations, debts, rights, suits, damages, remedies, causes of action, and liabilities of any Releasing Party: (1) against a Releasee arising under the Exit Revolver Facility Agreement or any other agreements entered into pursuant to the Plan; (2) expressly set forth in and preserved by the Plan, the Plan Supplement, or related documents; (3) with respect to Professionals' final fee applications or Accrued Professional Compensation Claims in these Chapter 11 Cases; or (4) solely arising out of or relating to acts or omissions occurring after the Confirmation Date other than for acts or omissions in connection with distributions made consistent with the terms of the Plan by the Disbursing Agent or another party authorized by this Plan to make distributions; provided further, that any Holder of a Claim that is entitled to vote on the Plan and elects to opt out of the Third-Party Release or does not vote on the Plan shall not receive the benefit of or be deemed to have granted the Third-Party Release; provided further, that the foregoing "Third Party Release" shall be deemed to include any and all pre-Effective Date Claims and Causes of Action which may be asserted against Apax or any other Releasee and their respective predecessors, successors and assigns, and current and former shareholders, affiliates, subsidiaries, principals, employees, agents, officers, directors, managers, trustees, partners, members, professionals, representatives, advisors, attorneys, financial advisors, accountants, investment bankers, and consultants, in each case in their capacity as such, at any time, including (without limitation) arising from, related to, or in connection with any prepetition debt purchases by Apax or the Debtors or any prepetition management fees paid to Apax**.**

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Third-Party Release, which includes by reference each of the related provisions and definitions contained herein, and, further, shall constitute the Bankruptcy Court's finding that the Third-Party Release is: (1) in exchange for the good and valuable consideration provided by the Releasees; (2) a good faith settlement and compromise of

the claims released by the Third-Party Release; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Releasing Parties asserting any claim or cause of action released pursuant to the Third-Party Release.

Exculpation

Notwithstanding anything contained herein to the contrary, the Exculpated Parties shall neither have, nor incur any liability to any Entity for any prepetition or postpetition act taken or omitted to be taken in connection with, or related to formulating, negotiating, soliciting, preparing, disseminating, confirming, implementing , or consummating the Plan, the transactions contemplated by the Restructuring Support Agreement (and the term sheets attached thereto), the Plan Support Agreement (and the term sheets attached thereto), the Term Sheets, the Disclosure Statement, the New Corporate Governance Documents, the Restructuring Transactions, the issuance, distribution, and/or sale of any shares of the New Equity or any other security offered, issued, or distributed in connection with the Plan, these Chapter 11 Cases or any contract, instrument, release or other agreement, or document created or entered into in connection with the Plan or any other prepetition or postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Debtors; provided, that each Exculpated Party shall be entitled to rely upon the advice of counsel concerning his, her or its duties pursuant to, or in connection with, the Plan or any other related document, instrument, or agreement; provided, further, that the foregoing "Exculpation" shall have no effect on the liability of any Entity that results from any such act or omission that is determined in a Final Order to have constituted fraud, gross negligence, or willful misconduct; provided, further, that the foregoing "Exculpation" shall have no effect on the liability of any Entity for acts or omissions occurring after the Effective Date other than acts or omissions in connection with distributions made consistent with the Plan by the Disbursing Agent or another party authorized by the Plan to make distributions; provided, further, that the foregoing "Exculpation" shall be deemed to include any and all Claims and Causes of Action arising before the Effective Date which may be asserted against Apax or any other Exculpated Party or their respective predecessors, successors and assigns, and current and former shareholders, affiliates, subsidiaries, principals, employees, agents, officers, directors, managers, trustees, partners, members, professionals, representatives, advisors, attorneys, financial advisors, accountants, investment bankers, and consultants, in each case in their capacity as such, at any time, including (without limitation) arising from, related to, or in connection with any prepetition debt purchases by Apax or the Debtors or any prepetition management fees paid to Apax; provided, further, that the foregoing "Exculpation" shall have no effect on the liability of (1) any Entity that results from any such act or omission that is determined in a Final Order to have constituted fraud, gross negligence, or willful misconduct and (2) the Professionals to their respective clients pursuant to N.Y. Comp. Codes R. & Regs. Tit. 22 § 1200.8, Rule 1.8(h)(1)(2009); provided, further, that any party seeking to bring such a claim against any of the Professionals must first seek relief, on proper notice, from this Court.
Notwithstanding anything to the contrary herein, including, without limitation, the "Debtor Release," "Third Party Release," or "Exculpation" shall not have any effect on the liability of any Entity that results from any act or omission taken in connection with or related to the Plan Support Agreement, the Plan Term Sheet, or the Plan that is determined by Final Order to have constituted fraud, gross negligence, or willful misconduct.

Injunction

Except as otherwise provided herein or the Confirmation Order, all Entities who have held, hold or may hold Claims, Interests, causes of action, or liabilities that: (1) are subject to compromise and settlement pursuant to the terms of the Plan; (2) have been released pursuant to Article VIII.C. hereof; (3) have been released pursuant to Article VIII.D. hereof; (4) are subject to Exculpation pursuant to Article VIII.E. hereof (but only to the extent of the Exculpation provided in Article VIII.E); or (5) are otherwise stayed or terminated pursuant to the terms of the Plan, are permanently enjoined and precluded, from and after the Effective Date, from commencing or continuing in any manner any action or other proceeding, including on account of any Claims, Interests, causes of action, or liabilities that have been compromised or settled against the Debtors, the Reorganized Debtors, or any Entity so released or exculpated (or the property or estate of any Entity, directly or indirectly, so released or exculpated) on account of or in connection with or with respect to any released, settled, compromised, or exculpated Claims, Interests, causes of action, or liabilities.

THIS NOTICE IS BEING SENT TO YOU FOR INFORMATIONAL PURPOSES ONLY. IF YOU HAVE QUESTIONS WITH RESPECT TO YOUR RIGHTS UNDER THE PLAN OR ABOUT ANYTHING STATED HEREIN, OR IF YOU WOULD LIKE TO OBTAIN ADDITIONAL INFORMATION, CONTACT THE VOTING AND CLAIMS AGENT.

Brooklyn, New York
Dated: February 24, 2014

/s/ Jonathan S. Henes

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Counsel to the Debtors and Debtors in Possession

Exhibit A

Schedule of Assumed Executory Contracts and Unexpired Leases

Exhibit B

Schedule of Rejected Executory Contracts and Unexpired Leases

In re Cengage Learning, Inc., et al. **Jointly administered under Case No. 13-44106 (ESS)**

Rejected Executory Contracts and Unexpired Leases

Counterparty	Description
APAX PARTNERS L.P	TRANSACTION FEE ALLOCATION LETTER, AGREEMENT TO DESIGNATE ADVISORY SERVICES PROVIDER/FEE RECIPIENT, ADVISORY FEE AGREEMENT DATED 7/5/2007, ADVISORY FEE AGREEMENT DATED 7/1/2008
APAX PARTNERS LLP	AGREEMENT TO DESIGNATE ADVISORY SERVICES PROVIDER/FEE RECIPIENT, ADVISORY FEE AGREEMENT DATED 7/1/2008, 02.24.09 LETTER AGREEMENT RE 2007 AND 2008 ADVISORY FEE AGREEMENTS PAYMENTS TO APAX PARTNERS
APAX WORLDWIDE LLP	ADVISORY FEE AGREEMENT DATED 7/1/2008
ARAMARK SERVICES	FOOD SERVICES MANAGEMENT AGREEMENT DATED 11/16/2012
AUSTIN-TETRA, INC.	IN-BOUND CONTENT LICENSE DATED 06/30/2011, AMENDMENT TO THE DATA LICENSE AGREEMENT DATED 7/30/2011
BOOKS BY DESIGN, INC	MASTER SERVICE AGREEMENT(S) DATED 05/15/2012, CONTENT AGREEMENTS
CERTIPORT, A BUSINESS OF NCS PEARSON, INC.	AUTHORIZED PROVIDER AGREEMENT DATED 4/9/2013
CYGNUS BUSINESS MEDIA, INC.	DATA DISTRIBUTION AND CONTENT LICENSE AGREEMENT DATED 10/1/2011, OUTBOUND DISTRIBUTION AGREEMENT DATED 10/07/2011, AUTHOR AGREEMENTS, CONTENT AGREEMENTS
DE LAGE LANDEN	EQUIPMENT LEASE AGREEMENT DATED 12/9/2004, EQUIPMENT LEASE AGREEMENT ADDENDUM DATED 7/10/2006
EPAC TECHNOLOGIES, INC	MASTER SERVICE AGREEMENT(S) DATED 01/31/2007, STATEMENT OF WORK DATED 1/31/2007, AMENDMENT TO MASTER SERVICES AGREEMENT DATED 02/8/2008, VENDOR AGREEMENT DATED 02/16/2012
FOLEY, RICH	SEPARATION AGREEMENT DATED 1/11/2013
GUZMAN, MANUEL	SEPARATION AGREEMENT DATED 2/15/2013
HANSEN, MICHAEL	EMPLOYMENT AGREEMENT
HEARTWOOD DESIGNS INC (US)	CONTENT AGREEMENTS
HOLTZBRINCK PUBLISHERS, LLC	AUTHORIZED PROVIDER AGREEMENT DATED 8/1/2007
JOUVE AND ITS AFFILIATES	INDEPENDENT CONTRACTOR AGREEMENT DATED 07/13/2007, INDEPENDENT CONTRACTOR AGREEMENT DATED 07/16/2007, MASTER SERVICE AGREEMENT DATED 07/16/2007, VENDOR AGREEMENT DATED 01/23/2013, INDEPENDENT CONTRACTOR AGREEMENT DATED 01/25/2013, INDEPENDENT CONTRACTOR AGREEMENT DATED 05/08/2013
LISA KIRCHNER PRODUCTIONS	MASTER INDEPENDENT CONTRACT AGREEMENT DATED 7/17/2008, STATEMENTS OF WORK DATED 7/17/2008
MATRIX PRODUCTIONS	CONTENT AGREEMENTS
OMERS CAPITAL PARTNERS, A DIVISION OF BOREALIS CAPITAL CORPORATION	ADVISORY FEE AGREEMENT DATED 7/5/2007
OMERS PRIVATE EQUITY	TRANSACTION FEE ALLOCATION LETTER, ADVISORY FEE AGREEMENT DATED 7/1/2008, CONSENT LETTERS REGARDING BUSINESS TRANSFER

In re Cengage Learning, Inc., et al. **Jointly administered under Case No. 13-44106 (ESS)**

Rejected Executory Contracts and Unexpired Leases

Counterparty	Description
PERCEPTIS	OUTBOUND DISTRIBUTION AGREEMENT DATED 06/29/2011, VENDOR AGREEMENT DATED 06/29/2011, VENDOR AGREEMENT DATED 06/30/2011, VENDOR AGREEMENT(S) DATED 11/09/2011
RECYCLING EXPRESS, INC.	VENDOR AGREEMENT DATED 08/01/2010
SOUND LIGHT MIND	SERVICE AGREEMENT
TL HOLDINGS II L.P.	ADVISORY FEE AGREEMENT DATED 07/05/2007, CONSENT FOR ASSIGNMENT AGREEMENT DATED 12/31/2010

Exhibit C

New Debt Alternative Facility Term Sheet

EXECUTION VERSION

TERM SHEET
(TERM LOAN)

$1.75 Billion Senior Secured Facilities

Summary of Terms and Conditions

This Summary of Terms and Conditions ("***Term Exit Facility Term Sheet***"), along with the ABL Terms and Conditions (the "***ABL Term Sheet***"), summarizes certain terms and conditions of the Term Exit Facility (as defined below) that are to be entered into in connection with the Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code (the "***Plan***") of Cengage Learning, Inc. (the "***Company***") and certain of the Company's affiliates, each such affiliate, a debtor and debtor-in-possession (collectively, the "***Debtors***") in a case (collectively, the "***Chapter 11 Cases***") currently pending in the United States Bankruptcy Court for the Eastern District of New York (the "***Bankruptcy Court***"). It is intended that all material terms of the facilities described herein are herein set forth and matters that are not expressly set out in this Term Exit Facility Term Sheet are subject to mutual agreement of the parties.

Term Exit Facility:	$1.75 billion senior secured term loan facility (the "***Term Exit Facility***") consisting of term loans ("***Term Loans***") to be borrowed on the initial date of funding (the date of such funding, the "***Closing Date***").
Parent:	Cengage Learning Holdings II, L.P., which will be converted into a corporation in connection with the consummation of the Plan (the "***Parent***").
Borrower:	Cengage Learning Acquisitions, Inc., a wholly-owned subsidiary of Parent or Intermediate Co. (the "***Borrower***").
Guarantors:	All obligations of the Borrower under the Term Exit Facility and under any interest rate protection or other swap or hedging arrangements or cash management arrangements entered into with a Lender, the Agent or any affiliate of a Lender or the Agent ("***Hedging/Cash Management Arrangements***") will be unconditionally guaranteed jointly and severally on a senior secured basis (the "***Guarantees***") by Parent, a newly formed or existing direct, wholly-owned subsidiary of Parent ("***Intermediate Co.***") and direct parent company of the Borrower, and each existing and subsequently acquired or organized restricted subsidiary (other than any excluded subsidiary) that is a wholly-owned material domestic restricted subsidiary of the Borrower, other than any domestic subsidiary of a direct or indirect foreign subsidiary (collectively, the "***Guarantors***"); *provided* that none of the following shall constitute a Guarantor (a) any subsidiary of

Parent, to the extent the provision of a Guarantee by such subsidiary would result in material adverse tax consequences to the Parent and its subsidiaries as determined by the Parent, in consultation with the Agent, (b) Immaterial Subsidiaries (to be mutually defined), (c) captive insurance companies, (d) special purpose entities, (e) any subsidiary that is prohibited by applicable law, rule or regulation or by any contractual obligation existing on the Closing Date (as defined below) from guaranteeing the Term Exit Facility or which would require governmental (including regulatory) consent, approval, license or authorization to provide a Guarantee unless such consent, approval, license or authorization has been received prior to the Closing Date and (f) any restricted subsidiary acquired pursuant to a Permitted Acquisition (as defined below) financed with secured indebtedness permitted to be incurred pursuant to the Term Exit Facility Documentation as assumed indebtedness (and not incurred in contemplation of such Permitted Acquisition) and any restricted subsidiary thereof that guarantees such indebtedness, in each case to the extent such secured indebtedness prohibits such subsidiary from becoming a Guarantor or enter into a Guarantee.

Notwithstanding the foregoing, subsidiaries of the Parent may be excluded from the guarantee requirements in circumstances where the Borrower and the Agent reasonably agree that the cost of providing such Guarantee or of providing collateral security to secure such Guarantee is excessive in relation to the value afforded thereby.

The Guarantors and the Borrower are collectively referred to herein as the "***Loan Parties***" and shall exclude "***Excluded Subsidiaries***" as such term is defined in the Existing Precedent (as defined below).

Lead Arranger and Bookrunner: Credit Suisse Securities (USA) LLC, Citigroup Global Markets Inc., Morgan Stanley Senior Funding, Inc., Deutsche Bank Securities Inc., and KKR Capital Markets LLC (in such capacity, the "***Arrangers***").

Administrative and Collateral Agent: Credit Suisse AG, Cayman Islands Branch (in such capacity, the "***Agent***").

Lenders: Such institutions that may become parties to the financing arrangements from time to time as Lenders as are reasonably acceptable to the Company (excluding any Disqualified Lender) with respect to the Term Exit Facility (collectively, "***Lenders***").

Incremental Term Facility: Borrower will have the option to add one or more incremental term loan facilities to the Term Exit Facility (each, an "***Incremental Term Facility***") in an aggregate principal amount of up to the sum of (a) $500 million plus (b) unlimited additional amounts so long as on a pro forma basis after giving effect to the incurrence of any such Incremental Term Facility the Total Leverage Ratio (as defined below) does not exceed 3.50 to 1.00 on the date such incurrence is made (assuming for purposes of this calculation that the cash proceeds of any such indebtedness permitted under this ratio shall not be netted for purposes of this calculation), so long as no Event of Default has occurred and is continuing at the time of such increase or immediately after giving effect thereto (in each case with customary "Sungard" exceptions if proceeds are being used for an acquisition), and *provided* that (i) no Lender shall be required to provide additional commitments for such Incremental Term Facility, (ii) subject to the next paragraph, such Incremental Term Facility shall rank *pari passu* in right of payment and of security with the Loans, (iii) such Incremental Term Facility shall not mature earlier than the latest Maturity Date with respect to the then outstanding Term Loans and shall not have a weighted average life to maturity shorter than the then outstanding Term Loans and (iv) such Incremental Term Facility shall be treated substantially the same as the Term Loans (in each case, including with respect to mandatory and voluntary repayments), *provided* that (a) other than with respect to fees paid by the Borrower to secure the commitments for such Incremental Term Facility (which, for the avoidance of doubt, (i) shall be permitted and (ii) other Lenders under the Term Exit Facility shall not be entitled to similar fees), the terms and conditions applicable to the Incremental Term Facility may be materially different from those of the Term Loans to the extent such differences are reasonably acceptable to the Administrative Agent and (b) the interest rates, discount, premium, rate flows, fees and amortization schedule applicable to the Incremental Term Facility shall be determined by the Borrower and the lenders thereof; *provided* that any Incremental Term Facility incurred within eighteen (18) months after the Closing Date, the "effective margin" applicable to the respective Incremental Term Facility (which, for such purposes only, shall be deemed (x) to include all upfront or similar fees or original issue discount (amortized over the shorter of (1) the weighted average life to maturity of such loans and (2) four years) payable to all Lenders providing such Incremental Term Facility, (y) if the Incremental Term Facility includes an interest rate floor greater than the applicable interest rate floor under the initial Term Loans such differential between interest rate floors shall be equated to the applicable interest rate margin for purposes of

determining whether an increase to the interest rate margin under the initial Term Loans shall be required, but only to the extent an increase in the interest rate floor in the initial Term Loans would cause an increase in the interest rate then in effect thereunder, and in such case, the interest rate floor (but not the interest rate margin) applicable to the initial Term Loans shall be increased to the extent of such differential between interest rate floors and (z) shall exclude structuring, arrangement or other fees payable in connection therewith that are not shared with all Lenders providing such Incremental Term Facility) determined as of the initial funding date for such Incremental Term Facility may exceed the "effective margin" applicable to the Term Loans (determined on the same basis as provided in the preceding parenthetical) by up to (but not more than) 0.50% or if it does so exceed such "effective margin" (such difference the "Effective Margin Differential") then the "effective margin" applicable to such initial Term Loans shall be increased such that after giving effect to such increase, the Effective Margin Differential shall not exceed 0.50%.

The Term Exit Facility will permit the Borrower to utilize availability under the Incremental Term Facility amount to issue first lien notes or junior lien secured indebtedness (in each case, subject to customary intercreditor terms to be mutually agreed and set forth in an exhibit to the definitive documentation for the Term Exit Facility) or unsecured indebtedness, with the amount of such secured or unsecured indebtedness reducing the aggregate principal amount available for the Incremental Facility; *provided* that such secured or unsecured indebtedness (i) does not mature on or prior to the maturity date of, or have a shorter weighted average life than, the Term Loans, (ii) reflects market terms at the time of incurrence or issuance, (iii) there shall be no borrower or guarantor in respect of any such indebtedness that is not a Loan Party and (iv) if secured, such indebtedness shall not be secured by any assets of the Loan Parties that do not constitute collateral for the Term Exit Facility.

Refinancing Facilities: The Term Exit Facility Documentation (as defined below) will permit the Borrower to refinance loans under the Term Exit Facility (or any Incremental Term Facility) from time to time, in whole or part, with one or more new term facilities (each, a "***Refinancing Term Facility***") under the Term Exit Facility Documentation with the consent of the Borrower and the institutions providing such Refinancing Term Facility or with one or more additional series of senior unsecured notes or loans or senior secured notes or loans that will be secured by the Collateral (as defined below) on a *pari passu* or junior basis with the Term Exit Facility, senior subordinated notes or loans, or subordinated

notes or loans (and such notes or loans, "***Refinancing Notes***"), subject solely to the following terms and conditions: (i) any Refinancing Facility or Refinancing Notes shall not be in a principal amount that exceeds the amount of loans and commitments so refinanced, plus fees, expenses and premiums payable in connection therewith, (ii) customary intercreditor agreements are entered into, (iii) any Refinancing Term Facility or Refinancing Notes does not mature prior to the maturity date of, or have a shorter weighted average life than, loans under the Term Exit Facility being refinanced, (iv) none of the Borrower's restricted subsidiaries is a borrower or guarantor with respect to any Refinancing Facility or Refinancing Notes unless such restricted subsidiary is a Guarantor which shall have previously or substantially concurrently guaranteed the obligations of the Borrower under the Term Exit Facility, (v) the other terms and conditions of such Refinancing Term Facility or Refinancing Notes (excluding pricing and optional prepayment or redemption terms) reflect market terms and conditions at the time of incurrence or issuance and (vii) delivery of certificates and information as mutually agreed in the Term Exit Facility Documentation.

Mandatory Prepayments: Loans under the Term Exit Facility shall be prepaid with:

(A) Each fiscal year commencing with the fiscal year ending on March 31, 2015 (which Excess Cash Flow prepayment, if any, shall be payable no later than the tenth business day after the Borrower's annual financial statements are required to be delivered pursuant to the Term Exit Facility, each an "***Excess Cash Flow Period***") 50% of Excess Cash Flow (as defined in Annex II) if the ratio of Consolidated Total Net Debt (as defined in Annex II) to Consolidated EBITDA (as defined in Annex II) (such ratio, the "***Total Leverage Ratio***") is greater than or equal to 3.00 to 1.00, 25% of Excess Cash Flow (as defined in Annex II) if the Total Leverage Ratio is greater than or equal to 2.50 to 1.00 but less than 3.00 to 1.00 and 0% of Excess Cash Flow if the Total Leverage Ratio is less than 2.50 to 1.00; *provided* that, in any fiscal year, any voluntary prepayments or commitment reductions of indebtedness (including prepayments at a discount) shall be credited against excess cash flow prepayment obligations of any fiscal year on a dollar-for-dollar basis for such fiscal year so long as not funded with long-term indebtedness (with the Total Leverage Ratio of the Borrower for purposes of determining the applicable Excess Cash Flow percentage above recalculated to give pro forma effect to any such pay down or reduction);

(B) 100% of the net cash proceeds of all non-ordinary course asset sales or other dispositions of property by the Borrower and its restricted subsidiaries (including insurance and condemnation proceeds and sale leaseback proceeds), subject to exceptions for the sale of the library business (the "Gale Disposition"); *provided* that in the event that the Borrower elects to make a restricted payment with the net proceeds of the Gale Disposition, then prior to giving effect to such restricted payment, 50% of such net proceeds of the Gale Disposition shall be applied to the prepayment of the Term Loans without reinvestment, and others to be agreed, and subject further to the right to reinvest 100% of such proceeds, if such proceeds are reinvested in the business, including in permitted acquisitions, Capital Expenditures (as defined in the Existing Precedent taking into account the Documentation Principles) or prepublication expenditures (or committed to be reinvested) within 360 days and, if so committed to be reinvested, so long as such reinvestment is actually completed within 180 days thereafter, and other exceptions to be set forth in the Term Exit Facility Documentation; and

(C) 100% of the net cash proceeds of issuances of debt obligations of the Borrower and its restricted subsidiaries after the Closing Date (excluding debt permitted under the Term Exit Facility Documentation but including refinancing facilities and refinancing notes).

Mandatory prepayments under clause (B) required under the Term Exit Facility may, if required pursuant to the terms of any other indebtedness secured *pari passu* with the Term Exit Facility, be applied to the Term Loans outstanding under Term Exit Facility and such other *pari passu* indebtedness, in each case on a ratable basis based on the outstanding principal amounts thereof.

Mandatory prepayments shall be applied, without premium or penalty, subject to reimbursement of the Lenders' reasonable and documented redeployment costs in the case of a prepayment of Adjusted LIBOR borrowings other than on the last day of the relevant interest period, on a pro rata basis to the Term Exit Facility and any Incremental Term Facility under the Term Exit Facility Documentation and to scheduled amortization payments thereof in direct order of maturity.

Any Lender under the Term Exit Facility may elect not to accept its pro rata portion of any mandatory prepayment (each a

"***Declining Lender***"). Any prepayment amount declined by a Declining Lender may be retained by the Borrower and will be included in the Available Amount.

Prepayments from foreign subsidiaries' Excess Cash Flow and asset sale proceeds will be limited under the Term Exit Facility Documentation to the extent such prepayments (including the repatriation of cash in connection therewith) would (a) be prohibited or delayed by applicable law; *provided* that the Borrower and its restricted subsidiaries shall take all commercially reasonable actions available under local law to permit such repatriation or (b) result in material adverse tax consequences.

Optional Prepayments: Voluntary prepayments of borrowings under the Term Exit Facility will be permitted at any time in minimum principal amounts to be agreed upon, without premium (except as provided below) or penalty (except as provided below), subject to reimbursement of the Lenders' redeployment costs in the case of a prepayment of Adjusted LIBOR borrowings other than on the last day of the relevant interest period.

All voluntary prepayments of the Term Exit Facility and any Incremental Term Facility will be applied to the remaining amortization payments under the Term Exit Facility or such Incremental Term Facility, as applicable, and may be applied to any of the Term Exit Facility or any Incremental Term Facility, in any case, as directed by the Borrower (and absent such direction, in direct order of maturity thereof).

All voluntary prepayments of the Term Loans and mandatory prepayments of the Term Loans with the proceeds of debt in connection with any Repricing Transaction (as defined below) shall be accompanied by a premium (expressed as a percentage of the principal amount of such Term Loans to be prepaid) equal to (a) on or prior to the six month anniversary of the Closing Date, 1.0% and (b) thereafter, 0%. A "***Repricing Transaction***" means the prepayment or refinancing of all or a portion of the Term Loans with the incurrence by the Borrower or any of its subsidiaries of any long-term bank debt financing incurred for the primary purpose of reducing the effective interest cost or weighted average yield to less than the interest rate for or weighted average yield of the Term Loans, including without limitation, as may be effected through any amendment to the Term Exit Facility Documentation (as defined below) relating to the interest rate for the Term Loans, but which, for the avoidance of doubt, does not include any prepayment or refinancing in connection with a change of control (to be mutually defined) or any refinancing that involves an

upsizing in connection with an acquisition or other fundamental change.

Use of Proceeds: To (i) fund certain fees and expenses associated with the Term Exit Facility (including to cash collateralize certain letters of credit outstanding under the Existing Precedent), (ii) make distributions pursuant to the Plan and (iii) repay certain costs and expenses required to be paid in connection with the Debtors' emergence from the Chapter 11 Cases.

Fees and Interest Rates: As set forth on Annex I.

Maturity: The Term Exit Facility will mature, and the lending commitments thereunder will terminate, on the sixth year anniversary of the Closing Date (the "***Term Maturity Date***"); *provided* that the definitive documentation shall provide the right of individual Lenders to agree to extend the maturity of their respective Term Loan commitments upon the request of the Borrower and without the consent of Agent or any other Lender (it being understood that each Lender under a tranche of commitments that is being extended shall have the opportunity to participate in such extension on the same terms and conditions as each other Lender under such tranche).

Amortization: The Term Exit Facility will amortize in equal quarterly installments in aggregate annual amounts equal to 1.0% of the original principal amount of the Term Exit Facility, commencing on the last business day of the first full fiscal quarter ending after the Closing Date, with the balance payable on the Term Maturity Date.

Collateral: To secure all obligations of the Loan Parties to Agent, Lenders, Issuing Bank and under any Hedge Agreements, the Loan Parties shall grant to Agent (subject to exceptions and thresholds as provided in the Term Exit Facility Documentation Principles below):

(a) a perfected second-priority (subject to permitted liens, including in respect of the ABL Facility and other exceptions consistent with the Exit Facility Documentation Principles) security interest in the Current Asset Collateral and the Inventory Collateral;

(b) a perfected first-priority (subject to permitted liens, including in respect of the ABL Facility and other exceptions consistent with the Exit Facility Documentation Principles) pledge of all the capital stock in subsidiaries

held by Parent, Intermediate Co., the Borrower and the Guarantors (*provided* that, (i) in the case of any capital stock of any foreign subsidiary that is owned by the Borrower or any Guarantor that is a domestic subsidiary of Parent, such pledge shall be limited to 65% of the voting stock of first-tier foreign subsidiary, (ii) equity interests in other subsidiaries of the Borrower and the Guarantors shall not be pledged to the extent prohibited under applicable law and (iii) the capital stock of non-wholly owned subsidiaries shall not be pledged to the extent prohibited by the terms of such subsidiary's organizational documents or related agreements, in the case of clauses (ii) and (iii), after giving effect to the applicable anti-assignment provisions of the Uniform Commercial Code or other applicable law and other than proceeds and receivables thereof, the assignment of which is expressly deemed effective under the Uniform Commercial Code or other applicable law notwithstanding such prohibition); and

(c) a perfected first-priority security interests in, and mortgages on, substantially all tangible and intangible personal property and fee-owned real property above an amount to be agreed of the Borrower and each subsidiary Guarantor (including but not limited to accounts receivable, inventory, equipment, general intangibles (including contract rights), investment property, intellectual property, intercompany notes and proceeds of the foregoing), in each case, subject to permitted liens and to exceptions (including the carve out of Excluded Assets, Current Asset Collateral and Inventory Collateral) and limitations consistent with the Exit Facility Documentation Principles (the foregoing clauses (b) and (c), collectively, the "***Term Facility Collateral***"). "ABL Facility", "ABL Facility Collateral", "Excluded Assets" "Current Asset Collateral" and "Inventory Collateral" are each used herein as they are defined in the ABL Term Sheet.

Intercreditor Matters: The relative rights and priorities in the Term Facility Collateral and in the ABL Facility Collateral (as defined in the ABL Term Sheet) and among the Lenders under the Term Exit Facility and the Lenders under the ABL Facility will be set forth in a customary intercreditor agreement reasonably acceptable to the Agent, Citigroup Global Markets Inc., as administrative agent and collateral agent under the ABL Facility and the Borrower (the "***Intercreditor Agreement***").

Documentation Principles: The Term Exit Facility (the "***Term Exit Facility Documentation***") will be based on Existing Precedent (as defined below) and will contain only those conditions to borrowing, definitions, representations, warranties, covenants and events of default expressly set forth therein with such changes and modifications as are needed to conform to company structure at exit, mutually agreed or otherwise expressly set forth in this Term Exit Facility Term Sheet.

As used in this Term Exit Facility Term Sheet, "***Existing Precedent***" shall mean documentation substantially identical to the Credit Agreement dated as of July 5, 2007 by and among Cengage Learning Acquisitions, Inc., Cengage Learning Holdings II, L.P., Cengage Learning Holdco, Inc., JPMorgan Chase Bank, N.A. and the Lenders party thereto from time to time (as amended, restated, amended and restated, supplemented or otherwise modified as of the date of the commencement of the Chapter 11 Cases), and related guarantee agreements, security agreements, intellectual property security agreements and any other documents executed and/or delivered in connection with the Existing Precedent, (i) with changes and modifications that (v) are needed to conform to company structure at exit, (w) reflect the terms of this Term Exit Facility Term Sheet, (x) reflect that there are no financial covenants in the Term Exit Facility, (y) cure mistakes or defects or (z) reflect operational, agency, assignment and related provisions not specifically set forth herein but not in contravention of anything specifically set forth in this Term Exit Facility Term Sheet that are customarily included in credit agreements of this type and (ii) such other modifications as are mutually agreed, in light of then prevailing market conditions, if necessary in connection with the syndication of the Term Exit Facility.

Representations and Warranties: Limited to the following (to be applicable to the Borrower and its restricted subsidiaries only and in cases that are mutually agreed to be applicable to Parent and Intermediate Co.): organizational status and good standing; power and authority, qualification, execution, delivery, binding effect and enforceability of the Term Exit Facility Documentation; with respect to the Term Exit Facility Documentation, no violation of, or conflict with, law, organizational documents or agreements; compliance with law; litigation; margin regulations; governmental approvals; Investment Company Act; accurate and complete disclosure; accuracy of historical and pro forma financial statements; no material adverse change (after the Closing Date); taxes; ERISA; subsidiaries; intellectual property; environmental laws; ownership of properties; senior debt; creation, perfection and validity of security interests (subject to permitted liens and other exceptions to perfection to be

mutually agreed); and consolidated Closing Date solvency of the Borrower and its subsidiaries, OFAC, FCPA, Patriot Act, subject, in the case of each of the foregoing representations and warranties, to customary qualifications and limitations for materiality to be provided in the Term Exit Facility Documentation.

Affirmative Covenants: Limited to the following (to be applicable to the Borrower and its restricted subsidiaries only except for further assurances on collateral, which shall also be applicable to Parent and Intermediate Co.): delivery of annual audited and quarterly unaudited financial statements (which such financial statements will be delivered within (i) in the case of the annual audited financial statements, 150 days after fiscal year end for the first fiscal year ended after the Closing Date and 90 days after fiscal year end for fiscal year thereafter and (ii) in the case of quarterly financial statements, 90 days after quarter end for the first fiscal quarter ended after the Closing Date and 45 days for each quarter ended thereafter), accountants' letters, officers certificates and other information reasonably requested by the Agent, as the case may be; notices of defaults and material litigation; maintenance of property (subject to casualty, condemnation and normal wear and tear) and customary insurance (but not, for the avoidance of doubt, flood insurance except to the extent required by applicable law); maintenance of existence and corporate franchises, rights, licenses and privileges; maintenance and inspection of books and records; payment of taxes and similar claims; compliance with laws and regulations; additional Guarantors and Collateral (subject to certain limitations); use of proceeds; and further assurances on collateral matters, subject, in the case of each of the foregoing covenants, to exceptions and qualifications to be provided in the Term Exit Facility Documentation.

Negative Covenants: Limited to the following (to be applicable to the Borrower and its restricted subsidiaries) limitations on:

(a) the incurrence of debt;

(b) liens;

(c) fundamental changes;

(d) asset sales (including sales of capital stock of restricted subsidiaries but with exceptions for the Gale Disposition) and sale leasebacks;

(e) investments, and acquisitions (which shall be permitted (i) on the terms set forth in the section entitled "Permitted

Acquisitions" hereof and (ii) by Guarantors in the indebtedness and equity interests of non-Guarantors in connection with the post-closing restructuring);

(f) dividends or distributions on, or redemptions of, the Borrower's and restricted subsidiaries' equity interests (which shall include customary exceptions for taxes, other overhead expenses of direct and indirect parents thereof attributable to the ownership of the Borrower and its subsidiaries, and any other dividends, distributions or redemptions as provided in Annex A-II);

(g) change in nature of business;

(h) transactions with affiliates;

(i) prepayments of subordinated indebtedness which shall be unlimited, subject to compliance with a Total Leverage Ratio not to exceed 3.50 to 1.00;

(j) burdensome agreements and negative pledge clauses; and

(k) change in fiscal year; provided that Parent and its subsidiaries shall be permitted to change their fiscal year end to March 31

The negative covenants will be subject, in the case of each of the foregoing covenants to exceptions, qualifications and "baskets," including, without limitation, those more specifically enumerated in Annex A-II hereto. Notwithstanding anything to the contrary herein, the negative covenants shall permit, without limitation or qualification, intercompany indebtedness, investments and assets sales between and among the Borrower and its restricted subsidiaries; provided that acquisitions of and investments in non-Guarantors shall be subject to a cap to be agreed.

Permitted Acquisitions: The Borrower or any restricted subsidiary will be permitted to make acquisitions (each a "***Permitted Acquisition***") and incur and/or assume indebtedness in connection with such Permitted Acquisitions, subject solely to the terms and conditions specified in the Existing Precedent; *provided* that Permitted Acquisitions of non-Guarantors shall be subject to a cap to be agreed.

Financial Reporting: Substantially identical to the Existing Precedent (subject to the Documentation Principles) and taking into account fresh start accounting modifications.

Unrestricted Subsidiaries:	The Borrower will have the ability to designate certain subsidiaries as unrestricted subsidiaries in a manner substantially identical to the Existing Precedent (subject to the Documentation Principles). Any subsidiary not designated as an unrestricted subsidiary shall constitute a restricted subsidiary.
Events of Default:	Limited to the following (except as otherwise expressly indicated, to be applicable to the Borrower and its restricted subsidiaries only): nonpayment of principal when due; nonpayment of interest or other amounts after a customary five business day grace period; violation of covenants (subject to a 30 day grace period in the case of affirmative covenants that are capable of cure other than maintenance of existence and notice of default); incorrectness of representations and warranties in any material respect (subject to a 30 day grace period in the case of misrepresentations that are capable of cure); cross default and cross acceleration to indebtedness in excess of $50,000,000; bankruptcy or other insolvency events of the Borrower or its material subsidiaries (with a customary grace period for involuntary events); monetary judgments in excess of $50,000,000, which judgments are not satisfied, vacated, discharged or effectively waived or stayed for a period of 60 consecutive days; ERISA events; actual or asserted invalidity of material guarantees or security documents; and change of control as set forth below.
Change of Control:	The change of control definition will reflect a widely-held-entity style change of control test only, acknowledging and consistent with private company status as emergence.
Conditions Precedent to Closing:	Customary for exit financing facilities of this type, taking into account the size of the facility and best efforts nature of the syndication, including the Borrower and its restricted subsidiaries having unrestricted cash on the Closing Date (immediately prior to the incurrence of the Term Loans and any borrowings under the ABL facility on the Closing Date) of not less than $50.0 million.
Scheduled Closing Date:	The closing date ("***Closing Date***") shall occur upon the satisfaction or waiver of the Conditions Precedent to Closing.
Expenses and Indemnification:	The Borrower shall pay, if the Closing Date occurs, all reasonable and documented or invoiced out-of-pocket costs and expenses of the Agent (without duplication) associated with the syndication of the Term Exit Facility and the preparation, execution and delivery, administration, amendment, modification, waiver and/or enforcement of the Term Exit Facility Documentation (including the reasonable fees, disbursements and other charges of one firm counsel identified herein and one local counsel in applicable

jurisdictions, which may include a single counsel acting in multiple jurisdictions) or otherwise retained with the Borrower's consent (such consent not to be unreasonably withheld or delayed)).

The Borrower will indemnify the Agent, the Arranger, the Lenders and their affiliates, and the directors, officers, employees, counsel, agents, trustees, investment advisors and attorneys-in-fact, and hold them harmless from and against any and all losses, liabilities, damages, claims and reasonable and documented or invoiced out-of-pocket fees and expenses (including reasonable fees, disbursements and other charges of one counsel for all indemnified parties and, if necessary, one firm of local counsel in each appropriate jurisdiction (which may include a single special counsel acting in multiple jurisdictions) for all indemnified parties (and, in the case of an actual or perceived conflict of interest, where the indemnified person affected by such conflict informs the Borrower of such conflict and thereafter retains its own counsel, of another firm of counsel for such affected indemnified person)) of any such indemnified person arising out of or relating to any claim or any litigation or other proceeding (regardless of whether such indemnified person is a party thereto and whether or not such proceedings are brought by the Borrower, its equity holders, its affiliates, creditors or any other third person) that relates to the Term Exit Facility; *provided* that no indemnified person will be indemnified for any liabilities, obligations, losses, damages, penalties, claims, demands, actions, judgments, suits, costs, expenses or disbursements to the extent it has resulted from (i) the gross negligence, bad faith or willful misconduct of such person or any of its controlled affiliates or controlling persons or any of the officers, directors, employees, agents, advisors, or members of any of the foregoing, in each case who are involved in or aware of the Term Exit Facility (as determined by a court of competent jurisdiction in a final and non-appealable decision), (ii) a material breach of the Term Exit Facility Documentation by any such person or one of its affiliates (as determined by a court of competent jurisdiction in a final and non-appealable decision) or (iii) disputes between and among indemnified persons to the extent such disputes do not arise from any act or omission of the Borrower or any of its affiliates (other than claims against an indemnified person acting in its capacity as an agent or arranger or similar role under the Term Exit Facility unless such claims arise from the gross negligence, bad faith or willful misconduct of such indemnified person).

Governing Law and Forum: New York.

Annex I
Interest Rates and Fees

Interest Rate Options: Borrower may elect that the Loans bear interest at a rate per annum equal to:

(i) the Base Rate plus the Applicable Margin; or

(ii) the LIBOR Rate plus the Applicable Margin.

As used herein:

"***Base Rate***" shall be defined substantially consistent with the Existing Precedent.

"***LIBOR Rate***" shall be defined substantially consistent with the Existing Precedent.

"***Applicable Margin***" shall mean:

Type of Loan	Applicable Margin
Base Rate	[REDACTED]
LIBOR Rate	[REDACTED]

With respect to the Term Loans, there shall be a minimum LIBOR Rate (*i.e.* LIBOR Rate prior to adding any applicable interest rate margins thereto) requirement of [REDACTED] per annum. The Borrower may elect interest periods of 1, 2, 3 or 6 months (or, if agreed by all relevant Lenders, 12 months) for adjusted LIBOR borrowings.

Interest Payment Dates: In the case of Loans bearing interest based upon the Base Rate ("***Base Rate Loans***"), quarterly in arrears.

In the case of Loans bearing interest based upon the LIBOR Rate ("***LIBOR Rate Loans***"), on the last day of each relevant interest period, except in the case of any interest period in excess of three months, every three months.

Default Rate: With respect to overdue principal, the applicable interest rate plus 2.00% per annum, and with respect to any other overdue amount (including overdue interest), the interest rate applicable to Base Rate Loans (as defined in Annex I) plus 2.00% per annum and in each case, shall be payable on demand.

Rate and Fee Basis:	All per annum rates shall be calculated on the basis of a year of 360 days and the actual number of days elapsed.
Term Exit Facility Arrangement Fee:	[REDACTED]
Administrative Agent Fee:	[REDACTED]
Upfront Fees:	[REDACTED]

Annex A-II
Baskets

Summary	**Existing Precedent**	**Exit Facility**
General liens basket (7.01)(gg)	Not to exceed $75 million	Not to exceed the greater of $150 million and 5% of total assets
Liens securing letters of credit in a currency other than dollars (7.01)(bb)	Not to exceed $50 million	Not to exceed $50 million
Loans or advances to officers, directors and employees (other than with respect to ordinary business uses (*e.g*. travel, relocation, etc.) or in connection with the purchase of equity interests in Parent) (7.02)(b)	Not to exceed $35 million	Same as precedent credit agreement
General investments basket (7.02)(o)	Not to exceed the greater of $500 million and 5% of total assets in the aggregate, plus any return of capital in respect of such investment plus: (a) the net cash proceeds of permitted equity issuances that are not otherwise applied; and (b) the Available Amount that is not otherwise applied provided that the above amount that may be used for the designation of restricted subsidiaries as unrestricted	Not to exceed $500 million, plus any return of capital in respect of such investment plus: (a) the net cash proceeds of permitted equity issuances that are not otherwise applied; and (b) the Available Amount that is not otherwise applied provided that the above amount that may be used for the designation of restricted subsidiaries as unrestricted subsidiaries shall not exceed $200

Summary	Existing Precedent	Exit Facility
	subsidiaries shall not exceed $200 million	million
General indebtedness basket (7.03)(m) and (7.03)(x)	(1) Not to exceed $500 million; or (2) the Borrower or any restricted subsidiary may incur any other indebtedness (calculated on a pro forma basis) so long as: (a) No default shall exist or result; and (b) After incurrence, the Senior Secured Incurrence Test would have been satisfied; and both: (i) Either the First Lien Incurrence Test would have been satisfied or the Senior Secured Leverage Ratio would be no greater than the Senior Secured Leverage Ratio in effect immediately prior to such incurrence; and (ii) Either the First Lien Incurrence Test would have been satisfied or the First Lien Leverage Ratio would be no greater than the First Lien Leverage Ratio in effect immediately prior to	(1) Not to exceed $500 million; plus (2) the Borrower or any restricted subsidiary (subject to a cap for non-guarantor subsidiaries to be agreed) may incur any other indebtedness (calculated on a pro forma basis) so long as: (a) No default shall exist or result (subject to customary "SunGard" provisions in connection with any Permitted Acquisition or other similar investment); and (b) After incurrence, the Total Leverage Ratio shall not exceed 3.50 to 1.00 on a pro forma basis; provided, that any term loans secured by liens on the collateral ranking pari passu with the liens securing the Term Loans shall be subject to the "MFN" provisions described in the Summary of Terms under the heading "Incremental Term Facility"; provided such MFN provisions shall apply solely to Term Loans incurred in reliance on this clause (b).

Summary	Existing Precedent	Exit Facility
	such incurrence	
Indebtedness of foreign subsidiaries (7.03)(u)	Not to exceed greater of (when aggregated with all other such indebtedness incurred under the $500M general basket) $250 million and 10% of foreign subsidiary total assets	When aggregated with all other such indebtedness incurred under the general indebtedness basket, $250 million
Indebtedness under a subordinated lien facility (7.03)(v)	Not to exceed $250,000,000, *provided* no default or Event of Default will result from incurrence thereof	Remove
Payment of dividends following the first public offering of any of the Company's common stock (or that of any parent or indirect parent) (7.06)(j)	Up to 6% of the net cash proceeds thereof	Same as precedent credit agreement
General basket for restricted payments (7.06)(m)	Not to exceed, when taken together with (i) prepayments of indebtedness other than indebtedness incurred under the Exit Facility and (ii) intercompany loans and advances to the Company or any direct or indirect parent thereof, the sum of: (a) $150 million at all times when the Total Leverage Ratio is less than or equal to 5.0:1.0; (b) $250 million at all times when the Total Leverage Ratio is less than	Not to exceed the sum of: $25 million plus: (a) net cash proceeds of permitted equity issuances not otherwise applied; and (b) the Available Amount not otherwise applied; provided that in the case of restricted payments made with the Available Amount, the Total Leverage Ratio is less than or equal to the Total Leverage

Summary	Existing Precedent	Exit Facility
	or equal to 4.0 to 1.0 but greater than 3.0 to 1.0; or (c) an unlimited amount at all times when the Total Leverage Ratio is less than or equal to 3.0:1.0; together with (a) net cash proceeds of permitted equity issuances not otherwise applied; and (b) the Available Amount not otherwise applied	Ratio as of the Closing Date. Notwithstanding the foregoing, Borrower shall be permitted to make restricted payments with up to 50% of the net proceeds of the Gale Disposition remaining after the prepayment of the Term Loans as provided in the Summary of Terms; *provided* that (x) both before and after giving effect to such restricted payment no default or event of default shall have occurred or be continuing and (y) on a pro forma basis for any such restricted payment, the Total Leverage Ratio shall be less than or equal to the lesser of (x) the Total Leverage Ratio as of the Closing Date and (y) the Total Leverage Ratio immediately preceding the Gale Disposition.
Prepayments of indebtedness other than indebtedness incurred under the Exit Facility (7.09)(a)	Not to exceed, together with all other restricted payments made under the general restricted payments basket, the sum of (i) the greater of $150,000,000 and 2% of total assets, (ii) the amount of net cash proceeds of permitted equity issuances not otherwise applied and (iii) the Available Amount not otherwise applied	Not to exceed, together with all other restricted payments made under the general restricted payments basket (excluding with the net proceeds from the Gale Disposition), the sum of (i) the greater of $150,000,000 and 5% of total assets, (ii) the amount of net cash proceeds of permitted equity issuances not otherwise applied and (iii) the Available Amount not otherwise applied.

Annex II

Certain Financial Definitions

"Applicable Period" shall mean an Excess Cash Flow Period or an Excess Cash Flow Interim Period, as the case may be.

"Capitalized Lease Obligations" shall mean at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) in accordance with GAAP; provided that obligations of the Borrower or its restricted subsidiaries, or of a special purpose or other entity not consolidated with the Borrower and its restricted subsidiaries, either existing on the Closing Date or created thereafter that (a) initially were not included on the consolidated balance sheet of the Borrower as capital lease obligations and were subsequently recharacterized as capital lease obligations or, in the case of such a special purpose or other entity becoming consolidated with the Borrower and its restricted subsidiaries were required to be characterized as capital lease obligations upon such consideration, in either case, due to a change in accounting treatment or otherwise, or (b) did not exist on the Closing Date and were required to be characterized as capital lease obligations but would not have been required to be treated as capital lease obligations on the Closing Date had they existed at that time, shall for all purposes not be treated as Capitalized Lease Obligations or Indebtedness.

"Consolidated Total Net Debt" at any date shall mean the sum of (without duplication) all Indebtedness (other than letters of credit or bank guarantees, to the extent undrawn) consisting of Capitalized Lease Obligations, purchase money Indebtedness, obligations evidenced by bonds, debentures, notes, loan agreements or other similar instruments, Indebtedness for borrowed money and disqualified stock of the Borrower and the restricted subsidiaries determined on a consolidated basis on such date in accordance with GAAP (such Indebtedness, "Consolidated Debt") less all unrestricted cash and cash equivalents of the Borrower and its restricted subsidiaries; *provided* that Consolidated Debt shall not include (i) any letters of credit, except to the extent of unreimbursed amounts thereunder, (ii) obligations under Swap Contracts entered into in the ordinary course of business and not for speculative purposes, (iii) Indebtedness in respect of any Qualified Securitization Financing or (iv) any liabilities with respect to leases or similar arrangements of the Borrower and its restricted subsidiaries that would constitute operating leases under GAAP as in effect on the Closing Date.

"Current Assets" shall mean, with respect to the Borrower and its restricted subsidiaries on a consolidated basis at any date of determination, the sum of (i) all assets (other than cash or cash equivalents) that would, in accordance with GAAP, be classified on a consolidated balance sheet of the Borrower and its restricted subsidiaries as current assets at such date of determination, other than amounts related to current or deferred taxes and (ii) long-term accounts receivable.

"Current Liabilities" shall mean, with respect to the Borrower and its restricted subsidiaries on a consolidated basis at any date of determination, all liabilities that would, in accordance with GAAP, be classified on a consolidated balance sheet of the Borrower and its restricted subsidiaries as current liabilities at such date of determination, other than (a) the current portion of any funded Indebtedness, (b) accruals of Consolidated Interest Expense, (c) accruals for

current or deferred taxes, (d) accruals of any costs or expenses related to (i) severance or termination of employees prior to the Closing Date or (ii) bonuses, pension and other post-retirement benefit obligations, (f) accruals for add-backs to Consolidated EBITDA included in clauses (a)(iv), (a)(v), and (a)(vi) of the definition of such term, (g) all Indebtedness consisting of revolving loans to the extent otherwise included therein, and (h) deferred revenue arising from cash receipts that are earmarked for specific projects.

"Consolidated EBITDA" shall mean with respect to the Borrower and its restricted subsidiaries on a consolidated basis for any period, the Consolidated Net Income of the Borrower and its restricted subsidiaries for such period plus (a) the sum of the following subclauses (i) through (xvii) (in each case without duplication and to the extent the respective amounts described in subclauses (i) through (xvii) (other than (xii)) of this clause (a) reduced such Consolidated Net Income (and were not excluded therefrom) for the respective period for which Consolidated EBITDA is being determined):

(i) provision for Taxes based on income, profits or capital of the Borrower and its restricted subsidiaries for such period, including, without limitation, state, franchise and similar taxes and foreign withholding taxes (including penalties and interest related to taxes or arising from tax examinations),

(ii) Consolidated Interest Expense (and to the extent not included in Consolidated Interest Expense, (x) all bank fees, cash dividend payments (excluding items eliminated in consolidation) on any series of disqualified stock and (y) costs of surety bonds in connection with financing activities) of the Borrower and its restricted subsidiaries for such period,

(iii) depreciation and amortization expenses of the Borrower and its restricted subsidiaries for such period including the amortization of intangible assets, deferred financing fees and Capitalized Software Expenditures (as defined in the Existing Precedent) and amortization of unrecognized prior service costs and actuarial gains and losses related to pensions and other post-employment benefits,

(iv) business optimization expenses and other restructuring charges or reserves (which, for the avoidance of doubt, shall include the effect of inventory optimization programs, any one-time costs incurred in connection with acquisitions, facility closure, facility consolidations, retention, severance, systems establishment costs, contract termination costs, future lease commitments and excess pension charges),

(v) any other non-cash charges; provided, that for purposes of this subclause (v) of this clause (a), any non-cash charges or losses shall be treated as cash charges or losses in any subsequent period during which cash disbursements attributable thereto are made (but excluding, for the avoidance of doubt, amortization of a prepaid cash item that was paid in a prior period),

(vi) the amount of any minority interest expense consisting of Subsidiary income attributable to minority equity interests of third parties in any non-wholly owned Subsidiary,

(vii) any net loss from disposed or discontinued operations,

(viii) any expenses, costs or charges (other than depreciation or amortization expense as described in the preceding clause (iii)) related to any issuance of equity interests (including, without limitation, any such expenses, costs or charges associated with an initial public offering) , investment, acquisition, New Project, disposition, recapitalization or the incurrence, modification or repayment of permitted Indebtedness (including a refinancing thereof) (whether or not successful), the Chapter 11 Cases (and costs and expenses associated with the emergence therefrom), the Plan of Reorganization, including (x) such fees, expenses or charges related to the Transactions (to be defined in the Term Exit Facility Documentation), the ABL Facility, the Term Exit Facility and any other Indebtedness, (y) any amendment or other modification of the obligations under the Term Exit Facility or other Indebtedness and (z) commissions, discounts, yield and other fees and charges (including any interest expense) related to any Qualified Securitization Financing,

(ix) the amount of loss on sale of receivables and related assets to a Securitization Subsidiary (as defined in the Existing Precedent) in connection with a Qualified Securitization Financing,

(x) any costs or expense incurred pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement or any stock subscription or shareholder agreement,

(xi) the amount of any loss attributable to a New Project, until the date that is 12 months after the date of completing the construction, acquisition, assembling or creation of such New Project, as the case may be; provided, that (A) such losses are reasonably identifiable and factually supportable and certified by a Responsible Officer of the Borrower and (B) losses attributable to such New Project after 12 months from the date of completing such construction, acquisition, assembling or creation, as the case may be, shall not be included in this clause (xi),

(xii) the amount of "run-rate" cost savings projected by the Borrower in good faith to result from actions either taken or expected to be taken prior to or during such period (which cost savings shall be calculated on a pro forma basis as though such cost savings had been realized on the first day of such period), net of the amount of actual benefits realized or expected to be realized prior to or during such period from such actions; *provided*, that (A) such cost savings are reasonably identifiable and factually supportable and (B) no cost savings shall be added pursuant to this clause (x) to the extent duplicative of any expenses or charges relating to such cost savings that are included in clause (v) above with respect to such period (it being understood and agreed that "run-rate" means the full recurring benefit that is associated with any action taken or expected to be taken,

(xiii) one-time costs associated with commencing compliance with (including the preparation thereof) the rules and regulations of a reporting company following an initial public offering,

(xiv) cash receipts (or any netting arrangements resulting in reduced cash expenditures) not representing Consolidated EBITDA or Consolidated Net Income in any period to the extent non-cash gains relating to such income were deducted in the calculation of Consolidated EBITDA pursuant to paragraph (b) below for any previous period and not added back, and

(xv) non-recurring litigation or claim settlement charges or expenses associated with the Plan of Reorganization, the Chapter 11 Cases or otherwise (including the resolution of retained claims);

minus (b) the sum of (without duplication and to the extent the amounts described in this clause (b) increased such Consolidated Net Income for the respective period for which Consolidated EBITDA is being determined) non-cash items increasing Consolidated Net Income of the Borrower and the Subsidiaries for such period (but excluding any such items (A) in respect of which cash was received in a prior period or will be received in a future period or (B) which represent the reversal of any accrual of, or cash reserve for, anticipated cash charges that reduced Consolidated EBITDA in any prior period).

Consolidated EBITDA shall be calculated during any period so as to exclude (without duplication of the other adjustments set forth in the definition of Consolidated EBITDA) any re-evaluation of any assets or liabilities due to "fresh-start" accounting adjustments resulting from the Borrower's emergence from the Chapter 11 Cases.

In addition, notwithstanding the foregoing, for purposes of calculating EBITDA for any relevant period (A) cash expenditures in respect of prepublication costs in the relevant period shall be deducted from EBITDA and (B) amortization of prepublication costs for the relevant period shall be added to EBITDA.

Notwithstanding anything to the contrary contained herein and subject to adjustments permitted hereunder with respect to acquisitions, Dispositions and other transactions occurring following the Closing Date and/or pursuant to the definition of "Pro Forma Basis", for purposes of determining Consolidated EBITDA for the four fiscal quarters ended prior to the Closing Date, Consolidated EBITDA shall be deemed to be certain "hard-wire" amounts as may be agreed (which such amounts shall be subject to further adjustment pursuant to the definition of Consolidated EBITDA).

"Consolidated Interest Expense" shall mean for the Borrower and its restricted subsidiaries for any period, the sum of (a) gross interest expense of such person for such period on a consolidated basis, including (i) the amortization of debt discounts, (ii) the amortization of all fees (including fees with respect to hedging agreements) payable in connection with the incurrence of Indebtedness to the extent included in interest expense, (iii) non-cash interest payments (but excluding any non-cash interest expense attributable to the movement in the mark to market valuation of obligations under any Swap Contracts or other derivative instruments pursuant to GAAP) and (iv) the portion of any payments or accruals with respect to capitalized lease obligations allocable to interest expense, (b) capitalized interest of such person, and (c) commissions, discounts, yield and other fees and charges incurred in connection with any Qualified Securitization Financing which are payable to any person other than the Borrower or a loan party. For purposes of the foregoing, gross interest expense shall be determined after giving effect to any net payments made or received and costs incurred by the Borrower and the restricted subsidiaries with respect to hedging agreements, and interest on a capitalized lease obligation shall be deemed to accrue at an interest rate reasonably determined by the Borrower to be the rate of interest implicit in such capitalized lease obligation in accordance with GAAP.

"Consolidated Net Income" shall mean, for the Borrower and its restricted subsidiaries for any period, the aggregate of the Net Income (determined in accordance with GAAP and before any reduction in respect of preferred stock dividends) of such person and its subsidiaries for such period, on a consolidated basis; provided, however, that, without duplication,

(i) any net after-tax extraordinary, nonrecurring or unusual gains or losses or income or expense or charge (less all fees and expenses relating thereto), including any severance, relocation or other restructuring expenses, any expenses related to any New Project or any reconstruction, decommissioning, recommissioning or reconfiguration of fixed assets for alternative uses, fees, expenses or charges relating to facilities closing costs, curtailments or modifications to pension and post-retirement employee benefit plans, excess pension charges, acquisition integration costs, facilities opening costs, signing, retention or completion bonuses, and expenses or charges related to any offering of equity interests or debt securities of the Borrower, Parent (or any direct or indirect parent entity thereof, including, without limitation, any such expenses or charges associated with an initial public offering), any investment, acquisition, disposition, recapitalization or issuance, repayment, refinancing, amendment or modification of Indebtedness (in each case, whether or not successful), and any fees, expenses or charges relating to the transactions (including any costs relating to auditing prior periods, any transition-related expenses, and transaction related expenses incurred before, on or after the Closing Date), in each case, shall be excluded,

(ii) any net after-tax income or loss from disposed of, abandoned, closed or discontinued operations or fixed assets and any net after-tax gain or loss on the dispositions of disposed of, abandoned, closed or discontinued operations or fixed assets shall be excluded,

(iii) any net after-tax gain or loss (less all fees and expenses or charges relating thereto) attributable to business dispositions or asset dispositions other than in the ordinary course of business (as determined in good faith by the management of the Borrower) shall be excluded,

(iv) any net after-tax income or loss (less all fees and expenses or charges relating thereto) attributable to the early extinguishment of indebtedness, hedging agreements or other derivative instruments shall be excluded,

(v) the Net Income for such period of any person that is not a subsidiary of such person, or is an unrestricted subsidiary, or that is accounted for by the equity method of accounting, shall be included only to the extent of the amount of dividends or distributions or other payments paid in cash (or to the extent converted into cash) to the referent person or a subsidiary thereof (other than an unrestricted subsidiary of such referent person) in respect of such period,

(vi) the cumulative effect of a change in accounting principles during such period shall be excluded,

(vii) effects of purchase accounting adjustments (including the effects of such adjustments pushed down to such person and its subsidiaries) in component amounts required or permitted by GAAP, resulting from the application of purchase accounting or the amortization or write-off of any amounts thereof, net of taxes, shall be excluded,

(viii) any impairment charges or asset write-offs, in each case pursuant to GAAP, and the amortization of intangibles and other fair value adjustments arising pursuant to GAAP, shall be excluded,

(ix) any non-cash compensation charge or expenses realized or resulting from stock option plans, employee benefit plans or post-employment benefit plans, or grants or sales of stock, stock appreciation or similar rights, stock options, restricted stock, preferred stock or other rights shall be excluded,

(x) accruals and reserves that are established or adjusted within twelve months after the Closing Date and that are so required to be established or adjusted in accordance with GAAP or as a result of adoption or modification of accounting policies shall be excluded,

(xi) non-cash gains, losses, income and expenses resulting from fair value accounting required by the applicable standard under GAAP and related interpretation shall be excluded,

(xii) any non-cash charges for deferred tax asset valuation allowances shall be excluded,

(xiii) any currency translation gains and losses related to currency remeasurements of Indebtedness, and any net loss or gain resulting from hedging agreements for currency exchange risk, shall be excluded,

(xiv) (a) the Net Income of any Person and its Subsidiaries shall be calculated without deducting the income attributable to, or adding the losses attributable to, the minority equity interests of third parties in any non-wholly owned subsidiary except to the extent of dividends declared or paid in respect of such period or any prior period on the shares of equity interests of such subsidiary held by such third parties and (b) any ordinary course dividend, distribution or other payment paid in cash and received from any person in excess of amounts included in clause (v) above shall be included,

(xv) (A) to the extent covered by insurance and actually reimbursed, or, so long as such person has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer and only to the extent that such amount is (x) not denied by the applicable carrier in writing within 180 days and (y) in fact reimbursed within 365 days following the date of such evidence (with a deduction for any amount so added back to the extent not so reimbursed within such 365 days), expenses with respect to liability or casualty events or business interruption shall be excluded; and (B) amounts estimated in good faith to be received from insurance in respect of lost revenues or earnings in respect of liability or casualty events or business interruption shall be included (with a deduction for amounts actually received up to such estimated amount to the extent included in Net Income in a future period),

(xvi) [(A) revenues received during the relevant period in advance of sales, for which recognition has been deferred under GAAP, shall be included in the relevant period and (B) the

amount of deferred revenues recognized under GAAP during the relevant period shall be excluded to the extent such revenues were recognized in a prior period][1], and

(xvii) without duplication, an amount equal to the amount of distributions actually made to any parent or equity holder of such person in respect of such period for the payment of various taxes as though such amounts had been paid as income taxes directly by such person for such period.

"Debt Service" shall mean, with respect to the Borrower and its restricted subsidiaries on a consolidated basis for any period, Consolidated Interest Expense for such period plus scheduled principal amortization of Consolidated Debt for such period.

"Excess Cash Flow" shall mean with respect to the Borrower and its restricted subsidiaries on a consolidated basis for any Applicable Period, Consolidated EBITDA of the Borrower and its restricted subsidiaries on a consolidated basis for such Applicable Period, minus, without duplication , (A):

(i) Debt Service for such Applicable Period,

(ii) the amount of any permitted voluntary prepayments term Indebtedness during such Applicable Period (other than any voluntary prepayment of the Term Loans) (including any premium, make-whole or penalty payments incurred in connection therewith) and the amount of any voluntary prepayments of revolving Indebtedness to the extent accompanied by permanent reductions of any revolving facility commitments during such Applicable Period to the extent an equal amount of loans thereunder was simultaneously repaid, so long as the amount of such prepayment is not already reflected in Debt Service, including the aggregate amount of any premium, make-whole or penalty payments,

(iii) (a) Capital Expenditures by the Borrower and its restricted subsidiaries on a consolidated basis during such Applicable Period that are paid in cash and (b) the aggregate consideration paid in cash during the Applicable Period in respect of Permitted Acquisitions and other investments permitted hereunder (excluding cash equivalents and intercompany investments in Subsidiaries),

(iv) Capital Expenditures, Permitted Acquisitions, New Project expenditures, acquisitions of intellectual property, or other permitted investments (excluding cash equivalents and intercompany investments in Subsidiaries) that the Borrower or any Subsidiary shall, during such Applicable Period, become obligated to make or otherwise anticipated to make payments with respect thereto but that are not made during such Applicable Period; provided, that (a) the Borrower shall deliver a certificate to the Administrative Agent not later than 90 days after the end of such Applicable Period, signed by a responsible officer of the Borrower and certifying that payments in respect of such Capital Expenditures, Permitted Acquisitions, New Project expenditures or other permitted investments are expected to be made in the following Excess Cash Flow Period, (b) any amount so deducted shall not be deducted again in a subsequent

[1] Methodology for calculation to be addressed in definitive documentation.

Applicable Period and (c) if such payments are not made, then such amount shall be added to Excess Cash Flow in the next succeeding Applicable Period,

(v) taxes paid in cash by Parent and its subsidiaries on a consolidated basis during such Applicable Period or that will be paid within six months after the close of such Applicable Period; provided, that with respect to any such amounts to be paid after the close of such Applicable Period, (a) any amount so deducted shall not be deducted again in a subsequent Applicable Period, and (b) appropriate reserves shall have been established in accordance with GAAP,

(vi) an amount equal to any increase in Working Capital of the Borrower and its restricted subsidiaries for such Applicable Period and any anticipated increase, estimated by the Borrower in good faith, for the following Excess Cash Flow Period,

(vii) cash expenditures made in respect of hedging agreements during such Applicable Period, to the extent not reflected in the computation of Consolidated EBITDA or Consolidated Interest Expense,

(viii) permitted restricted payments or other distributions paid in cash by the Borrower during such Applicable Period and permitted restricted payments or other distributions paid by any Subsidiary to any person other than Parent, the Borrower or any of the Subsidiaries during such Applicable Period, in each case in other than certain restricted payments to be agreed,

(ix) amounts paid in cash during such Applicable Period on account of (a) items that were accounted for as non-cash reductions of Net Income in determining Consolidated Net Income or as non-cash reductions of Consolidated Net Income in determining Consolidated EBITDA of the Borrower and its Subsidiaries in a prior Applicable Period and (b) reserves or accruals established in purchase accounting,

(x) to the extent not deducted in the computation of net proceeds in respect of any asset disposition or condemnation giving rise thereto, the amount of any mandatory prepayment of Indebtedness (other than Indebtedness under the Term Exit Facility), together with any interest, premium or penalties required to be paid (and actually paid) in connection therewith,

(xi) to the extent not deducted in the computation of Consolidated Net Income, cash payments by the Borrower during such period in respect of long-term liabilities of the Borrower and its restricted subsidiaries other than Indebtedness, and

(xii) the amount related to items that were added to or not deducted from Consolidated Net Income in calculating Consolidated Net Income or were added to or not deducted from Consolidated Net Income in calculating Consolidated EBITDA to the extent such items represented a cash payment (which had not reduced Excess Cash Flow upon the accrual thereof in a prior Applicable Period), or an accrual for a cash payment, by the Borrower and its Subsidiaries or did not represent cash received by the Borrower and its Subsidiaries, in each case on a consolidated basis during such Applicable Period,

plus, without duplication, (B):

an amount equal to any decrease in Working Capital of the Borrower and its Subsidiaries for such Applicable Period,

(i) all amounts referred to in clauses (A)(ii), (A)(iii) and (A)(iv) above to the extent funded with the proceeds of the issuance or the incurrence of Indebtedness (including Capitalized Lease Obligations and purchase money Indebtedness, but excluding proceeds of: (a) extensions of credit under any revolving credit facility), (b) the sale or issuance of any equity interests (including any capital contributions) and (c) insurance proceeds received on account of any loss, damage, destruction or condemnation of (to the extent such proceeds are not reinvested as permitted pursuant to the Term Exit Facility Documentation), or any sale, transfer or other disposition (including any sale and leaseback of assets and any mortgage or lease of real property) to any person of any asset or assets, in each case to the extent there is a corresponding deduction from Excess Cash Flow above,

(ii) to the extent any permitted Capital Expenditures, Permitted Acquisitions or permitted investments referred to in clause (A)(iv) above do not occur in the following Applicable Period of the Borrower specified in the certificate of the Borrower provided pursuant to clause (A)(iv) above, the amount of such Capital Expenditures, Permitted Acquisitions or permitted investments that were not so made in such following Applicable Period,

(iii) cash payments received in respect of Hedging Agreements during such Applicable Period to the extent (a) not included in the computation of Consolidated EBITDA or (b) such payments do not reduce Consolidated Interest Expense,

(iv) any extraordinary or nonrecurring gain realized in cash during such Applicable Period (except to the extent such gain consists of Net Proceeds used to prepay any Refinancing Term Loans as permitted by the Term Exit Facility Documentation), and

(v) the amount related to items that were deducted from or not added to Net Income in connection with calculating Consolidated Net Income or were deducted from or not added to Consolidated Net Income in calculating Consolidated EBITDA to the extent either (a) such items represented cash received by the Borrower or any Subsidiary or (b) such items do not represent cash paid by the Borrower or any Subsidiary, in each case on a consolidated basis during such Applicable Period.

"Excess Cash Flow Interim Period" shall mean, (x) during any Excess Cash Flow Period, any one, two, or three-quarter period (a) commencing on the later of (i) the end of the immediately preceding Excess Cash Flow Period and (ii) if applicable, the end of any prior Excess Cash Flow Interim Period occurring during the same Excess Cash Flow Period and (b) ending on the last day of the most recently ended fiscal quarter (other than the last day of the fiscal year) during such Excess Cash Flow Period for which financial statements are available and (y) during the period from the Closing Date until the beginning of the first Excess Cash Flow Period, any period commencing on the Closing Date and ending on the last day of the most recently ended fiscal quarter for which financial statements are available.

"Indebtedness" of any person shall mean, if and to the extent (other than with respect to clause (i) of this definition) the same would constitute indebtedness or a liability in accordance with

GAAP, without duplication, (a) all obligations of such person for borrowed money, (b) all obligations of such person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such person under conditional sale or other title retention agreements relating to property or assets purchased by such person, (d) all obligations of such person issued or assumed as the deferred purchase price of property or services (other than such obligations accrued in the ordinary course), to the extent that the same would be required to be shown as a long term liability on a balance sheet prepared in accordance with GAAP, (e) all Attributable Indebtedness (as defined in the Existing Precedent) of such person, (f) all net payments that such person would have to make in the event of an early termination, on the date Indebtedness of such person is being determined, in respect of outstanding Hedging Agreements, (g) the principal component of all obligations, contingent or otherwise, of such person as an account party in respect of letters of credit, (h) the principal component of all obligations of such person in respect of bankers' acceptances, (i) all guarantees by such person of Indebtedness described in clauses (a) to (h) above and (j) the amount of all obligations of such person with respect to the redemption, repayment or other repurchase of any Disqualified Stock (excluding accrued dividends that have not increased the liquidation preference of such Disqualified Stock); provided, that Indebtedness shall not include (A) trade and other ordinary-course payables, accrued expenses, and intercompany liabilities arising in the ordinary course of business, (B) prepaid or deferred revenue, (C) purchase price holdbacks arising in the ordinary course of business in respect of a portion of the purchase prices of an asset to satisfy unperformed obligations of the seller of such asset, (D) earn-out obligations until such obligations become a liability on the balance sheet of such person in accordance with GAAP, or (E) in the case of the Borrower and its subsidiaries, (I) all intercompany Indebtedness having a term not exceeding 364 days (inclusive of any roll-over or extensions of terms) and made in the ordinary course of business and (II) intercompany liabilities in connection with the cash management, tax and accounting operations of the Borrower and its subsidiaries. The Indebtedness of any person shall include the Indebtedness of any partnership in which such person is a general partner, other than to the extent that the instrument or agreement evidencing such Indebtedness limits the liability of such person in respect thereof and only to the extent such Indebtedness would be included in the in the calculation of Consolidated Total Net Debt.

"New Project" shall mean (x) each plant, facility or branch which is either a new plant, facility or branch or an expansion of an existing plant, facility or branch owned by the Borrower or its restricted subsidiaries which in fact commences operations and (y) each creation (in one or a series of related transactions) of a business unit to the extent such business unit commences operations or each expansion (in one or a series of related transactions) of business into a new market.

"Pro Forma Basis" shall mean as to any person, for any events as described below that occur subsequent to the commencement of a period for which the financial effect of such events is being calculated, and giving effect to the events for which such calculation is being made, such calculation as will give pro forma effect to such events as if such events occurred on the first day of the four consecutive fiscal quarter period ended on or before the occurrence of such event (the "Reference Period"): (i) pro forma effect shall be given to any disposition, any acquisition, investment, capital expenditure, construction, repair, replacement, improvement, development, disposition, merger, amalgamation, consolidation, any dividend, distribution or other similar payment, any designation of any subsidiary as an unrestricted subsidiary and any redesignation

of a subsidiary as a restricted subsidiary (a "Subsidiary Redesignation"), New Project, and any restructurings of the business of the Borrower or any of its restricted subsidiaries that the Borrower or any of its restricted subsidiaries has determined to make and/or made and are expected to have a continuing impact and are factually supportable, which would include cost savings resulting from head count reduction, closure of facilities and similar operational and other cost savings (provided, at the election of the Borrower, pro forma effect shall not be required to be given to any acquisition or Subsidiary Redesignation to the extent the aggregate consideration paid in connection with such acquisition was less than $5,000,000), which adjustments the Borrower determines are reasonable (the foregoing, together with any transactions related thereto or in connection therewith, the "relevant transactions"), in each case that occurred during the reference period, occurring during the reference period or thereafter and through and including the date upon which the relevant transaction is consummated, (ii) in making any determination on a Pro Forma Basis, (x) all Indebtedness (including Indebtedness issued, incurred or assumed as a result of, or to finance, any relevant transactions and for which the financial effect is being calculated, whether incurred under the Term Exit Facility or otherwise, but excluding normal fluctuations in revolving Indebtedness incurred for Working Capital purposes and amounts outstanding under any Qualified Securitization Financing, in each case not to finance any acquisition) issued, incurred, assumed or permanently repaid during the reference period, occurring during the reference period or thereafter and through and including the date upon which the relevant transaction is consummated) shall be deemed to have been issued, incurred, assumed or permanently repaid at the beginning of such period, (y) Consolidated Interest Expense of such person attributable to interest on any Indebtedness, for which pro forma effect is being given as provided in the preceding clause (x), bearing floating interest rates shall be computed on a pro forma basis as if the rates that would have been in effect during the period for which pro forma effect is being given had been actually in effect during such periods, and (z) in giving effect to clause (i) above with respect to each New Project which commences operations and records not less than one full fiscal quarter's operations during the reference period, the operating results of such New Project shall be annualized on a straight line basis during such period, taking into account any seasonality adjustments determined by the Borrower in good faith, and (iii) (A) any Subsidiary Redesignation then being designated, effect shall be given to such Subsidiary Redesignation and all other Subsidiary Redesignations after the first day of the relevant reference period and on or prior to the date of the respective Subsidiary Redesignation then being designated, collectively, and (B) any designation of a Subsidiary as an Unrestricted Subsidiary, effect shall be given to such designation and all other designations of Subsidiaries as unrestricted subsidiaries after the first day of the relevant Reference Period and on or prior to the date of the then applicable designation of a subsidiary as an unrestricted subsidiary, collectively.

Pro forma calculations made pursuant to the definition of the term "Pro Forma Basis" shall be determined in good faith by a Responsible Officer of the Borrower and may include adjustments to reflect operating expense reductions and other operating improvements, synergies or cost savings reasonably expected to result from any relevant pro forma event (including, to the extent applicable, the transactions) to the extent such adjustments, without duplication, continue to be applicable to such reference period.

For purposes of this definition, any amount in a currency other than Dollars will be converted to Dollars based on the average exchange rate for such currency for the most recent twelve month

period immediately prior to the date of determination in a manner consistent with that used in calculating Consolidated EBITDA for the applicable period.

"Working Capital" shall mean, with respect to the Borrower and its restricted subsidiaries on a consolidated basis at any date of determination, Current Assets at such date of determination minus Current Liabilities at such date of determination; provided, that, for purposes of calculating Excess Cash Flow, increases or decreases in Working Capital shall be calculated without regard to any changes in Current Assets or Current Liabilities as a result of (a) any reclassification in accordance with GAAP of assets or liabilities, as applicable, between current and noncurrent or (b) the effects of purchase accounting

Exhibit D

Exit Revolver Facility Term Sheet

EXECUTION VERSION

TERM SHEET
(ABL)

$200 million ABL Facility

Summary of Terms and Conditions

This Summary of ABL Terms and Conditions ("***ABL Term Sheet***"), summarizes certain terms and conditions of the ABL Facility (as defined below) that are to be entered into in connection with the Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code (the "***Plan***") of Cengage Learning, Inc. (the "***Company***") and certain of the Company's affiliates, each such affiliate, a debtor and debtor-in-possession (collectively, the "***Debtors***") in a case (collectively, the "***Chapter 11 Cases***") currently pending in the United States Bankruptcy Court for the Eastern District of New York (the "***Bankruptcy Court***"). It is intended that all material terms of the facilities described herein are herein set forth and matters that are not expressly set out in this ABL Term Sheet are subject to mutual agreement of the parties.

Senior Secured Asset-Based Revolving Credit Facility:	A non-amortizing asset-based revolving credit facility in an aggregate principal amount of $200 million (the "***ABL Facility***"), subject to availability as described under the heading "Availability" below, which will become effective as of the same date as the date of funding (the date of such funding, the "***Closing Date***") of the $1.5-1.75 billion senior secured term loan facility (the "***Term Exit Facility***"). All loans outstanding under the ABL Facility (the "***ABL Loans***") shall become due and payable on the ABL Maturity Date (as defined below).
Parent:	Cengage Learning Holdings II, L.P., which will be converted into a corporation in connection with the consummation of the Plan (the "***Parent***").
Borrower:	Cengage Learning Acquisitions, Inc., a wholly-owned subsidiary of Parent or Intermediate Co. (the "***Borrower***").
Guarantors:	All obligations of the Borrower under the ABL Facility and under any interest rate protection or other swap or hedging arrangements or cash management arrangements entered into with a Lender, the Agent or any affiliate of a Lender or the Agent ("***Hedging/Cash Management Arrangements***") will be unconditionally guaranteed jointly and severally on a senior secured basis (the "***Guarantees***") by Parent, a newly formed or existing direct, wholly-owned subsidiary of Parent ("***Inter-***

mediate Co.") and direct parent company of the Borrower, and each existing and subsequently acquired or organized restricted subsidiary (other than any excluded subsidiary) that is a wholly-owned material domestic restricted subsidiary of the Borrower, other than any domestic subsidiary of a direct or indirect foreign subsidiary (collectively, the "***Guarantors***"); *provided* that none of the following shall constitute a Guarantor (a) any subsidiary of Parent, to the extent the provision of a Guarantee by such subsidiary would result in material adverse tax consequences to the Parent and its subsidiaries as determined by the Parent, in consultation with the Agent, (b) Immaterial Subsidiaries (to be mutually defined), (c) captive insurance companies, (d) special purpose entities, (e) any subsidiary that is prohibited by applicable law, rule or regulation or by any contractual obligation existing on the Closing Date (as defined below) from guaranteeing the ABL Facility or which would require governmental (including regulatory) consent, approval, license or authorization to provide a Guarantee unless such consent, approval, license or authorization has been received prior to the Closing Date and (f) any restricted subsidiary acquired pursuant to a Permitted Acquisition (as defined below) financed with secured indebtedness permitted to be incurred pursuant to the ABL Facility Documentation as assumed indebtedness (and not incurred in contemplation of such Permitted Acquisition) and any restricted subsidiary thereof that guarantees such indebtedness, in each case to the extent such secured indebtedness prohibits such subsidiary from becoming a Guarantor or enter into a Guarantee.

Notwithstanding the foregoing, subsidiaries of the Parent may be excluded from the guarantee requirements in circumstances where the Borrower and the Agent reasonably agree that the cost of providing such Guarantee or of providing collateral security to secure such Guarantee is excessive in relation to the value afforded thereby.

The Guarantors and the Borrower are collectively referred to herein as the "***Loan Parties***" and shall exclude "***Excluded Subsidiaries***" (to be defined in a manner to be mutually agreed).

Administrative Agent and Collateral Agent:

An affiliate of Citigroup Global Markets Inc. (in such capacity, the "***ABL Agent***").

ABL Lead Arrangers and Bookrunners:	Citigroup Global Markets Inc. ("***Citi***"), Morgan Stanley Senior Funding, Inc. ("***MSSF***"), Deutsche Bank Securities Inc. ("***DBSI***"), Credit Suisse Securities (USA) LLC ("***Credit Suisse***") and KKR Capital Markets LLC ("***KKR***") (in such capacity, the "***ABL Arrangers***").
Lenders:	Such institutions that may become parties to the financing arrangements from time to time as Lenders as are reasonably acceptable to the Company (excluding any Disqualified Lender (as defined below)) with respect to the ABL Facility (collectively, "***Lenders***"). ***"Disqualified Lenders***" shall mean (x) any financial institutions and entities identified by the Borrower to the ABL Arrangers by name in writing on or prior to the syndication launch and (y) any competitors of the Borrower or affiliates of such competitors identified by the Borrower by name in writing but excluding (in the case of clause (y)) bona fide debt funds.
Incremental ABL Facility:	Provided that the representations and warranties in the ABL Facility Documentation shall be true and correct in all material respects (except that any representation and warranty that is qualified as to "materiality" or "Material Adverse Effect" shall be true and correct in all respects) and there is no default or event of default then existing or would, arise therefrom, the Borrower shall be entitled on one or more occasions (in minimum amounts to be agreed) to request that the aggregate commitments under the ABL Facility be increased in an aggregate principal amount not to exceed the sum of the aggregate of $100 million plus all voluntary permanent commitment reductions of the ABL Facility prior to the date of such incurrence (any such increase, an "***Incremental ABL Facility***"), it being understood that no Lender shall have any obligation to provide any portion of such Incremental ABL Facility. The terms of each Incremental ABL Facility shall be identical to the ABL Facility and each Incremental ABL Facility shall upon its effectiveness be added to (and be made a part of) the ABL Facility (in each case with customary "Sungard" exceptions if proceeds are being used for an acquisition). The financial institutions party to any Incremental ABL Facility that are not already Lenders shall be subject to the consent of the ABL Agent, the Issuing Banks and, so long as there is no bankruptcy or payment event of default then existing, the

Borrower (such consent not to be unreasonably withheld or delayed).

Swingline Loans:

The ABL Agent (in such capacity, the "***Swingline Lender***") shall make available to the Borrower a swingline facility to be available as swingline loans ("***Swingline Loans***") with a sub-limit outstanding at any time of $25 million under which the Borrower may make short-term borrowings in dollars upon same-day notice (in minimum amounts to be mutually agreed upon and integral multiples to be agreed upon). Any such swingline borrowings will reduce availability under the ABL Facility on a dollar-for-dollar basis.

Upon notice from the Swingline Lender, the ABL Lenders will be unconditionally obligated to purchase participations in any Swingline Loan pro rata based upon their commitments under the ABL Facility.

If any ABL Lender becomes a "defaulting Lender", then the swingline exposure of such defaulting Lender will automatically be reallocated among the non-defaulting Lenders pro rata in accordance with their commitments under the ABL Facility up to an amount such that the ABL credit exposure of such non-defaulting Lender does not exceed its commitments. In the event such reallocation does not fully cover the exposure of such defaulting Lender, the Swingline Lender may require the Borrower to repay such "uncovered" exposure in respect of the Swingline Loans and will have no obligation to make Swingline Loans to the extent such Swingline Loans would exceed the commitments of the non-defaulting ABL Lenders.

Letters of Credit:

Up to $50 million of the ABL Facility will be available to the Borrower in the form of letters of credit ("***LCs***"). LCs will be issued by the ABL Arrangers and/or one or more of its designees approved by the Borrower as follows, 29.5% by Citi, 23.5% by MSSF, 23.5% by Deutsche Bank AG New York Branch and 23.5% by Credit Suisse (in such capacity, the "***Issuing Banks***"). Each LC shall expire not later than the earlier of (a) 12 months after its date of issuance or such longer period of time as may be agreed by the applicable Issuing Bank and (b) the fifth business day prior to the final maturity of the ABL Facility; provided that any letter of credit may provide for renewal thereof for additional periods of up to 12 months or such longer period of time as may be agreed by the applicable Issuing Bank (which in no event shall extend beyond the date referred to in clause (b) above, except to the extent cash collateralized or backstopped pursuant to arrangements rea-

sonably acceptable to the relevant Issuing Banks). Any outstanding or drawn (and unreimbursed) LC will reduce availability under the ABL Facility on a dollar-for-dollar basis.

Drawings under any LC shall be reimbursed by the Borrower (whether with its own funds or with the proceeds of borrowings under the ABL Facility) within one business day. To the extent that the Borrower does not reimburse an Issuing Bank within the time period specified above, the Lenders under the ABL Facility shall be irrevocably and unconditionally obligated to reimburse such Issuing Bank pro rata based upon their respective ABL Facility commitments.

If any ABL Lender becomes a "defaulting Lender", then the ABL Facility LC exposure of such defaulting ABL Lender will automatically be reallocated among the non-defaulting ABL Lenders pro rata in accordance with their commitments under the ABL Facility up to an amount such that the ABL credit exposure of such non-defaulting ABL Lender does not exceed its commitments. In the event that such reallocation does not fully cover the exposure of such defaulting ABL Lender, the applicable Issuing Bank may require the Borrower to cash collateralize such "uncovered" exposure in respect of each outstanding LC and will have no obligation to issue new LCs, or to extend, renew or amend existing LCs to the extent LC exposure would exceed the commitments of the non-defaulting ABL Lenders, unless such "uncovered" exposure is cash collateralized to the Issuing Bank's reasonable satisfaction.

Multicurrency Option: ABL Loans and LCs will be available in U.S. Dollars, and may be available in other currencies to be agreed by all ABL Arrangers.

Mandatory Prepayments: If at any time the sum of the amounts outstanding under the ABL Facility (including the letter of credit outstandings (except to the extent cash collateralized or backstopped) and swingline loans thereunder) exceeds the lesser of (a) the Borrowing Base as in effect at such time and (b) the aggregate commitments under the ABL Facility as in effect at such time, prepayments of ABL Loans and/or Swingline Loans (and/or the cash collateralization of LCs) shall be required in an amount equal to such excess. The above-described mandatory prepayments shall not reduce the aggregate amount of commitments under the ABL Facility and amounts prepaid may be reborrowed.

Optional Prepayments:	Voluntary reductions of the unutilized portion of the ABL Facility commitments and voluntary prepayments of ABL Loans will be permitted at any time in minimum principal amounts to be agreed upon, without premium or penalty, subject to reimbursement of the ABL Lenders' reasonable and documented redeployment costs in the case of a prepayment of Adjusted LIBOR borrowings other than on the last day of the relevant interest period.
Use of Proceeds:	To be available after the Closing Date to (i) issue new LCs and (ii) finance the ongoing working capital, capital expenditure and general corporate needs of the Loan Parties.[1]
Fees and Interest Rates:	As set forth on Annex I.
Availability:	Availability under the ABL Facility (the "***Availability***") will be equal to the lesser of (a) the then available unutilized commitments under the ABL Facility and (b) the then available unutilized Borrowing Base (as defined below). "***Borrowing Base***" shall mean (a) 65% of eligible credit card and other eligible receivables, plus (b) 85% of the appraised net orderly liquidation value (as defined below, "***NOLV***") of eligible inventory, plus (c) 100% of eligible cash up to an amount to be agreed held in deposit accounts maintained with the ABL Agent and subject to the provisions of the section below entitled "Cash Management/Cash Dominion", less (d) such Reserves (as defined below, "***Reserves***") established by the Agent in its Permitted Discretion (as defined below, "***Permitted Discretion***") subject to customary limitations to be set forth in the ABL Facility Documentation. "***NOLV***" means the net appraised recovery value of eligible inventory as set forth in the Borrower's stock ledger (expressed as a percentage of the cost of such inventory) as reasonably determined from time to time by reference to the most recent appraisal received by the ABL Agent conducted by an independent appraiser reasonably satisfactory to the ABL Agent. "***Reserves***" shall mean the sum of all reserves (including availability reserves), in such amounts and with respect to such matters, as the ABL Agent may establish from time to time in its Permitted Discretion; provided, however, that (i) a reserve shall

[1] Minimum requirement at closing of unrestricted cash and cash equivalents of $50 million.

not be established to the extent it is duplicative of any other reserves or items that are otherwise excluded through eligibility criteria, (ii) the amount of any reserve shall have a reasonable relationship as determined by the ABL Agent in its Permitted Discretion to the event, condition or other matter that is the basis therefor and (iii) such reserves shall only be established based on an event, condition or other circumstance arising on or after the Closing Date.

"***Permitted Discretion***" shall mean a determination made in good faith and in the exercise of reasonable (from the perspective of a secured asset-based lender) business judgment by the ABL Agent in accordance with customary business practices for comparable asset-based transactions. In exercising its Permitted Discretion, the ABL Agent shall not establish or increase any Reserve except upon 3 business days' prior notice (which may be by e-mail) to the Borrower; provided further that prior notice shall not be required for Reserves for: (a) hedging obligations and obligations under treasury services agreements, in each case to the extent included in secured obligations; (b) rent at locations leased by the Borrower or any Guarantor at which Inventory Collateral (as defined below) is stored not subject to a collateral access agreement reasonably satisfactory to the ABL Agent; (c) consignee's, warehousemen's and bailee's charges; and (d) if in the good faith judgment of the ABL Agent, failure to implement such Reserve immediately could reasonably be expected to result in a Material Adverse Effect or materially and adversely affect the Collateral or the rights of the Lenders hereunder.

The Borrowing Base shall be computed on a monthly basis pursuant to a monthly borrowing base certificate to be delivered by the Borrower to the ABL Agent on the twentieth day of each month (or if during a Cash Dominion Period on a more frequent basis (but not more frequently than weekly) as shall be reasonably determined by the ABL Agent).

Eligibility criteria and reserves (including hedging reserves, if applicable) shall be consistent with the ABL Documentation Principles and shall initially be based on field exams and on appraisals conducted by the ABL Lead Arranger or third parties reasonably satisfactory to it and completed prior to the Closing Date (collectively, the "***Initial Field Exams and Appraisals***").

Maturity: The ABL Facility will mature, and the lending commitments thereunder will terminate, on the fifth anniversary of the Clos-

	ing Date (the "***ABL Maturity Date***"); provided that the ABL Documentation shall provide the right of individual ABL Lenders to agree to extend the maturity of their commitments upon the request of the Borrower and without the consent of any other ABL Lender (it being understood that each ABL Lender under a tranche of ABL commitments that is being extended shall have the opportunity to participate in such extension on the same terms and conditions as each other ABL Lender under such tranche).
Amortization:	None.
Collateral:	Subject to the limitations set forth below, obligations of the Borrowers under the ABL Facility, the Guarantees, any interest rate protection or other hedging arrangements entered into with any Lender, ABL Agent or any affiliate of any Lender or ABL Agent specifically designated as "ABL Pari Passu Secured Hedging Arrangements" (at the option of the Borrower, subject to customary procedures to be agreed) and the cash management obligations owing to any Lender, the ABL Agent or any affiliate of any Lender or the ABL Agent (at the option of the Borrower, subject to customary procedures to be agreed) will be secured (a) by a perfected first-priority (subject to permitted liens, including in respect of the Exit Facilities, and other exceptions to be agreed) security interest in the following: (i) all personal property of the Borrower and the Guarantors consisting of accounts receivable (including those arising from the sale of inventory and other goods and services including downloads of titles to customers but excluding those arising from the sale or other disposition of Term Priority Collateral), cash, deposit and securities accounts, including all amounts and property contained or on deposit therein or credited thereto (in each case, other than to the extent containing or constituting identifiable proceeds of Term Priority Collateral), tax refunds and related tax payments and, in each case, proceeds of the foregoing, subject to customary exceptions consistent with the ABL Documentation Principles (the "***Current Asset Collateral***"), (ii) substantially all currently owned and after acquired physical inventory of the Borrower and the Guarantors and proceeds thereof (the "***Inventory Collateral***"), (iii) the right to use on a non-exclusive basis trademarks, tradenames and other intellectual property in connection with the sale of inventory or accounts receivable under a royalty free license agreement, (iv) software or applications provided in connection with any "bundled" product or textbook now or in the future sold by the Borrower and the Guarantors, including all access codes for digital homework solutions and rights

relating thereto, including, but not limited to, as maintained on any data backup or disaster recovery site, and (v) general intangibles (other than capital stock, intercompany debt and intellectual property), supporting obligations, documents, chattel paper, commercial tort claims, books, records and instruments in each case governing, evidencing, relating to, or arising in connection with the sale of any ABL Priority Collateral, and proceeds of all of the foregoing, in each case, subject to permitted liens and to exceptions (including the Excluded Assets (as defined below)) and limitations consistent with the ABL Documentation Principles (the foregoing, collectively, the "***ABL Priority Collateral***") and (b) a perfected second-priority (i) pledge of all the capital stock in subsidiaries held by Parent, Intermediate Co., the Borrower and the Guarantors (*provided* that, (x) in the case of any capital stock of any foreign subsidiary that is owned by the Borrower or any Guarantor that is a domestic subsidiary of Parent, such pledge shall be limited to 65% of the voting stock of first-tier foreign subsidiary, (y) equity interests in other subsidiaries of the Borrower and the Guarantors shall not be pledged to the extent prohibited under applicable law and (z) the capital stock of non-wholly owned subsidiaries shall not be pledged to the extent prohibited by the terms of such subsidiary's organizational documents or related agreements, in the case of clauses (x) and (y), after giving effect to the applicable anti-assignment provisions of the Uniform Commercial Code or other applicable law and other than proceeds and receivables thereof, the assignment of which is expressly deemed effective under the Uniform Commercial Code or other applicable law notwithstanding such prohibition), (ii) security interests in, and mortgages on, fee owned real property above a threshold to be agreed and (iii) a security interest in substantially all tangible and intangible personal property not constituting ABL Priority Collateral of the Borrower and each subsidiary Guarantor (as to which a first-priority perfected security interest shall exist), in each case, subject to permitted liens and to exceptions and limitations consistent with the ABL Facility Documentation Principles (such collateral described in clauses b(i), b(ii) and b(iii), the "***Term Priority Collateral***", and together with the ABL Priority Collateral, the "***Collateral***").

Notwithstanding anything to the contrary, the Collateral shall exclude the following: (i) any fee owned real property with a value of less than an amount to be agreed (with any required mortgages being permitted to be delivered post-closing) and all real property leasehold interests (including landlord waivers other than to the extent required to comply with the bor-

rowing base requirements of the ABL Facility, provided that the failure to provide a landlord waiver will only result in the creation of a rent reserve, not a default or event of default); (ii) motor vehicles and other assets subject to certificates of title, (iii) letter of credit rights (except to the extent a security interest therein can be perfected by the filing of Uniform Commercial Code financing statements) and commercial tort claims below an amount to be agreed; (iv) pledges and security interests prohibited by applicable law, rule or regulation or agreements with any governmental authority or which would require governmental (including regulatory) consent, approval, license or authorization to provide such security interest unless such consent, approval, license or authorization has been received, in each case after giving effect to the applicable anti-assignment provisions of the Uniform Commercial Code or other applicable law and other than proceeds and receivables thereof, the assignment of which is expressly deemed effective under the Uniform Commercial Code or other applicable law notwithstanding such prohibition; (v) equity interests in any person other than wholly owned restricted subsidiaries to the extent not permitted by the terms of such subsidiary's organizational or joint venture documents after giving effect to the applicable anti-assignment provisions of the Uniform Commercial Code or other applicable law and other than proceeds and receivables thereof, the assignment of which is expressly deemed effective under the Uniform Commercial Code or other applicable law notwithstanding such prohibition; (vi) assets to the extent a security interest in such assets would result in a material adverse tax consequence, as reasonably determined by the Borrower and with the consent of the ABL Agent (not to be unreasonably withheld or delayed), it being understood that 100% of the non-voting equity interest and no more than 65% of the voting equity interests, if any, of any first-tier foreign subsidiary owned directly by the Borrower or a Guarantor shall be included in the Collateral; (vii) except to the extent a security interest therein can be perfected by the filing of Uniform Commercial Code financing statements and other than cash and cash equivalents representing proceeds of other "Collateral," assets specifically requiring perfection through control agreements except as set forth under "Cash Management/Cash Dominion" below; (viii) stock and assets of unrestricted subsidiaries; (ix) any lease, license or other agreement or any property subject to a purchase money security interest or similar arrangement permitted by the ABL Facility Documentation to the extent that a grant of a security interest therein would violate or invalidate such lease, license or agreement

or purchase money arrangement or create a right of termination in favor of, or require the consent of, any other party thereto (other than the Parent, Intermediate Co., the Borrower or a Guarantor) after giving effect to the applicable anti-assignment provisions of the Uniform Commercial Code, other than proceeds and receivables thereof, the assignment of which is expressly deemed effective under the Uniform Commercial Code notwithstanding such prohibition; and (x) those assets as to which the ABL Agent in consultation with the Borrower reasonably determines that the burden or cost of obtaining such a security interest or perfection thereof outweighs the benefit to the Lenders of the security to be afforded thereby. The foregoing described in clauses (i) through (x) are, collectively, the "***Excluded Assets***". No Excluded Assets shall be included in determining the Borrowing Base.

Notwithstanding anything to the contrary, the Borrower and the Guarantors shall not be required, nor shall the ABL Agent be authorized, (i) to perfect the above-described pledges, security interests and mortgages by any means other than through (A) filings pursuant to the Uniform Commercial Code in the office of the secretary of state (or similar central filing office) of the relevant State(s) and filings in the applicable real estate records with respect to mortgaged properties or any fixtures relating to mortgaged properties, (B) filings in United States government offices with respect to intellectual property as expressly required in the ABL Facility Documentation, (C) mortgages in respect of fee-owned real property with a fair market value in excess of an amount to be agreed, (D) delivery to the ABL Agent (or the Agent under the Term Exit Facility on its behalf pursuant to the Intercreditor Agreement) to be held in its possession of all Collateral consisting of intercompany notes, stock certificates of the Borrower and its and the Guarantors' subsidiaries and instruments, in each case as expressly required in the ABL Facility Documentation, (E) control agreements in respect of deposit accounts and securities accounts as provided in clause (ii) below or (F) necessary perfection steps with respect to commercial tort claims or letters of credit over a materiality threshold to be mutually agreed, (ii) to enter into any deposit account control agreement or securities account control agreement with respect to any deposit account or securities account except as expressly set forth under "Cash Management/Cash Dominion" below or (iii) to take any action (other than the actions listed in clause (i)(A), (D) and (F) above) with respect to any assets located outside of the United States (it being understood that there shall be no secu-

rity agreements or pledge agreements governed under the laws of any jurisdiction other than the United States).

All the above-described pledges, security interests and mortgages shall be created on terms, and pursuant to documentation, consistent with the ABL Documentation Principles and subject to exceptions permitted under the ABL Facility Documentation (as defined below).

Intercreditor Matters: The relative rights and priorities in the ABL Priority Collateral and in the Term Priority Collateral and among the Lenders under the ABL Facility and the Lenders under the Term Exit Facility will be set forth in a customary intercreditor agreement reasonably acceptable to the ABL Agent and Credit Suisse AG, Cayman Islands Branch, as administrative agent and collateral agent under the Term Exit Facility (in such capacity, the "***Term Agent***") (the "***Intercreditor Agreement***").

Cash Management/ Cash Dominion: The Borrower and Guarantors shall deliver account control agreements on the Borrower's and Guarantors' concentration accounts designated to hold cash proceeds of ABL Priority Collateral and other accounts to be mutually determined within 60 days after the Closing Date, subject to extensions agreed to by the ABL Agent. During a Cash Dominion Period (as defined below), amounts in controlled concentration accounts will be swept into a core concentration account maintained with the ABL Agent, subject to customary exceptions and thresholds and consistent with the ABL Documentation Principles. "***Cash Dominion Period***" means (a) the period from the date Excess Availability shall have been, for 3 consecutive business days, less than the greater of (i) $25 million (such amount to be increased by 12.5% of any increase in the commitments under the ABL Facility) and (ii) 12.5% of the lesser of (x) the Borrowing Base and (y) the commitments with respect to the ABL Facility for 3 consecutive business days to the date that Excess Availability shall have been, for 30 consecutive calendar days, at least the greater of (i) $25 million (such amount to be increased by 12.5% of any increase in the commitments under the ABL Facility) and (ii) 12.5% of the lesser of (x) the Borrowing Base and (y) the commitments with respect to the ABL Facility (a "***Liquidity Condition***") or (b) following the occurrence of (1) any payment event of default, (2) an event of default arising from the failure: to deliver Borrowing Base certificates or comply with cash management obligations or (3) any bankruptcy event of default (collectively, the "***Specified Defaults***"), for the period that such event of

default shall be continuing. The ABL Agent shall be obligated to release cash control upon the termination of any Cash Dominion Period.

"***Excess Availability***" shall mean, at any time, the remainder of (a) the lesser of (i) the commitments and (ii) the Borrowing Base as then in effect, minus (b) the sum of (i) the aggregate principal amount of all ABL Loans and Swingline Loans then outstanding and (ii) all LCs (except to the extent cash collateralized or backstopped) at such time (plus, without duplication, all unreimbursed disbursements with respect to any letters of credit).

Documentation Principles: The definitive documentation with respect to the ABL Facility (the "***ABL Facility Documentation***") will contain conditions to borrowing, definitions, representations, warranties, covenants and events of default generally based on the final documentation of the Term Exit Facility, with such changes and modifications as (a) reflect the terms set forth in this ABL Facility Term Sheet, (b) are otherwise customary for an ABL facility, (c) reflect operational, agency, amendment and waiver, assignment and related provisions not specifically set forth herein but not in contravention of anything specifically set forth in this ABL Facility Term Sheet, (d) needed to conform to Company structure at exit and (e) are mutually agreed, in light of then prevailing market conditions, if necessary in connection with the syndication of the ABL Facility (collectively, the "***ABL Documentation Principles***").

Representations and Warranties: Limited to the following (to be applicable to the Borrower and its restricted subsidiaries only and in cases that are mutually agreed to be applicable to Parent and Intermediate Co.): organizational status and good standing; power and authority, qualification, execution, delivery, binding effect and enforceability of the ABL Facility Documentation; with respect to the ABL Facility Documentation, no violation of, or conflict with, law, organizational documents or agreements; compliance with law; litigation; margin regulations; governmental and material third-party approvals; Investment Company Act; accurate and complete disclosure; accuracy of historical and pro forma financial statements and Borrowing Base certificates; no material adverse change (after the Closing Date); taxes; ERISA; employee and labor relations; subsidiaries; intellectual property; environmental laws; ownership of properties; senior debt; creation, perfection and validity of security interests (subject to permitted liens and other exceptions to perfection

to be mutually agreed); and consolidated Closing Date solvency of the Borrower and its subsidiaries, OFAC, FCPA, Patriot Act, subject, in the case of each of the foregoing representations and warranties, to customary qualifications and limitations for materiality to be provided in the ABL Facility Documentation.

Affirmative Covenants: Limited to the following (to be applicable to the Borrower and its restricted subsidiaries only except for further assurances on collateral, which shall also be applicable to Parent and Intermediate Co.): delivery of annual audited and quarterly unaudited financial statements (which such financial statements will be delivered within (i) in the case of the annual audited financial statements, 150 days after fiscal year end for the first fiscal year ended after the Closing Date and 90 days after fiscal year end for fiscal year thereafter and (ii) in the case of quarterly financial statements, 90 days after quarter end for the first fiscal quarter ended after the Closing Date and 45 days for each quarter ended thereafter), accountants' letters, officers certificates and other information reasonably requested by the Agent, as the case may be; notices of defaults, material litigation and material adverse changes; maintenance of property (subject to casualty, condemnation and normal wear and tear) and customary insurance (but not, for the avoidance of doubt, flood insurance except to the extent required by applicable law); maintenance of existence and corporate franchises, rights, licenses and privileges; maintenance and inspection of books and records; payment of taxes and similar claims; compliance with laws (including OFAC, Patriot Act and FCPA) and regulations; additional Guarantors and Collateral (subject to certain limitations); use of proceeds; and further assurances on collateral matters; delivery of monthly Borrowing Base certificates (subject to more frequent delivery (but not more frequently than weekly) as reasonably determined by the ABL Agent during a Cash Dominion Period or upon certain events of default consistent with the ABL Documentation Principles) and quarterly covenant compliance certificates (whether or not the financial covenant is in effect); and permit annual third-party audit, field examinations and appraisal rights consistent with the ABL Documentation Principles (provided that the ABL Agent shall be entitled to conduct two third-party audits, field examinations and one third-party appraisal at the Borrower's expense annually and an additional third-party audit and/or appraisal at the Borrower's expense in any one year period if the Borrower has Excess Availability under the ABL Facility of less than the greater of $30 million (such amount

to be increased by 15% of any increase in the commitments under the ABL Facility) and 15% of the lesser of (x) the Borrowing Base and (y) the commitments with respect to the ABL Facility; provided further, that following the occurrence and during the continuation of an event of default, such audits and/or appraisals may be conducted at the Borrower's expense as many times as the ABL Agent shall consider reasonably necessary; and subject, in the case of each of the foregoing covenants, to exceptions and qualifications to be provided in the ABL Facility Documentation.

Negative Covenants: Limited to (to be applicable to the Borrower and its restricted subsidiaries) limitations on:

(a) the incurrence of debt;

(b) liens;

(c) fundamental changes;

(d) asset sales (including sales of capital stock of restricted subsidiaries) and sale leasebacks;

(e) investments, and acquisitions (which shall be permitted by Guarantors in the indebtedness and equity interests of non-Guarantors in connection with the post-closing restructuring);

(f) dividends or distributions on, or redemptions of, the Borrower's equity interests (which shall include customary exceptions for taxes, other overhead expenses of direct and indirect parents thereof attributable to the ownership of the Borrower and its subsidiaries);

(g) change in nature of business;

(h) transactions with affiliates;

(i) prepayments of junior indebtedness or first lien or pari passu credit facility indebtedness (other than as provided in clause (j) below and other customary exceptions to be agreed);

(j) voluntary prepayments of indebtedness under the Term Exit Facility or other first lien or pari passu credit facility unless the Payment Conditions are satisfied and as provided below and subject to other customary exceptions to be agreed;

(k) modifications and amendments of junior indebtedness or first lien or pari passu credit facility indebtedness (other than as provided in clause (l) below) which are materially adverse to the Lenders;

(l) modifications and amendments of indebtedness under the Term Exit Facility which would adversely affect the ABL Priority Collateral, the Borrowing Base or the ability to make any payments required under the ABL Facility;

(m) amendments of organizational documents which are materially adverse to the Lenders; and

(n) burdensome agreements and negative pledge clauses.

Notwithstanding the foregoing, the ABL Facility Documentation will, among other exceptions, permit (i) dividends and other payments in respect of capital stock, (ii) permitted acquisitions, and debt assumed or incurred in connection therewith, subject to pari and senior lien restrictions on ABL Priority Collateral, (iii) unsecured, non-amortizing long-term debt and (iv) a basket for the repurchase of Term Loans, subject to only the following conditions (such conditions, collectively the "***Payment Conditions***"):

(a) no event of default is then continuing;

(b) the Borrower has pro forma Excess Availability equal to the greater of (x) $30 million (such amount to be increased by 15% of any increase in the commitments under the ABL Facility) and (y) 15.0% of the lesser of (1) the commitments with respect to the ABL Facility and (2) the Borrowing Base on such date; and

(c) the Borrower has a pro forma Fixed Charge Coverage Ratio (with such Fixed Charge Coverage Ratio to be tested quarterly for the four fiscal quarters then ended) of greater than 1.00 to 1.00, provided that the condition set forth in this clause (c) shall not apply if the Borrower has pro forma Excess Availability equal to the greater of (x) $40 million (such amount to be increased by 20% of any increase in the commitments under the ABL Facility) and (y) 20.0% of the lesser of (1) the commitments with respect to the ABL Facility and (2) the Borrowing Base.

Financial Covenant: None, as long as Excess Availability is not less than the greater of (a) 10.0% of the lesser of (i) the Borrowing Base or (ii) the commitments with respect to the ABL Facility, and (b) $20

million (such amount to be increased by 10% of any increase in the commitments under the ABL Facility). In the event that Excess Availability falls below such threshold, the Borrower will not permit the Fixed Charge Coverage Ratio (for the four fiscal quarter period most recently ended for which the Borrower has delivered financial statements) to be less than 1.00 to 1.00. Once tested, the financial covenant shall continue to be tested quarterly until the Borrower exceeds the threshold for 30 consecutive days.

For purposes of determining compliance with the financial covenant, any cash equity (which to the extent constituting other than common equity will be on terms and conditions reasonably acceptable to the ABL Agent) contribution made to Parent after the beginning of the relevant fiscal quarter after the Closing Date and on or prior to the day that is (i) with respect to a breach of the financial Fixed Charge Coverage ratio that occurs on the date that such financial covenant is triggered, the date that is ten (10) days after such trigger date or (ii) otherwise, the date that is ten (10) days after the date on which financial statements are required to be delivered for such fiscal quarter will, at the request of Parent, be included in the calculation of EBITDA for the purposes of determining compliance with the financial covenant at the end of such fiscal quarter and applicable subsequent periods which include such fiscal quarter (any such equity contribution so included in the calculation of EBITDA, a "***Specified Equity Contribution***"), provided that (a) in each four consecutive fiscal quarter period, there shall be at least two consecutive fiscal quarters in respect of which no Specified Equity Contribution is made, (b) no more than five Specified Equity Contributions may be made during the term of the ABL Facility, (c) the amount of any Specified Equity Contribution shall be no greater than the amount required to cause the Borrower to be in compliance with the financial covenant, (d) any reduction in indebtedness with the proceeds of any Specified Equity Contribution shall be ignored for purposes of determining compliance with the financial covenant, (e) all Specified Equity Contributions shall be disregarded for the purposes of determining pricing, financial ratio-based conditions or any baskets with respect to the covenants contained in the ABL Facility, and (f) the proceeds of any such Specified Equity Contribution shall have been contributed to the Borrower as cash equity.

"***Fixed Charge Coverage Ratio***" means the ratio of (a) Consolidated EBITDA (to be defined in a manner to be mutually agreed) for such Test Period (to be defined in a manner to be

	mutually agreed) minus the unfinanced portion of Capital Expenditures (to be defined in a manner to be mutually agreed) made by the Borrower and the restricted subsidiaries during such Test Period to (b) Consolidated Fixed Charges (to be defined in a manner to be mutually agreed) for such Test Period all calculated for the Borrower and the restricted subsidiaries on a consolidated basis.
Unrestricted Subsidiaries:	The Borrower will have the ability to designate certain subsidiaries as unrestricted subsidiaries in a manner to be mutually agreed (subject to the ABL Documentation Principles). Any subsidiary not designated as an unrestricted subsidiary shall constitute a restricted subsidiary.
Events of Default:	Limited to the following (except as otherwise expressly indicated, to be applicable to the Borrower and its restricted subsidiaries only): nonpayment of principal when due; nonpayment of interest or other amounts after a customary five business day grace period; violation of covenants (subject to a 30 day grace period in the case of affirmative covenants that are capable of cure other than maintenance of existence, notice of default and failure to comply with a Cash Dominion Period which shall have no grace period); incorrectness of representations and warranties in any material respect (subject to a 30 day grace period in the case of misrepresentations that are capable of cure other than misrepresentations with respect to, or which would effect, the Borrowing Base shall have no grace period); cross default and cross acceleration to indebtedness in excess of $50,000,000; bankruptcy or other insolvency events of the Borrower or its material subsidiaries (with a customary grace period for involuntary events); the failure to pay any monetary judgments in excess of $50,000,000, which judgments are not discharged or effectively waived or stayed for a period of 60 consecutive days; ERISA events; actual or asserted invalidity of material guarantees or security documents; failure to deliver a Borrowing Base certificate (subject to a 5-day cure period, provided, however, there shall be no cure period when a Borrowing Base certificate is required to be delivered weekly); and change of control as set forth below.
Change of Control:	The change of control definition will reflect a widely-held-entity style change of control test only.
Conditions Precedent to Initial Borrowing:	The conditions to effectiveness will be those conditions precedent described in Section 3 of the Joinder and ABL Commitment Letter to which this Exhibit A is attached.

Conditions Precedent to Each Borrowing: The making of ABL Loans and the issuance, amendment, modification, renewal or extension of LCs under the ABL Facility, including the initial credit extension thereunder, shall be conditioned upon (a) delivery of notice of borrowing and/or request for issuance of LC, as applicable, (b) Availability (subject to the then applicable Borrowing Base), (c) the accuracy of representations and warranties in all material respects (except that any representation and warranty that is qualified as to "materiality" or "Material Adverse Effect" shall be true and correct in all respects) and (d) the absence of defaults or events of default at the time of, or after giving effect to the making of, such extension of credit.

Expenses and Indemnification: The Borrower shall pay all reasonable and documented or invoiced out-of-pocket costs and expenses of the ABL Agent, the ABL Arrangers and the Issuing Banks (without duplication) associated with the syndication of the ABL Facility and the preparation, execution and delivery, administration, amendment, modification, waiver and/or enforcement of the ABL Facility Documentation (including the reasonable fees, disbursements and other charges of one firm of counsel and one local counsel in applicable jurisdictions, which may include a single counsel acting in multiple jurisdictions) or otherwise retained with the Borrower's consent (such consent not to be unreasonably withheld or delayed)). The Borrower shall pay all reasonable and documented or invoiced out-of-pocket costs and expenses of the Lenders (without duplication) associated with the enforcement of the ABL Facility.

The Borrower will indemnify the ABL Agent, the ABL Arrangers, the Issuing Banks, the Lenders and each of their affiliates, and their respective directors, officers, employees, counsel, agents, trustees, investment advisors and attorneys-in-fact of the foregoing (the "***indemnified persons***"), and hold them harmless from and against any and all losses, liabilities, damages, claims and reasonable and documented or invoiced out-of-pocket fees and expenses (including reasonable fees, disbursements and other charges of one counsel for all indemnified persons and, if necessary, one firm of local counsel in each appropriate jurisdiction (which may include a single special counsel acting in multiple jurisdictions) for all indemnified persons (and, in the case of an actual or reasonably perceived conflict of interest, where the indemnified person affected by such conflict informs the Borrower of such conflict and thereafter retains its own counsel, of another firm of counsel for such affected indemnified person)) of any such indem-

nified person arising out of or relating to any claim or any litigation or other proceeding (regardless of whether such indemnified person is a party thereto and whether or not such proceedings are brought by the Borrower, its equity holders, its affiliates, creditors or any other third person) that relates to the ABL Facility; provided that no indemnified person will be indemnified for any liabilities, obligations, losses, damages, penalties, claims, demands, actions, judgments, suits, costs, expenses or disbursements to the extent it has resulted from (i) the gross negligence, bad faith or willful misconduct of such person or any of its controlled affiliates or controlling persons or any of the officers, directors, employees, agents, advisors, or members of any of the foregoing, in each case who are involved in or aware of the ABL Facility (as determined by a court of competent jurisdiction in a final and non-appealable decision), (ii) a material breach of the ABL Facility Documentation by any such person or one of its affiliates (as determined by a court of competent jurisdiction in a final and non-appealable decision) or (iii) disputes between and among indemnified persons to the extent such disputes do not arise from any act or omission of the Borrower or any of its affiliates (other than claims against an indemnified person acting in its capacity as an agent or arranger, issuing bank or similar role under the ABL Facility unless such claims arise from the gross negligence, bad faith or willful misconduct of such indemnified person, as determined by a court of competent jurisdiction in a final and non-appealable decision).

Governing Law and Forum: New York. Each of the parties shall (i) waive its right to a trial by jury and (ii) submit to exclusive New York jurisdiction.

Cost and Yield Protection: The ABL Facility Documentation will contain customary provisions, including with respect to increased costs, payments free and clear of withholding or other taxes (including a customary exception to the gross-up obligations for withholdings relating to FATCA), capital adequacy and yield protection, including with respect to Dodd Frank and Basel III.

Annex I
Interest Rates and Fees

Interest Rate Options: Borrower may elect that the Loans (other than Swingline Loans) bear interest at a rate per annum equal to:

(i) the Base Rate plus the Applicable Margin; or

(ii) the LIBOR Rate plus the Applicable Margin.

Swingline Loans will bear interest at a rate per annum equal to the Base Rate plus the Applicable Margin.

As used herein:

"***Base Rate***" shall be defined in a manner to be mutually agreed.

"***LIBOR Rate***" shall be defined in a manner to be mutually agreed.

"***Applicable Margin***" means: initially (i) [REDACTED] in the case of LIBOR Rate Loans and (ii) [REDACTED] in the case of Base Rate Loans. Following delivery of the first Borrowing Base certificate for the first full fiscal quarter after the Closing Date, the Applicable Margin shall be based on the grid set forth below (with the Excess Availability dollar amount to be increased on a pro rata basis with the use of the incremental facility):

Pricing Level	Excess Availability	Applicable Margin	
		Base Rate Loans	LIBOR Rate Loans
I	Less than $67 million	[REDACTED]	[REDACTED]
II	Greater than or equal to $67 million but less than $133 million	[REDACTED]	[REDACTED]
III	Greater than $133 million	[REDACTED]	[REDACTED]

	The Borrower may elect interest periods of one week or 1, 2, 3 or 6 months (or, if agreed by all relevant Lenders, 12 months) for adjusted LIBOR borrowings.
Interest Payment Dates:	In the case of Loans bearing interest based upon the Base Rate ("***Base Rate Loans***"), quarterly in arrears. In the case of Loans bearing interest based upon the LIBOR Rate ("***LIBOR Rate Loans***"), on the last day of each relevant interest period, except in the case of any interest period in excess of three months, every three months.
Letter of Credit Fees:	[REDACTED]
Default Rate:	With respect to overdue principal, the applicable interest rate plus 2.00% per annum, and with respect to any other overdue amount (including overdue interest), the interest rate applicable to Base Rate Loans (as defined in Annex I) plus 2.00% per annum and in each case, shall be payable on demand.
Rate and Fee Basis:	All per annum rates shall be calculated on the basis of a year of 360 days and the actual number of days elapsed.
Unused Line Fee:	[REDACTED]
Upfront Fees:	[REDACTED]

Exhibit E

New Certificates of Incorporation

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
[CENGAGE LEARNING, INC.]

I, Kenneth Carson, being an authorized officer of [Cengage Learning, Inc.], a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "Corporation"), do hereby certify as follows:

FIRST: The name of the Corporation is [Cengage Learning, Inc.]

SECOND: The original Certificate of Incorporation of the Corporation was filed with the Secretary of State of Delaware on May 26, 1994.

THIRD: On July 2, 2013, the Corporation and certain of its affiliates filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Bankruptcy Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Eastern District of New York (the "Bankruptcy Court"). On [●], 2014, the Corporation and certain of its affiliates filed that certain Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code (the "Plan"), which was confirmed, as modified, on [●], 2014 by order (the "Order") of the Bankruptcy Court. The Plan, as confirmed by the Order, provides for the amendment and restatement of the Corporation's Certificate of Incorporation in its entirety to read as set forth in Exhibit A attached hereto and made a part hereof (the "Restated Certificate").

FOURTH: The Restated Certificate has been duly adopted in accordance with Sections 242, 245 and 303 of the General Corporation Law of the State of Delaware, pursuant to the authority granted to the Corporation under Section 303 of the General Corporation Law of the State of Delaware to put into effect and carry out the Plan, as confirmed by the Order.

FIFTH: The Restated Certificate has been duly executed and acknowledged by an officer of the Corporation designated by the Order in accordance with the provisions of Sections 242, 245 and 303 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, the undersigned, for the purpose of amending and restating the Certificate of Incorporation of the Corporation pursuant to the General Corporation Law of the State of Delaware, under penalties of perjury does hereby declare and certify that this is the act and deed of the Corporation and the facts stated herein are true, and accordingly has hereunto signed this Amended and Restated Certificate of Incorporation this [●] day of [●], 2014.

[CENGAGE LEARNING, INC.]

By: _____
Name: Kenneth Carson
Title: General Counsel

EXHIBIT A

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF [CENGAGE LEARNING, INC.]

ARTICLE I
NAME

The name of the corporation is [Cengage Learning, Inc.] (hereinafter, the "Corporation").

ARTICLE II
REGISTERED OFFICE AND AGENT

The address of the Corporation's registered office in the State of Delaware is [2711 Centerville Road, Suite 400, Wilmington, DE 19808, in the County of New Castle]. The name of its registered agent at such address is The Corporation Trust Company. The registered office and registered agent of the Corporation may be amended or modified from time to time in accordance with the Bylaws of the Corporation (the "Bylaws").

ARTICLE III
PURPOSE

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware (as the same exists or may hereafter be amended from time to time, the "DGCL").

ARTICLE IV
CAPITAL STOCK

Section 4.1 Authorized Shares. The total number of shares of capital stock that the Corporation shall have authority to issue is [350,000,000] shares, consisting of (i) [300,000,000] shares of common stock, par value $[0.01] per share ("Common Stock"), and (ii) [50,000,000] shares of preferred stock, par value $[0.01] per share ("Preferred Stock"). The number of authorized shares of Preferred Stock or Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority in voting power of the stock of the Corporation entitled to vote thereon irrespective of the provisions of Section 242(b)(2) of the DGCL (or any successor provision thereto), unless the vote of the holders of any of the Common Stock or the Preferred Stock voting separately as a class shall be required therefor pursuant to this Amended and Restated Certificate of Incorporation (including any Preferred Stock Designation (as defined below)).

Section 4.2 Common Stock. Each holder of record of Common Stock shall be entitled to one (1) vote for each share of Common Stock that is registered in such holder's name on the books of the Corporation. The holders of record of Common Stock shall vote together as a single class on all matters on which holders of the Common Stock are entitled to vote except as otherwise required by applicable law. Holders of shares of Common Stock shall be entitled to receive equally, on a per share basis, such dividends or distributions as are lawfully declared on the Common Stock, to have notice of any authorized meeting of holders of Common Stock, and,

upon liquidation, dissolution or winding up of the affairs of the Corporation, to share equally, on a per share basis, in the assets thereof that may be available for distribution after satisfaction of creditors and of the preferences of shares of Preferred Stock. Except as otherwise required by law, holders of Common Stock shall not be entitled to vote on any amendment to this Amended and Restated Certificate of Incorporation (including any certificate of designation relating to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Amended and Restated Certificate of Incorporation (including any Preferred Stock Designation (as defined below)) or pursuant to the DGCL. The authority of the Board of Directors of the Corporation with respect to each series shall include, but not be limited to, determination of the following:

(i) the designation of the series, which may be by distinguishing number, letter or title;

(ii) the number of shares of the series, which number the Board of Directors of the Corporation may thereafter increase or decrease (but not below the number of shares thereof then outstanding);

(iii) the amounts payable on, and the preferences, if any, of shares of the series in respect of dividends, and whether such dividends, if any, shall be cumulative or noncumulative;

(iv) dates at which dividends, if any, shall be payable;

(v) the redemption rights and price or prices, if any, for shares of the series;

(vi) the terms and amount of any sinking fund providing for the purchase or redemption of shares of the series;

(vii) the amounts payable on, and the preferences (if any) of, shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation;

(viii) whether the shares of the series shall be convertible into or exchangeable for shares of any other class or series, or any other security, of the Corporation or any other corporation or entity, and, if so, the specification of such other class or series or such other security, the conversion or exchange price or prices or rate or rates, any adjustments thereof, the date or dates at which such shares shall be convertible or exchangeable and all other terms and conditions upon which such conversion or exchange may be made;

(ix) restrictions on the issuance of shares of the same series or of any other class or series; and

(x) subject to Article IV, Section 4.6, the voting rights and powers of the holders of shares of the series.

Except as otherwise required by law, holders of a series of Preferred Stock, as such, shall be entitled only to such voting rights, if any, as shall be expressly granted thereto by this Amended and Restated Certificate of Incorporation (including any certificate of designation

relating to any series of Preferred Stock). Except as may be provided in this Amended and Restated Certificate of Incorporation or in any Preferred Stock Designation, holders of Preferred Stock shall not be entitled to receive notice of any meeting of stockholders at which they are not entitled to vote.

Section 4.3 Preferred Stock. Shares of Preferred Stock may be issued from time to time in one or more series. The Board of Directors of the Corporation is hereby authorized, to the fullest extent now or hereafter permitted by the laws of the State of Delaware, to provide for the issuance of shares of Preferred Stock in one or more series, to establish from time to time the number of shares to be included in each such series, and to fix the designations, powers, preferences and rights of the shares of each such series and any qualifications, limitations or restrictions thereof (any certificate of designation or resolutions adopted by the Board of Directors of the Corporation designating the designations, powers, preferences and rights of shares of Preferred Stock, a "Preferred Stock Designation"). Except as otherwise required by law, holders of a series of Preferred Stock, as such, shall be entitled only to such voting rights, if any, as shall be expressly granted thereto by this Amended and Restated Certificate of Incorporation (including any Preferred Stock Designation). Except as may be provided in this Amended and Restated Certificate of Incorporation or in any Preferred Stock Designation, holders of Preferred Stock shall not be entitled to receive notice of any meeting of stockholders at which they are not entitled to vote.

Section 4.4 No Preemptive Rights. Subject to preemptive rights, if any, in respect of issuances of capital stock by the Corporation or its subsidiaries of (i) the holders of shares of any class or series of capital stock of the Corporation set forth in that certain [Cengage] Shareholder Agreement, dated as of [●], 2014, by and among the Corporation and each of the stockholders from time to time party thereto, as may be amended from time to time (the "Shareholder Agreement"), or (ii) the holders of shares of any class or series of Preferred Stock then outstanding set forth in the Preferred Stock Designation applicable thereto, no holders of shares of the Corporation shall have any preemptive rights.

Section 4.5 Record Holders. The Corporation shall be entitled to treat the person or entity in whose name any share of its stock is registered as the owner thereof for all purposes and shall not be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person or entity, whether or not the Corporation shall have notice thereof, except as expressly provided by applicable law.

Section 4.6 Nonvoting Stock. To the extent prohibited by Section 1123 of Chapter 11 of the Bankruptcy Code, as amended, the Corporation shall not issue any class or series of nonvoting stock; provided, however, that the foregoing (i) will have no further force and effect beyond that required under Section 1123 of the Bankruptcy Code, (ii) will have such force and effect, if any, only for so long as such Section 1123 is in effect and applicable to the Corporation and (iii) may be amended or eliminated in accordance with applicable law as from time to time in effect. For the purposes of this Article IV, Section 4.6, any class or series of stock that has only such voting rights as are mandated by the DGCL shall be deemed to be nonvoting for purposes of the restrictions of this Article IV, Section 4.6.

ARTICLE V
PERPETUAL EXISTENCE

The Corporation shall have perpetual existence.

ARTICLE VI
BOARD OF DIRECTORS

Section 6.1 General Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors of the Corporation. The Board of Directors of the Corporation shall exercise all of the powers and duties conferred by law except as provided by this Amended and Restated Certificate of Incorporation, the Shareholder Agreement or the Bylaws.

Section 6.2 Number of Directors. The total number of directors constituting the entire Board of Directors of the Corporation shall be not less than three (3) nor more than fifteen (15). Subject to the limits specified in the immediately preceding sentence and as set forth in the Shareholder Agreement, the exact number of directors shall be determined from time to time by the Board of Directors of the Corporation; provided, however, that in no case will a decrease in the number of directors have the effect of removing or shortening the term of any incumbent director.

Section 6.3 Vacancies. Subject to the rights, if any, of the holders of shares of any class or series of Preferred Stock then outstanding to designate a director to fill a vacancy as set forth in the Preferred Stock Designation applicable thereto and the rights of certain holders of Common Stock under the Shareholder Agreement, any vacancy on the Board of Directors of the Corporation resulting from any death, resignation, retirement, disqualification, removal from office, or newly created directorship resulting from any increase in the authorized number of directors or otherwise shall be filled only by the Board of Directors of the Corporation, acting by a majority of the remaining directors then in office, even if less than a quorum, or by a sole remaining director and not by the stockholders. A director elected to fill a vacancy shall hold office until a successor is duly elected and qualified in accordance with the Bylaws or until such director's earlier death, resignation or removal.

Section 6.4 Election of Directors; No Cumulative Voting. Except as otherwise set forth in any Preferred Stock Designation, no stockholder shall be entitled to cumulate votes on behalf of any candidate at any election of directors of the Corporation. Election of directors need not be by written ballot unless the Bylaws so provide.

ARTICLE VII
INDEMNIFICATION

Section 7.1 Right to Indemnity. Each person who was or is made a party or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative, investigative or otherwise (hereinafter, a "proceeding"), by reason of the fact that such person, or a person of whom such person is the legal representative, is or was a director or officer of the Corporation, or while a director or officer of the Corporation is or was serving at the request of the Corporation as a director, officer, employee, fiduciary or agent of

another corporation or of a partnership, joint venture, trust or other enterprise, including, without limitation, service with respect to employee benefit plans maintained or sponsored by the Corporation or any of its subsidiaries (an "Indemnitee"), whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee, fiduciary or agent or in any other capacity while serving as a director, officer, employee, fiduciary or agent, shall be indemnified and held harmless by the Corporation to the fullest extent which it is empowered to do so by the DGCL, as the same exists or may hereafter be amended (but, in the case of any such amendment, to the fullest extent permitted by law, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment) against all cost, expense, liability and loss (including, without limitation, attorneys' fees) actually and reasonably incurred by such Indemnitee in connection with a proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that such person's conduct was unlawful. The termination of any claim, action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that such person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Corporation, and with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful. Such indemnification shall inure to the benefit of such person's heirs, executors and administrators. Notwithstanding the foregoing, except as provided in Article VII, Section 7.3 with respect to proceedings to enforce rights to indemnification, the Corporation shall indemnify any Indemnitee seeking indemnification in connection with a proceeding initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation.

Section 7.2 Advancement of Expenses. To the fullest extent to which it is permitted to do so by the DGCL or other applicable law, the Corporation shall, in advance of the final disposition of the matter, pay the expenses and costs (including attorneys' fees) actually and reasonably incurred by any Indemnitee in defending or otherwise participating in any proceeding and any appeal therefrom for which such person may be entitled to such indemnification; provided, however, if required by the DGCL or requested by the Board of the Directors of the Corporation, such payment of expenses and costs in advance of the final disposition of the proceeding shall be made only upon receipt by the Corporation of an undertaking by or on behalf of such Indemnitee to repay all amounts advanced if it should be ultimately determined by final judicial decision from which there is no further right to appeal that such Indemnitee is not entitled to be indemnified for such expenses under this Article VII or otherwise. Expenses incurred by other employees, fiduciaries and agents who are considered Indemnitees hereunder may be so paid upon such terms and conditions, if any, as the Board of Directors of the Corporation deems appropriate.

Section 7.3 Procedures for Indemnification of Directors and Officers. Any indemnification or advancement of expenses under this Article VII shall be made promptly, and in any event within thirty (30) days, upon the written request of the Indemnitee, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty (20) days. If a determination by the Corporation that the Indemnitee is entitled to indemnification pursuant to this Article VII is required, and the Corporation fails to respond

within sixty (60) days to a written request for indemnity, the Corporation shall be deemed to have approved the request. If the Corporation denies a written request for indemnification or advancement of expenses, in whole or in part, or if payment in full pursuant to such request is not made within thirty (30) days (or twenty (20) days in the case of a claim for advancement of expenses), the right to indemnification or advancement of expenses as granted by this Article VII shall be enforceable by the Indemnitee in any court of competent jurisdiction. Such Indemnitee's costs and expenses incurred in connection with successfully establishing the right to indemnification, in whole or in part, in any such action or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, shall also be indemnified by the Corporation. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any, has been tendered to the Corporation) that the Indemnitee has not met the standards of conduct which make it permissible under the DGCL for the Corporation to indemnify the Indemnitee for the amount claimed, but the burden of such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the Indemnitee is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the DGCL nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) that the Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct. In any suit brought by the Indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the Indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this Article VII or otherwise, shall be on the Corporation.

Section 7.4 Requested Services. Without limiting the meaning of the phrase "serving at the request of the Corporation" as used herein, any person serving as a director, officer or equivalent executive of (i) another corporation of which a majority of the shares entitled to vote in the election of its directors is owned, directly or indirectly, by the Corporation, or (ii) any employee benefit plan maintained or sponsored by the Corporation or any corporation referred to in clause (i), shall be deemed to be doing so at the request of the Corporation for purposes of Section 7.1 of this Article VII.

Section 7.5 Contract Rights. The provisions of this Article VII shall be deemed to be a contract right between the Corporation and each Indemnitee and such rights shall continue as to an Indemnitee who has ceased to be a director, officer, employee, fiduciary or agent, or if the relevant provisions of the DGCL or other applicable law cease to be in effect. Such contract right shall vest for each director, officer, employee, fiduciary and agent at the time such person is elected or appointed to such position, and no repeal or modification of this Article VII or any such law shall affect any such vested rights or obligations then existing with respect to any state of facts or proceeding arising after such election or appointment and prior to such repeal or modification.

Section 7.6 Insurance. The Corporation may purchase and maintain insurance on its own behalf and on behalf of any person who is or was a director, officer, employee, fiduciary or

agent of the Corporation or was serving at the request of the Corporation as a director, officer, employee, fiduciary or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Corporation would have the power to indemnify such person against such liability under the DGCL or this Article VII.

Section 7.7 Employees and Agents. Persons who are not covered by the foregoing provisions of this Article VII and who are or were employees, fiduciaries or agents of the Corporation, or who are or were serving at the request of the Corporation as employees, fiduciaries or agents of another corporation, partnership, joint venture, trust or other enterprise, may be indemnified to the extent authorized at any time or from time to time by the Board of Directors of the Corporation to the fullest extent of this Article VII.

Section 7.8 Merger or Consolidation. For purposes of this Article VII, references to "the Corporation" shall include, in addition to the resulting corporation, any constituent corporation (including, without limitation, any constituent of a constituent) absorbed in a consolidation or merged in a merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director or officer of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee, fiduciary or agent of another corporation or of a partnership, joint venture, trust or other enterprise, shall stand in the same position under this Article VII with respect to the resulting or surviving corporation as he or she would have with respect to such constituent corporation if its separate existence had continued.

Section 7.9 Non-Exclusivity of Rights. The rights to indemnification and the advancement of expenses and costs conferred under this Article VII shall not be exclusive of any other rights to which those seeking indemnification or advancement of expenses and costs may be entitled under any applicable law, provision of this Amended and Restated Certificate of Incorporation, bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office. The Corporation is specifically authorized to enter into individual contracts with any or all of its directors or officers respecting indemnification and advances, to the fullest extent not prohibited by the DGCL or by any other applicable law.

Section 7.10 Amendments. No amendment, repeal or modification of, and no adoption of any provision inconsistent with, any provision of this Article VII shall adversely affect any right or protection of a director or officer of the Corporation existing by virtue of this Article VII at the time of such amendment, repeal, modification or adoption.

Section 7.11 Jointly Indemnifiable Claims. Given that certain jointly indemnifiable claims (as defined below) may arise due to the service of the Indemnitee as a director and/or officer of the Corporation at the request of the indemnitee-related entities (as defined below), the Corporation shall be fully and primarily responsible for the payment to the Indemnitee in respect of indemnification or advancement of expenses in connection with any such jointly indemnifiable claims, pursuant to and in accordance with the terms of this Article VII,

irrespective of any right of recovery the Indemnitee may have from the indemnitee-related entities. Under no circumstance shall the Corporation be entitled to any right of subrogation against or contribution by the indemnitee-related entities and no right of advancement, indemnification or recovery the indemnitee may have from the indemnitee-related entities shall reduce or otherwise alter the rights of the indemnitee or the obligations of the Corporation under this Article VII. In the event that any of the indemnitee-related entities shall make any payment to the indemnitee in respect of indemnification or advancement of expenses with respect to any jointly indemnifiable claim, the indemnitee-related entity making such payment shall be subrogated to the extent of such payment to all of the rights of recovery of the indemnitee against the Corporation, and the indemnitee shall execute all documents and instruments reasonably required and shall do all things that may be reasonably necessary to secure such rights, including the execution of such documents and instruments as may be necessary to enable the indemnitee-related entities effectively to bring suit to enforce such rights. Each of the indemnitee-related entities shall be third-party beneficiaries with respect to this Section 7.11 of Article VII and entitled to enforce this Section 7.11 of Article VII.

The term "indemnitee-related entities" means any corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise (other than the Corporation or any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise for which the indemnitee has agreed, on behalf of the Corporation or at the Corporation's request, to serve as a director, officer, employee or agent and which service is covered by the indemnity described herein) from whom an indemnitee may be entitled to indemnification or advancement of expenses with respect to which, in whole or in part, the Corporation may also have an indemnification or advancement obligation.

The term "jointly indemnifiable claims" shall be broadly construed and shall include, without limitation, any action, suit or proceeding for which the indemnitee shall be entitled to indemnification or advancement of expenses from both the indemnitee-related entities and the Corporation pursuant to applicable law, any agreement, certificate of incorporation, bylaws, partnership agreement, operating agreement, certificate of formation, certificate of limited partnership or comparable organizational documents of the Corporation or the indemnitee-related entities, as applicable.

ARTICLE VIII
LIMITED LIABILITY OF DIRECTORS

To the fullest extent permitted by the DGCL, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director (it being understood that, without limiting the foregoing, if in the future the DGCL is amended or modified (including with respect to Section 102(b)(7)) to permit the further limitation or elimination of the personal liability of a director of the Corporation to a greater extent than contemplated above, then the provisions of this Article VIII shall be deemed to provide for the elimination of the personal liability of the directors of the Corporation to such greater extent). This Article VIII shall not eliminate or limit the liability of a director for any act or omission occurring prior to the date when this Article VIII becomes effective. Any repeal or amendment or modification of this Article VIII, or the adoption of any provision of this Certificate of Incorporation inconsistent with this Article VIII, will, to the extent permitted by

applicable law, be prospective only (except to the extent such amendment or change in applicable law permits the Corporation to provide a broader limitation on a retroactive basis than permitted prior thereto), and will not adversely affect any limitation on the personal liability of any director of the Corporation at the time of such repeal or amendment or modification or adoption of such inconsistent provision.

ARTICLE IX
MEETINGS OF STOCKHOLDERS

Section 9.1 **Meetings of Stockholders**. Meetings of stockholders may be held at such place, within or without the State of Delaware, as the Board of Directors of the Corporation may determine in accordance with the Bylaws. Unless otherwise required by law and subject to the rights of the holders of the Preferred Stock, special meetings of the stockholders of the Corporation may be called at any time only (a) by the Board of Directors of the Corporation, (b) by the Chairman of the Board of Directors, (c) upon the request of the holders of a majority of the total voting power of all the shares of the Corporation entitled to vote generally in the election of directors or (d) by the chief executive officer solely for the purpose of satisfying any express obligation of the Company to call a special meeting of the stockholders pursuant to the terms of the Shareholder Agreement. Advance notice of stockholder nominations for the election of directors and of business to be brought by stockholders before any meeting of the stockholders of the Corporation, or any class or series of thereof, shall be given in the manner provided in the Bylaws.

Section 9.2 **Action Without a Meeting**. Until the date on which the Corporation completes an Initial Public Offering (as defined in the Shareholder Agreement), any action required or permitted to be taken at any annual or special meeting of stockholders of the Corporation may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock of the Corporation having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation by delivery to its registered office in Delaware, its principal place of business, or to an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Except as set forth in the immediately preceding sentence, any action required or permitted to be taken by stockholders of the Corporation, or any class or series thereof, must be effected at a duly called annual or special meeting of such stockholders and may not be effected by any consent in writing.

ARTICLE X
SECTION 203 ELECTION

The Corporation expressly elects not to be governed by Section 203 of the DGCL.

ARTICLE XI
FORUM

Unless the Corporation consents in writing to the selection of an alternative forum, to the

fullest extent permitted by law, the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or Corporation's stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL, or (iv) any action asserting a claim governed by the internal affairs doctrine shall be the Court of Chancery of the State of Delaware, (or, if the Court of Chancery lacks subject matter jurisdiction, another state or federal court located within the state of Delaware). Any person or entity purchasing or otherwise acquiring or holding any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article XI.

ARTICLE XII
BYLAWS

Except as set forth in the Bylaws, in furtherance and not in limitation of the powers conferred by law, the Board of Directors of the Corporation is expressly authorized and empowered to adopt, amend and repeal the Bylaws at any regular or special meeting of the Board of Directors of the Corporation or by written consent, subject to the power of the stockholders of the Corporation to adopt, amend or repeal any Bylaws.

ARTICLE XIII
CORPORATE OPPORTUNITIES

Section 13.1 General. To the greatest extent permitted by law and except as otherwise set forth in this Amended and Restated Certificate of Incorporation and except as expressly agreed to by a Dual Role Person (as defined below) in a separate instrument signed by a Dual Role Person with the Corporation or any predecessor thereto:

(a) To the extent provided in this Article XIII, the Corporation renounces any interest or expectancy of the Corporation or any of its Affiliates in, or in being offered an opportunity to participate in, any Corporate Opportunity about which a Dual Role Person acquires knowledge. Subject to Section 13.1(c) of this Article XIII, no Dual Role Person or any of their respective Representatives shall owe any fiduciary duty to, nor shall any Dual Role Person or any of their respective Representatives be liable for breach of fiduciary duty to, the Corporation or any of its stockholders in connection with a Corporate Opportunity. No Dual Role Person or any of their respective Representatives shall violate a duty or obligation to the Corporation merely because such person's conduct furthers such person's own interest, except as specifically set forth in Section 13.1(c) of this Article XIII. Any Dual Role Person or any of their respective Representatives may lend money to, and transact other business with, the Corporation and its Representatives. The rights and obligations of any such person who lends money to, contracts with, borrows from or transacts business with the Corporation or any of its Representatives are the same as those of a person who is not involved with the Corporation or any of its Representatives, subject to other applicable law. No transaction between any Dual Role Person or any of their respective Representatives, on the one hand, with the Corporation or any of its Representatives, on the other hand, shall be voidable solely because any Dual Role Person or any of their respective Representatives has a direct or indirect interest in the transaction. Nothing herein contained shall prevent any Dual Role Person or any of their respective Representatives

from conducting any other business, including serving as an officer, director, employee, or stockholder of any corporation, partnership or limited liability company, a trustee of any trust, an executor or administrator of any estate, or an administrative official of any other business or not−for−profit entity, or from receiving any compensation in connection therewith.

(b) None of any Dual Role Person or any of their respective Representatives shall owe any duty to refrain from (i) engaging in the same or similar activities or lines of business as the Corporation and its Representatives or (ii) doing business with any of the Corporation's or its Representatives' clients or customers. In the event that any Dual Role Person or any of their respective Representatives acquires knowledge of a potential transaction or matter that may be a Corporate Opportunity for any Dual Role Person or any of their respective Representatives, on the one hand, and the Corporation or any of its Representatives, on the other hand, such Dual Role Person or Representatives, as the case may be, shall have no duty to communicate or offer such Corporate Opportunity to the Corporation or any of its Representatives, subject to Section 13.1(c) of this Article XIII. No Dual Role Person or any of their respective Representatives shall be liable to the Corporation, any of its stockholders or any of its Representatives for breach of any fiduciary duty by reason of the fact that any Dual Role Person or any of their respective Representatives pursues or acquires such Corporate Opportunity for itself, directs such Corporate Opportunity to another person or does not present such Corporate Opportunity to the Corporation or any of its Representatives, subject to Section 13.1(c) of this Article XIII.

(c) If a third party presents a Corporate Opportunity to a person who is both a Representative of the Corporation and a Representative of a Dual Role Person, expressly and solely in such person's capacity as a Representative of the Corporation, and such person acts in good faith in a manner consistent with the policy that such Corporate Opportunity belongs to the Corporation, then such person (i) shall be deemed to have fully satisfied and fulfilled any fiduciary duty that such person has to the Corporation as a Representative of the Corporation with respect to such Corporate Opportunity, (ii) shall not be liable to the Corporation, any of its stockholders or any of its Representatives for breach of fiduciary duty by reason of such person's action or inaction with respect to such Corporate Opportunity, (iii) shall be deemed to have acted in good faith and in a manner that such person reasonably believed to be in, and not opposed to, the Corporation's best interests, and (iv) shall be deemed not to have breached such person's duty of loyalty to the Corporation and its stockholders and not have derived an improper personal benefit therefrom; provided that a Dual Role Person may pursue such Corporate Opportunity if the Company shall decide not to pursue such Corporate Opportunity.

(d) For purposes of this Article XIII:

(i) "Affiliate" means with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person. For purposes of the foregoing definition, the term "controls," "is controlled by," or "is under common control with" means the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

(ii) "Corporate Opportunity" means any business opportunity that the Corporation is financially able to undertake that is, from its nature, in the Corporation's lines of

business, is of practical advantage to the Corporation and is one in which the Corporation has an interest or a reasonable expectancy, and in which, by embracing such opportunity, the self−interest of any Dual Role Person or their respective Representatives will be brought into conflict with the Corporation's self−interest.

(iii) "Dual Role Person" means any of the following, individually or collectively, other than any person who is an employee of the Corporation or any of its subsidiaries: (A) any stockholder who is an Affiliate of the Corporation and/or (B) any person elected, appointed or otherwise serving as a director of the Board of Directors of the Corporation (or any committee thereof) in accordance with the terms hereof, and, in each case, any of such entity's or person's Affiliates (other than, if applicable, the Corporation and its subsidiaries).

(iv) "Representatives" means, with respect to any person, the directors, officers, employees, general partners or managing member of such person.

(e) Any person or entity purchasing or otherwise acquiring or obtaining any interest in any capital stock of the Corporation shall be deemed to have notice and to have consented to the provisions of this Article XIII.

Section 13.2. Amendment. Neither the alteration, amendment, termination, expiration or repeal of this Article XIII nor the adoption of any provision inconsistent with this Article XIII shall eliminate or reduce the effect of this Article XIII in respect of any matter occurring, or any cause of action that, but for this Article XIII, would accrue or arise, prior to such alteration, amendment, termination, expiration, repeal or adoption.

Section 13.3. Notice of Article. To the fullest extent permitted by law, any Person purchasing or otherwise acquiring any interest in any shares of capital stock of the Corporation shall be deemed to have notice of and to have consented to the provisions of this Article XIII.

ARTICLE XIV
AMENDMENTS

The Corporation reserves the right at any time from time to time to amend, alter, change or repeal any provision contained in this Amended and Restated Certificate of Incorporation, and any other provisions authorized by the laws of the State of Delaware at the time in force may be added or inserted, in the manner now or hereafter prescribed herein or by applicable law. All rights, preferences and privileges of whatsoever nature conferred upon stockholders by and pursuant to this Amended and Restated Certificate of Incorporation in its present form or as hereafter amended are granted subject to the right reserved in this Article XIV. Notwithstanding any other provision of this Amended and Restated Certificate of Incorporation or any provision of law which might otherwise permit a lesser vote, but in addition to any vote required by law and any affirmative vote of the holders of any series of Preferred Stock required by law, by this Amended and Restated Certificate of Incorporation or by any Preferred Stock Designation providing for any such Preferred Stock, the affirmative vote of the holders of at least 75% of the total voting power of all the shares of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend, alter, change or repeal, or

adopt any provision inconsistent with, Article VI, Article VII, Article VIII, Article XII, Article XIII or this Article XIV. Nothing in this Article XIV shall limit the authority of the Board of Directors of the Corporation conferred by Section 4.3 hereof.

ARTICLE XV
SEVERABILITY

If any provision or provisions of this Amended and Restated Certificate of Incorporation shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever, then, to the fullest extent permitted by applicable law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Amended and Restated Certificate of Incorporation (including, without limitation, each portion of any paragraph of this Amended and Restated Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby.

* * * *

Exhibit F

New Bylaws

AMENDED AND RESTATED BYLAWS
OF
[CENGAGE]
(a Delaware corporation, hereinafter called the "Corporation")

Effective as of [●], 2014

ARTICLE I
OFFICES AND RECORDS

Section 1.1 Registered Office. The registered office of the Corporation, and the registered agent of the Corporation at such address, shall initially be as fixed in the Corporation's certificate of incorporation (as amended and/or restated from time to time, the "Certificate of Incorporation"). The registered office or registered agent of the Corporation may thereafter be changed from time to time by action of the board of directors of the Corporation (the "Board of Directors").

Section 1.2 Other Offices. The Corporation may also have offices at such other places, both within and without the State of Delaware, as the Board of Directors may from time to time determine or the business of the Corporation may require.

Section 1.3 Books and Records.

(a) The books and records of the Corporation may be kept outside the State of Delaware at such place or places as may from time to time be designated by the Board of Directors.

(b) The Corporation shall, either at its principal executive office or at such place or places as designated by the Board of Directors, keep a record of its stockholders listing their names and addresses and the number and class of shares held by each stockholder, a copy of these bylaws, as may be amended to date, minute books, accounting books and other records.

(c) Any such records maintained by the Corporation may be kept on, or by means of, or be in the form of, any information storage device or method, provided that the records so kept can be converted into clearly legible paper form within a reasonable time. When records are kept in such manner, a clearly legible paper form produced from or by means of the information storage device or method shall be admissible in evidence, and accepted for all other purposes, to the same extent as an original paper form accurately portrays the record. The Corporation shall so convert any records so kept upon the request of any person or entity entitled to inspect such records pursuant to the provisions of the Certificate of Incorporation, these bylaws or applicable law.

ARTICLE II
STOCKHOLDERS

Section 2.1 Place of Meetings. Meetings of stockholders of the Corporation shall be held at any place, if any, either within or without the State of Delaware, as may be designated from time to time by the Board of Directors. The Board of Directors may, in its sole discretion, determine that a meeting of stockholders of the Corporation shall not be held at any place, but may instead be held solely by means of remote communication. In the absence of notice to the contrary meetings of the stockholders of the Corporation shall be held at the principal office of the Corporation.

Section 2.2 Annual Meeting. The annual meeting of the stockholders of the Corporation shall be held on such date and at such place, if any, and/or by the means of remote communication, and time as may be fixed by resolution of the Board of Directors from time to time. At the annual meeting of the stockholders of the Corporation, directors shall be elected and any other business may be transacted which is properly brought before the annual meeting in accordance with the procedures set forth in Section 2.14 of these bylaws. Failure to hold any annual meeting as aforesaid shall not constitute, be deemed to be or otherwise effect a forfeiture or dissolution of the Corporation nor shall such failure affect otherwise valid corporate acts.

Section 2.3 Special Meetings. Special meetings of the stockholders of the Corporation may be called for any purpose only as provided in the Certificate of Incorporation. If the Certificate of Incorporation shall not set forth provisions governing the right to call special meetings, then, except as otherwise required by law or provided in the instrument of designation of any series of preferred stock of the Corporation, special meetings of stockholders of the Corporation may be called at any time and from time to time only upon the written request (stating the purpose or purposes of the meeting) of (a) the Board of Directors, (b) the Chairman of the Board of Directors, (c) the holders of at least fifty percent (50%) of the total voting power of all the shares of the Corporation entitled to vote generally in the election of directors or (d) the chief executive officer solely for the purpose of satisfying any express obligation of the Company to call a special meeting of the stockholders pursuant to the terms of the Shareholder Agreement (as defined in the Certificate of Incorporation). Special meetings of the stockholders of the Corporation may not be called by any person, group or entity other than those specifically enumerated in this Section 2.3. The Board of Directors or the Chairman of the Board of Directors shall determine the date, time, and place, if any, and/or means of remote communication, of any special meeting, which shall be stated in a notice of meeting delivered by the Board of Directors. Advance notice of stockholder nominations for the election of directors and of business to be brought by stockholders before any meeting of the stockholders of the Corporation, or any class or series of thereof, shall be given in the manner provided in these bylaws. No business may be transacted at any special meeting of the stockholders of the Corporation other than the business specified in the notice of such meeting.

Section 2.4 Chairman of the Meeting; Conduct of Meetings; Inspection of Elections.

(a) Meetings of stockholders of the Corporation shall be presided over by the chairman of the meeting, who shall be the Chairman of the Board of Directors or, in the absence

thereof, such person as the Chairman of the Board of Directors shall appoint, or, in the absence thereof or in the event that the Chairman of the Board of Directors shall fail to make such appointment, any officer of the Corporation appointed by the Board of Directors.

(b) The secretary of any meeting of the stockholders of the Corporation shall be the Secretary or Assistant Secretary, or in the absence thereof, such person as the chairman of the meeting appoints. The secretary of the meeting shall keep the minutes thereof.

(c) The Board of Directors shall be entitled to make such rules or regulations for the conduct of meetings of stockholders of the Corporation as it shall deem necessary, appropriate or convenient from time to time. Subject to such rules and regulations, if any, the chairman of the meeting shall have the right and authority to convene and (for any or no reason) to recess and/or adjourn the meeting, to prescribe such rules, regulations and procedures and to do all acts as, in the judgment of such chairman, are necessary, appropriate or convenient (and not inconsistent with the Certificate of Incorporation or these bylaws) for the proper conduct of the meeting, including, without limitation, establishing an agenda of business of the meeting, recognizing stockholders entitled to speak, calling for the necessary reports, stating questions and putting them to a vote, calling for nominations, announcing the results of voting, establishing rules or regulations to maintain order, imposing restrictions on entry to the meeting after the time fixed for commencement thereof and the fixing of the date and time of the opening and closing of the polls for each matter upon which the stockholders of the Corporation will vote at a meeting (and shall announce such at the meeting).

(d) If required by law, the Board of Directors shall appoint one or more inspectors, which inspector or inspectors may include individuals who serve the Corporation in other capacities, including, without limitation, as officers, employees, agents or representatives, to act at a meeting of stockholders of the Corporation and make a written report thereof. One or more persons may be designated as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate has been appointed to act or is able to act at a meeting of stockholders of the Corporation, the chairman of the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before discharging his or her duties, shall take an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspectors shall have such other duties as may be prescribed by law.

Section 2.5 Notice.

(a) Whenever stockholders of the Corporation are required or permitted to take any action at a meeting (whether special or annual), written notice (unless oral notice is reasonable under the circumstances) stating the place (if any), date, and time of the meeting, the means of remote communication (if any) by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for stockholders entitled to notice of the meeting) and, in the case of special meetings, the purpose or purposes of such meeting, shall be given to each stockholder of the Corporation entitled to vote at such meeting not fewer than ten (10) nor more than sixty (60) days before the date of the meeting except as otherwise required by law, the Certificate of Incorporation or these bylaws. In the case of an annual meeting, the notice need not state the purpose or purposes of the meeting

unless the Certificate of Incorporation or the General Corporation Law of the State of Delaware (as the same exists or may hereafter be amended from time to time, the "DGCL") requires the purpose or purposes to be stated in the notice of the meeting.

(b) All such notices shall be delivered in writing (unless oral notice is reasonable under the circumstances) or by a form of electronic transmission if receipt thereof has been consented to by the stockholder to whom the notice is given. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, postage prepaid, addressed to the stockholder at such stockholder's address as it appears on the records of the Corporation. If given by facsimile telecommunication, such notice shall be deemed to be delivered when directed to a number at which the stockholder has consented to receive notice by facsimile. Subject to the limitations of Section 2.6 of these bylaws, if given by electronic transmission, such notice shall be deemed to be delivered: (i) by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice; (ii) if by a posting on an electronic network together with separate written notice to the stockholder of such specific posting delivered by electronic mail or by United States mail, postage prepaid, addressed to the stockholder at such stockholder's address as it appears on the records of the Corporation, upon the later of (x) such posting and (y) the giving of such separate notice; and (iii) if by any other form of electronic transmission, when directed to the stockholder. An affidavit of the Secretary or an Assistant Secretary, the transfer agent of the Corporation or any other agent of the Corporation that the notice has been given shall, in the absence of fraud, be *prima facie* evidence of the facts stated therein.

(c) Whenever notice is required to be given under any provisions of the DGCL, the Certificate of Incorporation or these bylaws, a written waiver thereof, signed by the stockholder entitled to notice, or a written waiver by electronic transmission by the person or entity entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Neither the business to be transacted at, nor the purpose of, any meeting of the stockholders of the Corporation need be specified in any waiver of notice of such meeting.

(d) Attendance of a stockholder of the Corporation at a meeting of such stockholders shall constitute a waiver of notice of such meeting, except when the stockholder attends for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

(e) Whenever notice is required to be given under the DGCL, the Certificate of Incorporation or these bylaws to any stockholder with whom communication is unlawful, the giving of such notice to such stockholder shall not be required, and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such stockholder. Any action or meeting which shall be taken or held without notice to any such stockholder with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. Notwithstanding the other provisions of this Section 2.5, no notice of a meeting of the stockholders of the Corporation need be given to any stockholder if (i) (A) an annual report and proxy statement for two consecutive annual meetings of stockholders or (B) all, and at least two, checks and payment of dividends or interest on securities during a twelve-month period, in either case, have been sent by first-class, United States mail, addressed to the stockholder at his or her address as it appears on the share transfer books of the

Corporation, and returned undeliverable and (ii) the Company does not have either a current facsimile number or, if such stockholder has consented to electronic delivery pursuant to Section 2.6 of these bylaws, means of electronic transmission for such stockholder. In that event, the obligation of the Corporation to give notice of a stockholders meeting to any such stockholder shall be reinstated once the Corporation has received a new address, facsimile number or means of electronic transmission for such stockholder.

Section 2.6 Notice by Electronic Delivery. Without limiting the manner by which notice otherwise may be given effectively to stockholders of the Corporation pursuant to the DGCL, the Certificate of Incorporation or these bylaws, any notice to stockholders of the Corporation given by the Corporation under any provision of the DGCL, the Certificate of Incorporation or these bylaws shall be effective if given by a form of electronic transmission consented to by the stockholder of the Corporation to whom the notice is given. Any such consent shall be revocable by the stockholder by written notice to the Secretary. Any such consent shall be deemed revoked if: (i) the Corporation is unable to deliver by electronic transmission two (2) consecutive notices of meetings or of other business given by the Corporation in accordance with such consent; and (ii) such inability becomes known to the Secretary or an Assistant Secretary or to the transfer agent or other person responsible for the giving of notice. However, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action. For purposes of these bylaws, except as otherwise limited by applicable law, the term "electronic transmission" means any form of communication not directly involving the physical transmission of paper that creates a record that may be retained, retrieved, and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

Section 2.7 Stockholders List. The officer having charge of the stock ledger of the Corporation shall make, at least ten (10) days before every meeting of the stockholders of the Corporation, a complete list of the stockholders entitled to vote at such meeting (provided, however, if the record date for determining the stockholders entitled to vote is less than ten (10) days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the tenth day before the meeting date), arranged in alphabetical order, showing the address of (and any form of electronic transmission consented to by) each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder of the Corporation for any purpose germane to the meeting for a period of at least ten (10) days prior to the meeting: (i) on a reasonably accessible electronic network; provided that the information required to gain access to such list is provided with the notice of the meeting; and/or (ii) during ordinary business hours, at the principal place of business of the Corporation. In the event that the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof and may be examined by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. Refusal or failure to prepare or make available the stockholder list shall not affect the validity of any action taken at a meeting of stockholders of the Corporation.

Section 2.8 Quorum. Except as otherwise provided by law or by the Certificate of Incorporation, the holders of a majority in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of the stockholders of the Corporation. If a quorum is not present, the chairman of the meeting or the holders of a majority in voting power of the shares of capital stock of the Corporation present in person or represented by proxy at the meeting, and entitled to vote at the meeting, may adjourn the meeting to another place, if any, date and time. When a quorum is once present to commence a meeting of the stockholders of the Corporation, it is not broken by the subsequent withdrawal of any stockholders or their proxies.

Section 2.9 Adjournment and Postponement of Meetings.

(a) Any meeting of the stockholders of the Corporation, whether or not a quorum is present, may be adjourned to be reconvened at a specific date, time, place (if any) and/or by means of remote communication (if any) by the holders of a majority in voting power of the shares of capital stock present in person or represented by proxy at the meeting and entitled to vote at the meeting or, unless contrary to any provision of the Certificate of Incorporation, these bylaws or applicable law, the Chairman of the Board of Directors or the Board of Directors. When a meeting of the stockholders of the Corporation is adjourned to another date, time, place (if any), and/or by means of remote communication (if any), notice need not be given of the adjourned meeting if the date, time and place (if any) thereof, and/or the means of remote communication (if any) by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting, are announced at the meeting at which the adjournment is taken; provided, however, that if the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for determination of stockholders entitled to vote is fixed for the adjourned meeting, the Board of Directors shall fix as the record date for determining stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote at the adjourned meeting, and shall give notice of the adjourned meeting to each stockholder of record as of the record date so fixed for notice of such adjourned meeting.

(b) Any previously scheduled meeting of the stockholders of the Corporation may be postponed, and (unless contrary to applicable law or the Certificate of Incorporation) any special meeting of the stockholders may be cancelled, by resolution of the Board of Directors upon public announcement or notice given to the stockholders prior to the date previously scheduled for such meeting of stockholders.

(c) For purposes of these bylaws, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press, PR Newswire or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder.

Section 2.10 Vote Required. When a quorum is present, the affirmative vote of the majority in voting power of the shares of capital stock of the Corporation present in person or represented by proxy at the meeting and entitled to vote on the subject matter shall be the act of the stockholders of the Corporation, unless the question is one upon which, by express provisions of applicable law, the Certificate of Incorporation, these bylaws, the rules or regulations of any stock exchange applicable to the Corporation, or pursuant to any regulation applicable to the Corporation or its securities, or the instrument of designation of any series of preferred stock of the Corporation, a different or additional vote is required or provided for, in which case such express provision shall govern and control the decision of such question. Where a separate vote by class or series is required or provided for, when a quorum is present, the affirmative vote of a majority in voting power of the shares of capital stock of the Corporation of such class or series present in person or represented by proxy at the meeting and entitled to vote on the subject matter shall be the act of such class or series of stockholders, unless the question is one upon which, by express provisions of applicable law, the Certificate of Incorporation, these bylaws, the rules or regulations of any stock exchange applicable to the Corporation, or pursuant to any regulation applicable to the Corporation or its securities, or the designation of any series of preferred stock of the Corporation, a different vote is required or provided for, in which case such express provision shall govern and control the decision of such question.

Section 2.11 Voting Rights. Except as otherwise provided by applicable law, each stockholder of the Corporation shall be entitled to that number of votes for each share of capital stock of the Corporation held by such stockholder as set forth in the Certificate of Incorporation or, in the case of preferred stock of the Corporation, in the instrument of designation thereof.

Section 2.12 Proxies. Each stockholder entitled to vote at a meeting of stockholders of the Corporation may authorize another person or entity to act for such stockholder by proxy in such manner as prescribed under the DGCL, but no such proxy shall be voted or acted upon after three (3) years from its date unless such proxy expressly provides for a longer period. At each meeting of the stockholders of the Corporation, and before any voting commences, all proxies filed at or before the meeting shall be submitted to and examined by the Secretary or a person designated by the Secretary, and no shares may be represented or voted under a proxy that has been found (in the reasonable determination of the Secretary or such designee) to be invalid or irregular. Reference by the Secretary in the minutes of the meeting to the regularity of a proxy shall be received as prima facie evidence of the facts stated for the purpose of establishing the presence of a quorum at such meeting and for all other purposes. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the applicable provisions of the DGCL and, without limiting the foregoing, a duly executed proxy shall be irrevocable if it states that it is irrevocable and if, and only so long as, it is coupled with an interest sufficient in law to support an irrevocable power. A proxy may be made irrevocable regardless of whether the interest with which it is coupled is an interest in the stock itself or an interest in the corporation generally.

Section 2.13 Record Date.

(a) In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing

the record date is adopted by the Board of Directors, and which record date shall, unless otherwise required by law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If the Board of Directors so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day immediately preceding the day on which notice is given, or, if notice is waived, at the close of business on the day immediately preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not (i) precede the date upon which the resolution fixing the record date is adopted, or (ii) be more than sixty (60) days prior to such action. If no such record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

(c) Unless otherwise restricted by the Certificate of Incorporation, in order that the Corporation may determine the stockholders entitled to express consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. If no record date for determining stockholders entitled to express consent to corporate action in writing without a meeting is fixed by the Board of Directors, (i) when no prior action of the Board of Directors is required by law, the record date for such purpose shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation in accordance with applicable law, and (ii) if prior action by the Board of Directors is required by law, the record date for such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

Section 2.14 Advance Notice of Stockholder Business.

(a) Only such business shall be conducted before a meeting of the stockholders of the Corporation as shall have been properly brought before such meeting. To be properly brought before an annual or special meeting of the stockholders of the Corporation, from and after the date on which the Corporation completes an Initial Public Offering (as defined in the Shareholder Agreement), business must be: (i) with respect to any annual meeting,

(A) specified in the notice of meeting (or any supplement or amendment thereto) given by or at the direction of the Board of Directors or a duly authorized committee of the Board of Directors; (B) otherwise properly brought before the meeting by or at the direction of the Board of Directors or a duly authorized committee of the Board of Directors; or (C) otherwise properly brought before the meeting by any stockholder (1) who is a stockholder of record on the date of the giving of the notice provided for in this Section 2.14 and on the record date for the determination of stockholders entitled to vote at such annual meeting and (2) who complies with the notice procedures set forth in this Section 2.14; and (ii) with respect to any special meeting, specified in the notice of meeting (or any supplement or amendment thereto) given to the stockholders of the Corporation by the Board of Directors pursuant to and in accordance with Section 2.3. For the avoidance of doubt, the provisions in this Section 2.14 shall not apply prior to completion of an Initial Public Offering (as defined in the Shareholder Agreement).

(b) For such business to be considered properly brought before the meeting by a stockholder of the Corporation, such stockholder must, in addition to any other applicable requirements, have given timely notice thereof in proper written form to the Secretary. To be timely with respect to any annual meeting, a stockholder's notice to the Secretary must be delivered to or mailed and received by the Secretary at the principal executive office of the Corporation no fewer than ninety (90) nor more than one hundred twenty (120) days prior to the first (1st) anniversary of the immediately preceding annual meeting of the stockholders of the Corporation; provided, however, that in the event that no annual meeting was held in the previous year or the annual meeting is called for a date that is not within thirty (30) days before or after such anniversary date, notice by the stockholder to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which notice of the date of the annual meeting was mailed or public announcement of the date of the annual meeting was made, whichever occurs first. To be timely with respect to any special meeting, a stockholder's notice to the Secretary must be delivered or mailed and received by the Secretary at the principal executive office of the Corporation not less than sixty (60) days prior to the date of such meeting; provided, however, that in the event that less than seventy (70) days notice of the date of the meeting is given or made to stockholders, to be timely a stockholder's notice must be delivered or mailed and received by the Secretary at the principal executive office of the Corporation not later than the close of business on the tenth (10th) day following the earlier of the day on which such notice or public announcement of the date of such special meeting is mailed or made (as applicable) by the Corporation. In no event shall the public announcement of an adjournment or postponement of an announced meeting commence a new time period (or extend any time period) for the giving of a stockholders notice as provided in this Section 2.14.

(c) To be in proper written form, a stockholder's notice to the Secretary must set forth as to each matter such stockholder proposes to bring before the annual meeting: (i) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting; (ii) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the proposal is made (A) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner, (B) the class or series and number of shares of capital stock of the Corporation which are directly or indirectly (including through any derivative arrangement) owned (1) beneficially and (2) of record by such stockholder and by such beneficial owner, (C) a description of all arrangements or understandings between such stockholder or such beneficial owner and any other person or

entity (including, without limitation, their names) in connection with the ownership of the capital stock of the Corporation and the proposal of such business by such stockholder and such beneficial owner, and any material interest (financial or otherwise) of such stockholder or such beneficial owner in such business, (D) whether either such stockholder or beneficial owner intends to deliver a form of proxy to holders of at least the percentage of the Corporation's voting shares required under applicable law to approve the proposal and (E) if the Corporation is then subject to Section 14(a) of the Exchange Act, any other information relating to such stockholder and beneficial owner, if any, required to be disclosed in a proxy statement or other filing required to be made in connection with a solicitation of proxies for the proposal pursuant to and in accordance with Section 14(a) of the Exchange Act and the rules and regulations promulgated thereunder; and (iii) a representation that such stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to introduce the business specified in the notice. As used herein, shares "beneficially owned" by a person (and phrases of similar import) shall mean all shares which such person is deemed to beneficially own pursuant to Rules 13d-3 and 13d-5 under the Exchange Act, including, without limitation, shares which are beneficially owned, directly or indirectly, by any other person with which such person has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any shares of the capital stock of the Corporation.

(d) The chairman of a meeting of the stockholders of the Corporation shall determine and declare at such meeting whether the stockholder proposal was made in accordance with the terms of this Section 2.14. If the chairman of the meeting determines that such proposal was not properly brought before the meeting in accordance with the foregoing procedures, the chairman of the meeting shall declare to the meeting that the proposal was not properly brought before the meeting and the business of such proposal shall not be transacted.

(e) This provision shall not prevent the consideration and approval or disapproval at any annual or special meeting of reports of officers, directors and committees of the Board of Directors, but in connection with such reports, no new business shall be acted upon at such meeting unless stated, filed and received as herein provided.

(f) In addition, notwithstanding anything in this Section 2.14 to the contrary, a stockholder of the Corporation intending to nominate one or more persons for election as a director at an annual or special meeting of stockholders must comply with Section 2.15 of these bylaws for such nomination to be properly brought before such meeting.

(g) For purposes of this Section 2.14, any adjournment(s) or postponement(s) of the original meeting whereby the meeting will reconvene within ninety (90) days from the original date shall be deemed for purposes of notice to be a continuation of the original meeting and no business may be brought before any such reconvened meeting unless pursuant to a notice of such business which was timely for the meeting and properly presented as determined as of the date originally scheduled.

Section 2.15 Advance Notice of Director Nominations.

(a) Unless otherwise required by applicable law, the Certificate of Incorporation, or the Shareholder Agreement, from and after the date on which the Corporation completes an Initial Public Offering (as defined in the Shareholder Agreement), only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation, except as may be otherwise provided in the instrument of designation of any series of preferred stock of the Corporation with respect to the right of holders of preferred stock of the Corporation to nominate and elect a specified number of directors of the Corporation, who shall be nominated as provided therein. For the avoidance of doubt, the provisions in this Section 2.15 shall not apply prior to completion of an Initial Public Offering (as defined in the Shareholder Agreement).

(b) Nominations of persons for election to the Board of Directors shall be made only at an annual or special meeting of stockholders of the Corporation called for the purpose of electing directors and must be (i) specified in the notice of meeting (or any supplement or amendment thereto) and (ii) made by (A) the Board of Directors or a duly authorized committee of the Board of Directors (or at the direction thereof) or (B) made by any stockholder of the Corporation (1) who is a stockholder of record on the date of the giving of the notice provided for in this Section 2.15 and on the record date for the determination of stockholders entitled to vote at such meeting and (2) who complies with the notice procedures set forth in this Section 2.15.

(c) In addition to any other applicable requirements, for a nomination to be made by a stockholder of the Corporation, such stockholder must have given timely notice thereof in proper written form to the Secretary. To be timely, a stockholder's notice to the Secretary must be delivered to or mailed and received at the principal executive office of the Corporation: (i) in the case of an annual meeting of the stockholders of the Corporation, no fewer than ninety (90) nor more than one hundred twenty (120) days prior to the first (1st) anniversary of the immediately preceding annual meeting; provided, however, that in the event that no annual meeting was held in the previous year or the annual meeting is called for a date that is not within thirty (30) days before or after such anniversary date, notice by the stockholder to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which notice of the date of the annual meeting was mailed or public announcement of the date of the annual meeting was made, whichever occurs first, and (ii) in the case of a special meeting of stockholders of the Corporation called for the purpose of electing directors, not less than sixty (60) days prior to the meeting; provided, however, that in the event that less than seventy (70) days notice of the date of the meeting is given or made to stockholders, notice by the stockholder to be timely must be so received not later than the close of business on the tenth (10th) day following the earlier of the day on which such notice or public announcement of the date of the meeting was mailed or made (as applicable). Notwithstanding anything to the contrary in the immediately preceding sentence, in the event that the number of directors to be elected to the Board of Directors is increased, a stockholder's notice required by this Section 2.15 shall also be considered timely, but only with respect to nominees for any new positions created by such increase and only if otherwise timely notice of nomination for all other directorships was delivered by such stockholder in accordance with the requirements of the immediately preceding sentence, if it shall be delivered to the Secretary at

the principal executive office of the Corporation not later than the close of business on the tenth (10th) day following the day on which notice to the stockholders of the Corporation was given or public announcement was made by the Corporation naming all of the nominees for director or specifying the size of the increase in the number of directors to serve on the Board of Directors, even if such tenth (10th) day shall be later than the date for which a nomination would otherwise have been required to be delivered to be timely. In no event shall the public announcement of an adjournment or postponement of an announced meeting commence a new time period (or extend any time period) for the giving of a stockholders notice as provided in this Section 2.15.

(d) To be in proper written form, a stockholder's notice to the Secretary pursuant to this Section 2.15 must set forth (i) as to each person whom the stockholder of the Corporation proposes to nominate for election as a director, (A) the name, age, business address, and residence address of such person, (B) the principal occupation or employment of the person, (C) the class or series and number of shares of capital stock of the Corporation which are directly or indirectly (including through any derivative arrangement) owned beneficially or of record by the person, and (D) any other information relating to the person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with a solicitation of proxies for an election of directors pursuant to the Exchange Act and the rules and regulations promulgated thereunder if the Corporation were a reporting company under the Exchange Act, and (ii) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the director nomination is made (A) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner; (B) the class or series and number of shares of capital stock of the Corporation which are owned (1) beneficially and (2) of record by such stockholder and by such beneficial owner, (C) a description of all arrangements or understandings between such stockholder or such beneficial owner and any other person or entity (including, without limitation, their names) in connection with the ownership of the capital stock of the Corporation and the nomination of such nominee(s), and any material interest of such stockholder or such beneficial owner in such nomination(s), (D) whether either such stockholder or beneficial owner intends to deliver a form of proxy to holders of the Corporation's voting shares to elect such nominee or nominees, (E) a representation that the stockholder giving the notice is a holder of record of stock of the Corporation entitled to vote at such meeting and that such stockholder intends to appear in person or by proxy at the meeting to nominate the persons named in its notice and (F) if the Corporation is then subject to Section 14(a) of the Exchange Act, any other information relating to such stockholder and beneficial owner, if any, required to be disclosed in a proxy statement or other filing required to be made in connection with a solicitation of proxies for an election of directors pursuant to the Exchange Act and the rules and regulations promulgated thereunder. Such notice must be accompanied by a written consent of each proposed nominee to be named as a nominee and to serve as a director if elected. The Corporation may require any nominee to furnish such other information (which may include meeting to discuss the information) as may reasonably be required by the Corporation to determine the eligibility of such nominee to serve as a director of the Corporation.

(e) If the chairman of a meeting of the stockholders of the Corporation determines that a nomination was not made in accordance with the foregoing procedures, the chairman of the meeting shall declare to the meeting that the nomination was defective and such defective nomination shall be disregarded.

(f) Nothing in this Section 2.15 shall be deemed to affect any rights of the holders of any series of preferred stock of the Corporation to elect directors pursuant to any applicable provisions of the Certificate of Incorporation.

ARTICLE III
DIRECTORS

Section 3.1 General Powers. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of, the Board of Directors. In addition to the powers and authority expressly conferred upon it by these bylaws, the Board of Directors shall exercise all such powers of the Corporation and do all such lawful acts and things as are not by law, by the Shareholder Agreement or any other legal agreement among stockholders of the Corporation, by the Certificate of Incorporation, or by these bylaws directed or required to be exercised or done by the stockholders of the Corporation.

Section 3.2 Number and Election.

(a) The total number of directors constituting the entire Board of Directors shall be not less than three (3) nor more than fifteen (15). Subject to the limits specified in the immediately preceding sentence and as set forth in the Shareholder Agreement, the exact number of directors shall be determined from time to time by the Board of Directors of the Corporation; provided, however, that in no case will a decrease in the number of directors have the effect of removing or shortening the term of any incumbent director.

(b) Except as provided in Section 3.6 of these bylaws, other than for those directors who may be elected by the holders of any class or series of preferred stock of the Corporation as set forth in the instrument of designation of such preferred stock or by certain holders of common stock of the Corporation as set forth in the Shareholder Agreement, a plurality of the votes cast at any annual meeting of stockholders of the Corporation or any special meeting of the stockholders of the Corporation properly called for the purpose of electing directors shall elect directors of the Corporation. Except as otherwise set forth in the instrument of designation of any class or series of preferred stock of the Corporation, no stockholder of the Corporation shall be entitled to cumulate votes on behalf of any candidate at any election of directors of the Corporation.

(c) All elections of directors of the Corporation shall be by written ballot, unless otherwise provided in the Certificate of Incorporation or authorized by the Board of Directors from time to time. If authorized by the Board of Directors, such requirement of a written ballot shall be satisfied by a ballot submitted by electronic transmission; provided, however, that any such electronic transmission must be either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized.

Section 3.3 Classes of Directors and Term of Office. The Board of Directors shall be divided into three classes, designated Class I, Class II and Class III, and the term of office of directors of one class shall expire at each annual meeting of stockholders, and in all cases as to each director until his or her successor shall be duly elected and qualified or until his or her

earlier resignation, removal from office, death or incapacity. Upon the effectiveness of these bylaws (the "Effective Time"), the Board of Directors shall assign all members of the Board of Directors then in office to a class, and the director(s) assigned to Class I shall hold office for a term expiring at the first regularly scheduled annual meeting of stockholders following the Effective Time, the director(s) assigned to Class II shall hold office for a term expiring at the second regularly scheduled annual meeting of stockholders following the Effective Time, and the director(s) assigned to Class III shall hold office for a term expiring at the third regularly scheduled annual meeting of stockholders following the Effective Time. At each succeeding annual meeting of stockholders, a number of directors equal to the number of directors of the class whose term expires at the time of such meeting (or, if less, the number of directors properly nominated and qualified for election) shall be elected to hold office until the third succeeding annual meeting of stockholders after their election.

Section 3.4 Removal. Subject to the Shareholder Agreement and the rights, if any, of the holders of shares of any class or series of preferred stock of the Corporation then outstanding to remove directors as set forth in the instrument of designation of such preferred stock applicable thereto, any director or the entire Board of Directors of the Corporation may be removed from office only for cause and only upon the affirmative vote of the holders of a majority of the total voting power of all the shares of the Corporation entitled to vote generally in the election of directors, voting together as a single class.

Section 3.5 Resignation. Any director may resign at any time upon notice given in writing or by electronic transmission to the Corporation. Any resignation shall take effect at the time specified therein or, if the time when it shall become effective is not specified therein, immediately upon receipt. Unless otherwise specified therein, the acceptance of any such resignation shall not be necessary to make it effective.

Section 3.6 Vacancies and Newly Created Directorships. Subject to the Shareholder Agreement and the rights, if any, of the holders of shares of any class or series of preferred stock of the Corporation then outstanding to designate a director to fill a vacancy as set forth in the instrument of designation of such preferred stock applicable thereto, any vacancy on the Board of Directors resulting from any death, resignation, retirement, disqualification, removal from office, or newly created directorship resulting from any increase in the authorized number of directors or otherwise shall be filled only by the Board of Directors, acting by a majority of the remaining directors then in office, even if less than a quorum, or by a sole remaining director and not by the stockholders. A director elected to fill a vacancy shall hold office for a term expiring at the annual meeting of stockholders at which the term of office of the class to which they have been appointed expires and until such director's successor shall have been duly elected and qualified or until such director's earlier death, resignation or removal.

Section 3.7 Chairman of the Board of Directors; Lead Director. The Chairman of the Board of Directors shall be chosen from among the directors by a majority vote of the Board of Directors. Any director elected as Chairman in accordance with this Section 3.7 shall hold such office until such director's earlier death, resignation, retirement, disqualification or removal from office or the election of any successor by the Board of Directors from time to time. The Board of Directors, by unanimous action, may elect one of its members as the Lead Director of the Board of Directors (which person may, but need not be, the Chairman of the Board of

Directors), who shall hold such office until such director's earlier death, resignation, retirement, disqualification or removal from office or the election of any successor by the Board of Directors from time to time. The Chairman of the Board of Directors shall preside at all meetings of the stockholders of the Corporation and the Chairman of the Board of Directors or, in the discretion of the Board of Directors, the Lead Director of the Board of Directors (if there shall be one) shall preside at all meetings of the Board of Directors at which he or she is present, and shall have such other powers and perform such other duties (including, without limitation, as applicable, as an officer of the Corporation) as may be prescribed by the Board of Directors or provided in these bylaws.

Section 3.8 Meetings. Meetings of the Board of Directors may be held at such dates, times and places (if any) and/or by means of remote communication (if any) as shall be determined from time to time by the Board of Directors or as may be specified in a notice regarding a meeting of the Board of Directors. Special meetings of the Board of Directors may be called by the Chairman of the Board of Directors, the Lead Director of the Board of Directors (if there shall be one), the Chief Executive Officer or President of the Corporation, or not less than a majority of the members of the Board of Directors and shall be called by the President or the Secretary if directed by the Chairman of the Board of Directors, the Lead Director of the Board of Directors (if there shall be one), the Chief Executive Officer or President of the Corporation or not less than a majority of the members of the Board of Directors.

Section 3.9 Conduct of Meetings.

(a) Meetings of the Board of Directors shall be presided over by the chairman of the meeting, who shall be the Chairman of the Board of Directors or, in the discretion of the Board of Directors, the Lead Director of the Board of Directors or, in the absence thereof, such director as a majority of the directors present at such meeting shall appoint.

(b) The Board of Directors shall be entitled to make such rules or regulations for the conduct of meetings of the Board of Directors as it shall deem necessary, appropriate or convenient.

Section 3.10 Notice.

(a) Unless the Certificate of Incorporation provides otherwise, (i) regular meetings of the Board of Directors may be held without notice of the date, time, place or purpose of the meeting at any date, time and place (if any) and/or means of remote communication (if any), as shall from time to time be determined by the Board of Directors, and (ii) unless waived by each of the directors entitled to notice thereof, special meetings of the Board of Directors shall be preceded by at least twenty-four (24) hours notice of the date, time and place (if any) and/or means of remote communication (if any). Any notice of a special or regular meeting of the Board of Directors shall be given to each director orally (either in person or by telephone), in writing (either by hand delivery, mail, courier or facsimile), or by electronic or other means of remote communication, in each case, directed to each director at that director's address, telephone number, facsimile number or electronic mail address, as the case may be, as shown on the Corporation's records. Any oral notice may be communicated either to the director or to a person at the office of the director who the person giving notice has reason to believe will

promptly communicate such notice to the director. If the notice is: (i) delivered personally by hand, by courier, or orally by telephone or otherwise, (ii) sent by facsimile or (iii) sent by electronic mail, it shall be delivered or sent at least twenty-four (24) hours before the time of the holding of the meeting. If the notice is sent by United States mail or courier service, it shall be deposited in the United States mail or with the courier at least three (3) business days before the time of the holding of the meeting.

(b) Whenever notice is required to be given under any provisions of the DGCL, the Certificate of Incorporation or these bylaws, a written waiver thereof, signed by the director entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Neither the business to be transacted at, nor the purpose of, any meeting of the Board of Directors or committee thereof need be specified in any waiver of notice of such meeting.

(c) Attendance of a director at a meeting of the Board of Directors shall constitute a waiver of notice of such meeting, except when the director attends for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. Such director shall be conclusively presumed to have assented to any action taken at any such meeting unless his or her dissent shall be entered in the minutes of the meeting or unless his or her written dissent to such action shall be filed with the person acting as the secretary of the meeting before the adjournment thereof or shall be forwarded by registered mail to the Secretary immediately after the adjournment of the meeting. Such right to dissent shall not apply to any member who voted in favor of such action. Participation by means of remote communication, including, without limitation, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, shall constitute attendance in person at the meeting.

Section 3.11 Quorum and Adjournment. A majority of the total number of directors shall constitute a quorum for the transaction of business at all meetings of the Board of Directors, except as otherwise provided by law or by the Certificate of Incorporation or these bylaws. If a quorum is not present, the Chairman of the Board of Directors, the Lead Director of the Board of Directors or a majority of the directors present at the meeting, may adjourn the meeting to another date, time and place (if any) and/or means of remote communications (if any). When a quorum is once present to commence a meeting of the Board of Directors, it is not broken by the subsequent withdrawal of any directors. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

Section 3.12 Vote Required. Subject to the Certificate of Incorporation, these bylaws, the DGCL and the rights, if any, of those directors who may be elected by the holders of any class or series of preferred stock of the Corporation as set forth in the instrument of designation of such preferred stock, the act by affirmative vote of a majority of the directors present at a meeting of the Board of Directors at which there is a quorum shall be an act of the Board of Directors.

Section 3.13 Minutes. The Secretary shall act as secretary of all meetings of the Board of Directors but in the absence of the secretary, the Chairman of the Board of Directors (or in such person's absence, the Lead Director of the Board of Directors (if there shall be one)) may appoint any other person present to act as secretary of the meeting. The secretary of the meeting shall keep the minutes thereof. Minutes of any regular or special meeting of the Board of Directors shall be prepared and distributed to each director.

Section 3.14 Board Action by Written Consent Without a Meeting. Unless otherwise restricted by the Certificate of Incorporation, any action required or permitted to be taken at any meeting of the Board of Directors, or any committee thereof, may be taken without a meeting if all members of the Board of Directors, or such committee, consent thereto in writing or by electronic transmission, and the writing(s) or electronic transmission(s) reasonably describe the action taken and are filed with the minutes of proceedings of the Board of Directors.

Section 3.15 Committees.

(a) The Board of Directors may by resolution create one or more committees (and thereafter, by resolution, dissolve any such committee). Each such committee shall consist of one or more of the directors of the Corporation who serve at the pleasure of the Board of Directors. Committee members may be removed, with or without cause, at any time by resolution of the Board of Directors and may resign from a committee at any time upon written notice to the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee to replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

(b) Any such committee, to the extent provided in these bylaws or in a resolution of the Board of Directors establishing such committee, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it, to the extent permitted under applicable law. Any duly authorized action and otherwise proper action of a committee of the Board of Directors shall be deemed an action of the Board of Directors for purposes of these bylaws unless the context of these bylaws shall expressly state otherwise.

(c) Each committee of the Board of Directors shall keep minutes of its meetings and shall report its proceedings to the Board of Directors when requested or required by the Board of Directors.

(d) Meetings and actions of committees of the Board of Directors shall be governed by, and held and taken in accordance with, the provisions of Section 3.8, Section 3.9, Section 3.10, Section 3.11, Section 3.12 and Section 3.14 of these bylaws, with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board of Directors and its directors and, if there shall be a chairman of the committee, the Chairman of the Board of Directors for the chairman of the committee; provided, however, that:

(i) the time of regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee; (ii) special meetings of committees may also be called by resolution of the Board of Directors; and (iii) notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. The Board of Directors may adopt other rules for the government of any committee not inconsistent with the provisions of these bylaws. Each committee of the Board of Directors may fix its own other rules of procedure not inconsistent with the provisions of these bylaws or the rules of such committee adopted by the Board of Directors and shall hold its meetings as provided by such rules, except as may otherwise be provided by a resolution of the Board of Directors designating such committee or as provided in these bylaws.

Section 3.16 Compensation. The Board of Directors, irrespective of any personal interest of any of its members, may establish reasonable compensation of all directors for services to the Corporation as directors, officers, or otherwise, or may delegate such authority to an appropriate committee. Such compensation may be comprised of cash, property, stock, options to acquire stock, or such other assets, benefits or consideration as such directors shall deem, in the exercise of their sole discretion, to be reasonable and appropriate under the circumstances. The Board of Directors also shall have authority to provide for or delegate an authority to an appropriate committee to provide for reasonable pensions, disability or death benefits, and other benefits or payments, to directors, officers, and employees and to their families, dependents, estates, or beneficiaries on account of prior services rendered to the Corporation by such directors, officers, and employees.

Section 3.17 Corporate Governance. Without otherwise limiting the powers of the Board of Directors set forth in this Article III, if shares of capital stock of the Corporation are listed for trading on either the Nasdaq Stock Market ("NASDAQ") or the New York Stock Exchange ("NYSE"), the Corporation shall comply with the corporate governance rules and requirements of the NASDAQ or the NYSE, as applicable.

Section 3.18 Director Conflicts of Interest. No contract or other transaction between the Corporation and one or more of its directors or any other corporation, firm, affiliate, or entity in which one or more of its directors are directors or officers or are financially interested will be either void or voidable because of such relationship or interest, because such director or directors are present at the meeting of the Board of Directors or a committee thereof which authorizes, approves, or ratifies such contract or transaction, or because the votes of such director or directors are counted for such purpose, if:

(a) the fact of such relationship or interest is disclosed or known to the Board of Directors or committee which authorizes, approves, or ratifies the contract or transaction by a vote or consent sufficient for the purpose under the DGCL without counting the votes or consents of such interested directors, all in the manner provided by law;

(b) the fact of such relationship or interest is disclosed or known to the stockholders entitled to vote and they authorize, approve, or ratify such contract or transaction by vote or written consent, all in the manner provided by law; or

(c) the contract or transaction is fair and reasonable as to the Corporation at the time it is authorized by the Board of Directors, a committee, or the stockholders.

ARTICLE IV
OFFICERS

Section 4.1 Officers. The officers of the Corporation shall be a Chief Executive Officer, a Chief Financial Officer, one or more Presidents (at the discretion of the Board of Directors), a Treasurer, a Secretary and a Controller. The Corporation may also have, at the discretion of the Board of Directors, one or more Vice Presidents, one or more Assistant Treasurers, one or more Assistant Secretaries, and any such other officers as may be appointed from time to time in accordance with the provisions of these bylaws. In addition, the Chairman of the Board of Directors shall exercise powers and perform such other duties as an officer of the Corporation as may be prescribed by the Board of Directors. Any number of offices may be held by the same person. In its discretion, the Board of Directors may choose not to fill any office for any period as it may deem advisable, except as required by law. The officers of the Corporation need not be stockholders of the Corporation nor, other than the Chairman of the Board of Directors, directors of the Corporation.

Section 4.2 Election of Officers. The Board of Directors shall elect the officers of the Corporation, except such officers as may be elected in accordance with the provisions of Section 4.3 of these bylaws, and subject to the rights, if any, of an officer under any employment contract. Each officer shall hold office until his or her successor is elected and qualified or until his or her earlier death, resignation or removal. A failure to elect officers shall not dissolve or otherwise affect the Corporation. Vacancies may be filled or new offices created and filled by the Board of Directors.

Section 4.3 Appointment of Subordinate Officers. The Board of Directors may appoint, or empower the Chief Executive Officer and/or one or more Presidents of the Corporation to appoint, such other officers and agents as the business of the Corporation may require. Each of such officers and agents shall hold office for such period, have such authority, and perform such duties as are provided in these bylaws or as the Board of Directors may from time to time determine.

Section 4.4 Removal and Resignation.

(a) Notwithstanding the provisions of any employment agreement, any officer of the Corporation may be removed at any time (i) by the Board of Directors, with or without cause, and (ii) by any other officer of the Corporation upon whom the Board of Directors has expressly conferred the authority to remove another officer, in such case on the terms and subject to the conditions upon which such authority was conferred upon such officer. No elected officer shall have any contractual rights against the Corporation for compensation by virtue of such election beyond the date of the election of his successor, his death, his resignation or his removal from office, whichever event shall first occur, except as otherwise provided in an employment contract or under an employee deferred compensation plan or as otherwise required by law.

(b) Any officer may resign at any time by giving written or electronic notice to the Corporation. Any resignation shall take effect at the time specified therein or, if the time when it shall become effective is not specified therein, immediately upon receipt. Unless otherwise specified therein, the acceptance of any such resignation shall not be necessary to make it effective.

Section 4.5 Vacancies. Any vacancy occurring in any office because of death, resignation, retirement, disqualification, removal from office or otherwise may be filled as provided in Section 4.2 and/or Section 4.3 of these bylaws.

Section 4.6 Chief Executive Officer. Subject to the powers of the Board of Directors, the Chief Executive Officer shall be responsible for the general management of the business, affairs and property of the Corporation and control over its officers, agents and employees, and shall see that all orders and resolutions of the Board of Directors are carried into effect. The Chief Executive Officer shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these bylaws.

Section 4.7 Chief Financial Officer. Subject to the powers of the Board of Directors, the Chief Financial Officer shall have the responsibility for the financial affairs of the Corporation and shall exercise supervisory responsibility for the performance of the duties of the Treasurer and the Controller of the Corporation. The Chief Financial Officer shall have such other powers and perform such other duties as may be prescribed by the Board of Directors, the Chairman of the Board of Directors or these bylaws.

Section 4.8 President. The President(s) of the Corporation, subject to the powers of the Board of Directors and the Chief Executive Officer, shall act in general executive capacity, subject to the supervision and control of the Board of Directors. The President(s) shall have such other powers and perform such other duties as may be prescribed by the Board of Directors, the Chairman of the Board of Directors, the Chief Executive Officer or these bylaws.

Section 4.9 Vice President. The Vice President(s) shall have such powers and perform such duties as may be prescribed by the Board of Directors, the Chairman of the Board of Directors, the Chief Executive Officer, the President(s) or these bylaws.

Section 4.10 Treasurer. The Treasurer shall: (i) have the custody of the corporate funds and securities; (ii) keep full and accurate accounts of receipts and disbursements of the Corporation in books belonging to the Corporation; (iii) cause all monies and other valuable effects of the Corporation to be deposited in the name and to the credit of the Corporation in such banks as may be authorized by the Board of Directors; and (iv) cause the funds of the Corporation to be disbursed when such disbursements have been duly authorized, taking proper vouchers for such disbursements. The Treasurer shall have such other powers and perform such other duties as may be prescribed by the Board of Directors, the Chairman of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer or these bylaws.

Section 4.11 Secretary. The Secretary shall attend all meetings of the Board of Directors and of the stockholders and record all votes and the minutes of all proceedings in a book to be kept for that purpose. The Secretary shall give, or cause to be given, notice of all

meetings of the stockholders and special meetings of the Board of Directors and, when appropriate, shall cause the corporate seal to be affixed to any instruments executed on behalf of the Corporation. The Secretary shall also perform all duties incident to the office of Secretary and such other duties as may be prescribed by the Board of Directors, the Chairman of the Board of Directors, the Chief Executive Officer, the President(s) or these bylaws.

Section 4.12 Assistant Treasurers. The Assistant Treasurer, or if there shall be more than one, the Assistant Treasurers in the order determined by the Board of Directors, shall, in the absence or disability of the Treasurer, perform the duties and functions, exercise the powers and be subject to all of the restrictions of the Treasurer. The Assistant Treasurer(s) shall have such other powers and perform such other duties as may be prescribed by the Board of Directors, the Chairman of the Board of Directors, the Chief Financial Officer, the Treasurer or these bylaws.

Section 4.13 Assistant Secretaries. The Assistant Secretary, or if there shall be more than one, the Assistant Secretaries in the order determined by the Board of Directors, shall, in the absence or disability of the Secretary, perform the duties and functions, exercise the powers and be subject to all of the restrictions of the Secretary. The Assistant Secretary(ies) shall have such other powers and perform such other duties as may be prescribed by the Board of Directors, the Chairman of the Board of Directors, the Chief Executive Officer, the Secretary or these bylaws.

Section 4.14 Controller. The Controller shall keep full and accurate account of receipts and disbursements in the books of the Corporation and render to the Board of Directors, the Chairman of the Board, the President or Chief Financial Officer, whenever requested, an account of all his transactions as Controller and of the financial condition of the Corporation. The Controller shall also perform all duties incident to the office of Controller and such other duties as may be assigned to him by the Board of Directors, the Chairman of the Board, the Chief Financial Officer or these bylaws.

Section 4.15 Delegation of Duties. In the absence, disability or refusal of any officer of the Corporation to exercise and perform his or her duties, the Board of Directors may by resolution delegate the powers and duties of such officer to any other officer or to any director, or to any other person whom it may select.

ARTICLE V
STOCK

Section 5.1 Stock Certificates. The shares of capital stock of the Corporation shall be represented by certificates; provided, however, that the Board of Directors may provide by resolution that shares of some or all of any or all classes or series of stock of the Corporation shall be uncertificated and shall not be represented by certificates. Any such resolution by the Board of Directors shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. Certificates representing shares of capital stock of the Corporation shall be issued in such form as may be approved by the Board of Directors and shall be signed by (i) the Chairman of the Board of Directors, a President or a Vice President and (ii) the Treasurer or Assistant Treasurer or the Secretary or an Assistant Secretary. The name of the person or entity to whom the shares are issued, with the number of shares and date of issue, shall be entered on the books of the Corporation.

Section 5.2 Facsimile Signatures. Any and all of the signatures on a certificate representing shares of the Corporation may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue.

Section 5.3 Special Designations of Shares. If the Corporation is authorized to issue more than one class of stock or more than one series of any class, (a) to the extent the shares are represented by certificates, the powers, designations, preferences, and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the Corporation shall issue to represent such class or series of stock; provided, however, that, except as otherwise required by law (including, without limitation, Section 202 of the DGCL), in lieu of the foregoing requirements, there may be set forth on the face or back of the certificate that the Corporation shall issue to represent such class or series of stock a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences, and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights; and (b) to the extent the shares are uncertificated, within a reasonable time after the issuance or transfer of uncertificated shares, the Corporation shall send or cause to be sent to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates pursuant to applicable provisions in the DGCL or a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences, and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

Section 5.4 Transfers of Stock.

(a) Shares of capital stock of the Corporation shall only be transferred on the books of the Corporation by the holder of record thereof or by such holder's attorney or legal representative duly authorized in writing and, if the shares are represented by certificates, upon surrender to the Corporation of the certificate or certificates for such shares endorsed by the appropriate person or persons, with such evidence of the authenticity of such endorsement, transfer, authorization and other matters as the Corporation may reasonably require, and accompanied by all necessary stock transfer stamps. For shares of the Corporation's capital stock represented by certificates, it shall be the duty of the Corporation to issue a new certificate to the person or entity entitled thereto, cancel the old certificate or certificates and record the transaction on its books. No transfer of stock shall be valid as against the Corporation for any purpose until it shall have been entered in the stock records of the Corporation by an entry showing from and to whom transferred.

(b) Subject to the Shareholder Agreement, the Board of Directors shall have power and authority to make such other rules and regulations as it may deem necessary or proper concerning the issue, transfer and registration of certificates for shares of capital stock of the Corporation.

(c) The Board of Directors shall have the authority to appoint one or more banks or trust companies organized under the laws of the United States or any state thereof to act as its transfer agent or agents or registrar or registrars, or both, in connection with the transfer or registration of any class or series of securities of the Corporation, and may require stock certificates to be countersigned or registered by one or more of such transfer agents and/or registrars.

(d) The Corporation shall have the authority to enter into and perform any agreement with any number of stockholders of any one or more classes or series of capital stock of the Corporation to restrict the transfer of shares of capital stock of the Corporation of any one or more classes or series owned by such stockholders in any manner permitted by the DGCL.

Section 5.5 Lost, Stolen or Destroyed Certificates. The Board of Directors may direct a new certificate or certificates representing one or more shares of capital stock of the Corporation or uncertificated shares to be issued in place of any certificate or certificates previously issued by the Corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person or entity claiming the certificate of stock to be lost, stolen or destroyed or may otherwise require production of such evidence of such loss, theft or destruction as the Board of Directors may in its discretion require. Without limiting the generality of the foregoing, when authorizing such issue of a new certificate or certificates or such uncertificated shares, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificate or certificates, or such owner's duly authorized attorney or legal representative, to give the Corporation a bond sufficient to indemnify the Corporation against any claim that may be made against the Corporation on account of the loss, theft or destruction of any such certificate or the issuance of such new certificate.

Section 5.6 Dividend Record Date. In order that the Corporation may determine the stockholders of the Corporation entitled to receive payment of any dividend or other distribution or allotment of any rights, or the stockholders entitled to exercise any rights of change, conversion or exchange of stock, or for the purposes of any other lawful action, the Board of Directors may fix a record date, which record date shall be determined in the manner set forth in Section 2.13 of these bylaws.

Section 5.7 Registered Stockholders. The Corporation shall be entitled to recognize the exclusive right of a person or entity registered on its books as the owner of shares of capital stock of the Corporation to receive dividends, to vote, to receive notifications and otherwise to exercise all the rights and powers of an owner of such shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person or entity, whether or not it shall have express or other notice thereof, except as otherwise required by law.

ARTICLE VI
INDEMNIFICATION

The Corporation shall indemnify any Indemnitee (as defined in the Certificate of Incorporation) as set forth in the Certificate of Incorporation.

ARTICLE VII
GENERAL PROVISIONS

Section 7.1 Reliance on Books and Records. Each director of the Corporation, each member of any committee of the Board of Directors and each officer of the Corporation shall, in the performance of his or her duties, be fully protected in relying in good faith upon the books of account or other records of the Corporation and upon such information, opinions, reports or documents presented to the Corporation by any of its officers or employees, or committees of the Board of Directors so designated, or by any other person or entity as to matters which such director or committee member reasonably believes are within such other person's or entity's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation.

Section 7.2 Dividends. Dividends upon the capital stock of the Corporation, subject to the requirements of the DGCL and the provisions of the Certificate of Incorporation, may be declared by the Board of Directors from time to time at any regular or special meeting of the Board of Directors and may be paid in cash, in property or in shares of the capital stock, or in any combination thereof. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Board of Directors from time to time, in its absolute discretion, deems proper as a reserve or reserves to meet contingencies, or for purchasing any of the shares of capital stock, warrants, rights, options, bonds, debentures, notes, scrip or other securities or evidences of indebtedness of the Corporation, or for equalizing dividends, or for repairing or maintaining any property of the Corporation, or for any other proper purpose. The Board of Directors may modify or abolish any such reserve in the manner in which it was created.

Section 7.3 Corporate Funds; Checks, Drafts or Orders; Deposits. The funds of the Corporation shall be kept in such depositories as shall from time to time be prescribed by the Board of Directors. All checks, drafts or other orders for the payment of money by or to the Corporation and all notes and other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer, officers, agent or agents of the Corporation, and in such manner, as shall be determined by resolution of the Board of Directors from time to time. All funds of the Corporation shall be deposited to the credit of the Corporation under such conditions and in such banks, trust companies or other depositories as the Board of Directors may designate or as may be designated by an officer or officers or agent or agents of the Corporation to whom such power may, from time to time, be determined by the Board of Directors.

Section 7.4 Execution of Contracts and Other Instruments. The Board of Directors, except as otherwise required by law, may authorize from time to time any officer or agent of the Corporation to enter into any contract or to execute and deliver any other instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances. Unless otherwise specifically determined by the Board of Directors or otherwise required by law, formal contracts, promissory notes and other evidences of indebtedness, deeds of trust, mortgages and corporate instruments or documents requiring the corporate seal, and certificates for shares of stock owned by the Corporation shall be executed, signed or endorsed by any President (or any Vice President) and by the Secretary (or any

Assistant Secretary) or the Treasurer (or any Assistant Treasurer). The Board of Directors may, however, authorize any one of these officers to sign any of such instruments, for and on behalf of the Corporation, without necessity of countersignature; may designate officers or employees of the Corporation, other than those named above, who may, in the name of the Corporation, sign such instruments; and may authorize the use of facsimile signatures for any of such persons. No officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for damages, whether monetary or otherwise, for any purpose or for any amount except as specifically authorized in these bylaws or by the Board of Directors or an officer or committee with the power to grant such authority.

Section 7.5 Signatures. In addition to the provisions for use of facsimile signatures elsewhere specifically authorized in these bylaws, facsimile or electronic signatures of any director or officer of the Corporation may be used whenever the signature of a director or officer of the Corporation shall be required, except as otherwise required by law or as directed by the Board of Directors from time to time.

Section 7.6 Fiscal Year. The fiscal year of the Corporation shall be fixed, and once fixed, may thereafter be changed from time to time, by the Board of Directors.

Section 7.7 Corporate Seal. The Board of Directors may provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Corporation, the year of its incorporation and the words "Corporate Seal, Delaware." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

Section 7.8 Voting Securities Owned By the Corporation. Powers of attorney, proxies, waivers of notice of meeting, consents, and other instruments relating to securities owned by the Corporation may be executed in the name of and on behalf of the Corporation by the Chief Executive Officer, the President, Treasurer or Secretary, any Vice President, Assistant Treasurer or Assistant Secretary, or any other officer of the Corporation authorized to do so by the Board of Directors. Any such officer may, in the name of and on behalf of the Corporation, take all such action as any such officer may deem advisable to vote in person or by proxy at any meeting of security holders of any corporation or other entity in which the Corporation may own securities, and at any such meeting shall possess and may exercise any and all rights and power incident to the ownership of such securities and which, as the owner thereof, the Corporation might have possessed and exercised if present.

Section 7.9 Section Headings. Section headings in these bylaws are for convenience of reference only and shall not be given any substantive effect in limiting or otherwise construing any provision herein.

Section 7.10 Inconsistent Provisions. In the event that any provision of these bylaws is or becomes inconsistent with any provision of the Certificate of Incorporation, the DGCL, the Shareholder Agreement or any other applicable law, the provision of these bylaws shall not be given any effect to the extent of such inconsistency but shall otherwise be given full force and effect.

ARTICLE VIII
AMENDMENTS

Section 8.1 Amendments. In furtherance and not in limitation of the powers conferred by law, the Board of Directors is expressly authorized and empowered to amend and repeal these bylaws and adopt new bylaws, subject to the power of the stockholders of the Corporation to adopt, amend or repeal any of these bylaws. Notwithstanding any other provision of these bylaws or any provision of law which might otherwise permit a lesser vote or no vote, but in addition to any affirmative vote of the holders of any series of preferred stock of the Corporation required by law, by the Certificate of Incorporation or by any instrument designating any class or series of preferred stock of the Corporation, the affirmative vote of the holders of a majority of the total voting power of the shares of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required for the stockholders of the Corporation to alter, amend or repeal, or adopt any provision inconsistent with, the provisions of these bylaws. Notwithstanding the foregoing, (i) the affirmative vote of the holders of 75% of the total voting power of the shares of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required for the stockholders of the Corporation to alter, amend or repeal, or adopt any provision inconsistent with, Article VI, and (ii) the provisions of these bylaws with respect to the number, classification, term of office, election and removal of directors, and the amendment thereof, that is, Sections 3.2, 3.3 and 3.4 of these bylaws and this Article VIII, may not be altered, amended or repealed and no new bylaws affecting such provisions may be adopted other than (A) prior to the 2017 annual meeting of stockholders, with the unanimous approval of the entire Board of Directors or by the affirmative vote of the holders of at least 75% of the total voting power of the shares of the Corporation entitled to vote generally in the election of directors, voting together as a single class and (B) following the 2017 annual meeting of stockholders, with the unanimous approval of the entire Board of Directors or by the affirmative vote of the holders of a majority of the total voting power of the shares of the Corporation entitled to vote generally in the election of directors, voting together as a single class.

* * * *

Exhibit G

New Shareholders Agreement

[CENGAGE]

SHAREHOLDER AGREEMENT

Dated as of [_____], 2014

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SHAREHOLDER AGREEMENT

This Shareholder Agreement (as it may be amended from time to time, this "Agreement") is made as of [_____], 2014 by and among [Cengage], a Delaware corporation (the "Company"), and each of the shareholders of the Company, including the shareholders identified on Schedule I attached hereto and such other Persons, if any, that from time to time become parties hereto (as transferees of Shares pursuant to Section 3.3 or otherwise) (collectively, the "Shareholders").

RECITALS

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

WHEREAS, pursuant to that certain Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code (as the same may have been subsequently amended, modified or supplemented, the "Plan"), as of the Effective Date, each of the Shareholders will be issued the number of Company Common Shares set forth opposite such Shareholder's name on Schedule I attached hereto.

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

WHEREAS, on or after the Effective Date, certain officers, directors and /or employees of the Company and its Subsidiaries may purchase Company Common Shares, or receive restricted Company Common Shares or Options exercisable for Company Common Shares, pursuant to the Company's 2014 Equity Incentive Plan (the "Management Incentive Plan"). [With respect to Company Common Shares purchased by or granted to such certain officers, directors and /or employees under the Management Incentive Plan, or any Company Common Shares issued to such certain officers, directors and /or employees, including upon exercise of any Options granted under the Management Incentive Plan, the holders thereof (and their permitted transferees) (collectively, the "Management Shareholders") will be subject to the terms of **[**a Management Shareholder Agreement, dated as of the date hereof (the "Management Shareholder Agreement"), among the Company and the Management Shareholders**]]**.[1]

WHEREAS, the parties hereto desire to establish certain rights and obligations with respect to the composition of the Company's board of directors (the "Board"), to manage, in certain circumstances, the Transfer of Company Common Shares, to provide for certain

[1] NTD: use of a separate Management Shareholder Agreement under review.

additional covenants and to provide for certain rights and obligations as among themselves in relation to the affairs of the Company and its Subsidiaries and certain other matters as set forth herein as hereinafter provided.

AGREEMENT

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

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

2. VOTING AGREEMENT.

2.1 Board of Directors.

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

2.1.2. Initial Designation of Directors.

(a) As of the Effective Date, the Board shall consist of the following individuals: [●] (the "Initial CEO"), [●], who is a designee of Apax (the "Apax Designee Director"), [●], who is a designee of KKR (the "KKR Designee Director") [●], who is a designee of Searchlight (the "Searchlight Designee Director" and, together with the Apax Designee Director and the KKR Designee Director, the "Initial Designee Directors," with the person who designated such Initial Designee Directors being referred to as the "Board Designator")), [●], [●] and [●] (together with [●] and [●], the "Independent Directors"). Commencing as of the Effective Date and continuing through at least the 2017 annual meeting of Shareholders (the "Third Annual Meeting"), pursuant to the Bylaws (i) the directors of the Company shall be divided, with respect to the time for which they severally hold office, into three classes, with the Initial CEO (or any replacement thereof selected in accordance with the Governing Documents) to serve in Class I with a term expiring at the 2015 annual meeting of Shareholders (the "First

Annual Meeting"), each Initial Designee Director (or any replacement thereof selected in accordance with Section 2.2 and the Governing Documents) to serve in Class II with a term expiring at the 2016 annual meeting of Shareholders (the "Second Annual Meeting") and each Independent Director (or any replacement thereof selected in accordance with Section 2.2 and the Governing Documents) to serve in Class III with a term expiring at the Third Annual Meeting and (ii) commencing with the First Annual Meeting, each director that is elected shall be elected for a three-year term.

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

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

(i) if Apax beneficially owns Company Common Shares constituting at least 50% of its Original Ownership, the Apax Designee Director (or any replacement thereof selected in accordance with Section 2.2 and the Governing Documents);

(ii) if KKR beneficially owns Company Common Shares constituting at least 50% of its Original Ownership, the KKR Designee Director (or any replacement thereof selected in accordance with Section 2.2 and the Governing Documents); and

(iii) if Searchlight beneficially owns Company Common Shares constituting at least 50% of its Original Ownership, the Searchlight Designee Director (or any replacement thereof selected in accordance with Section 2.2 and the Governing Documents).

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

2.1.3. Board Observer. At all times prior to the Initial Public Offering, each Shareholder that is a Board Designator and that continues to beneficially own Company Common Shares constituting at least ten percent (10%) of the Outstanding Company Common Shares shall be entitled to appoint one (1) observer (the "Observer") that is a representative of or otherwise affiliated with such Shareholder as an observer to the Board for so long as such Shareholder continues to hold at least ten percent (10%) of the Outstanding Company Common Shares, which percentage shall be automatically

adjusted to prevent dilution upon the Issuance of any Company Common Shares after the Effective Date solely to the extent such Issuance is of a type described in Sections 5.3(b), (c), (f) or (g). Such Observer(s) shall be entitled to attend all meetings of the Board, and the Company shall provide to the Observer(s), concurrently with the members of the Board and in the same manner, notice of such meetings and a copy of all materials provided to such members; provided, however, that no Observer shall be entitled to compensation for their services as an Observer to the Board, but each Observer shall be entitled to reimbursement of reasonable, documented out-of-pocket expenses incurred in connection with attendance at meetings of the Board; provided, further, for the avoidance of doubt, the Observer shall be subject to customary confidentiality obligations, including without limitation, the confidentiality obligations set forth in Section 6.2 hereof and other customary and generally applicable board policies, and the Shareholder that designated such Observer shall be responsible for the Observer's compliance therewith.

2.2 Resignation; Removal and Replacement; Vacancies.

2.2.1. Removal of Designee Director. Prior to the Second Annual Meeting, no Shareholder will vote (or act by written consent) or take any Necessary Action to remove any Designee Director, except (a) for Cause or (b) upon the written request to the Company of the Board Designator that designated such Designee Director, delivered in its sole discretion (a "Removal Request"), which Removal Request may designate a replacement director. Additionally, at any time following the Effective Time (including following the Second Annual Meeting), a Board Designator that beneficially owns Company Common Shares constituting at least 50% of its Original Ownership may deliver in its sole discretion a Removal Request with respect to the Designee Director that it designated, which Removal Request may designate a replacement director. Upon receipt of a valid Removal Request by the Company, the Company, Board and each Shareholder agrees to take all Necessary Action so as to remove the Designee Director identified in such Removal Request. Following such removal, if a proposed replacement Designee Director is designated in the Removal Request, then the Company, Board and Shareholders will take all Necessary Action to cause such proposed Designee Director to be promptly nominated, elected and installed in office.

2.2.2. Vacancies of Designee Directors.

(a) Prior to the Second Annual Meeting:

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

(ii) if any Board Designator entitled to designate a person to serve as the replacement Designee Director fails to do so, then such directorship shall remain vacant until such Board Designator designates a

proposed replacement (or, if such Board Designator fails to designate a proposed replacement prior to the Second Annual Meeting, until filled by the Board in accordance with Section 2.2.2(b)(ii)).

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

(i) if any Director Designee resigns, dies, is removed or is unable to serve for any reason and the applicable Board Designator beneficially owns Company Common Shares constituting at least 50% of its Original Ownership at the time that such vacancy occurs, such Board Designator may designate a proposed replacement Designee Director within twenty (20) Business Days of receipt of notice from the Company to such Board Designator of such vacancy occurring, in which event the Company, Board and Shareholders will take all Necessary Action to cause such proposed Designee Director to be promptly nominated, elected and installed in office;

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

(iii) if any Director Designee resigns, dies, is removed or is unable to serve for any reason and the applicable Board Designator beneficially owns Company Common Shares constituting less than 50% of its Original Ownership at the time that such vacancy occurs, then such vacancy may be filled by the Board in accordance with the Governing Documents.

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

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

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

2.4 Necessary Action by all Shareholders (Board of Directors Provisions). Each Shareholder hereby agrees to take, at any time and from time to time, all Necessary Action to accomplish the provisions of Sections 2.1 and 2.2, and the Company hereby agrees to take all

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

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

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

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

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

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

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

3. TRANSFER RESTRICTIONS.

3.1 General Transfer Restrictions Each Shareholder understands and agrees that the Shares held by such Shareholder on the date hereof have not been registered under the Securities Act or registered or qualified under any state or foreign securities laws. No Shareholder shall Transfer such Shares (or solicit any offers in respect of any Transfer of such Shares), except in compliance with the Securities Act, any applicable state or foreign securities laws and any

restrictions on Transfer contained in this Agreement (including, without limitation, the transfer procedures set forth in Sections 3.2.1 and 3.3 hereof) or any other provisions set forth in the Registration Rights Agreement or any other agreements or instruments pursuant to which such Shares were issued.

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

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

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

pursuant to which such Person agrees to be bound by the terms and conditions of this Agreement as if an original party hereto.

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

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

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

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

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

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

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

(b) an invitation to each Tag Along Holder to include in the proposed Sale to the applicable Prospective Buyer(s) Shares of the same class(es) being

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

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

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

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

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

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

4.2 Drag Along. With respect to a Business Sale that is proposed by holders of more than fifty percent (50%) of the Outstanding Company Common Shares (or equivalent voting

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

4.2.1. Exercise. If the Prospective Dragging Shareholders wish to exercise the drag-along rights contained in this Section 4.2, then they shall deliver a written notice (the "Drag Along Notice") to the Company at least fifteen (15) Business Days prior to the consummation of the Business Sale transaction, and the Company shall deliver a copy of such Drag Along Notice to each other Shareholder (each, a "Participating Drag Seller" and, together with the Prospective Dragging Shareholders, collectively, the "Drag Along Sellers") promptly (and in any event within five (5) Business Days). The Drag Along Notice shall set forth the principal terms and conditions of the proposed Business Sale, including (a) the form and structure of the proposed Business Sale, (b) the consideration to be received in the proposed Business Sale for each class of Shares (including, if applicable, the formula by which such consideration is to be determined and the payment terms, including a description of any non-cash consideration sufficiently detailed to permit valuation thereof), (c) the name and address of the prospective acquirer(s) and (d) if known, the proposed Transfer date. Except as provided in Section 4.3.3, each Participating Drag Seller shall receive the same form and amount of consideration per Share to be received by the Prospective Dragging Shareholders for the corresponding class of Shares (on an as converted basis, in the case of Convertible Securities) in the Drag-Along Sale. If any holders of Shares of any class are given an option as to the form and amount of consideration to be received, all holders of Shares of such class will be given the same option other than to the extent prohibited by law. Unless otherwise agreed by each Drag Along Seller, any non-cash consideration shall be allocated among the Drag Along Sellers pro rata based upon the aggregate amount of consideration to be received by such Drag Along Sellers. If at the end of the 180th day after the date of delivery of the Drag Along Notice the proposed Business Sale has not been completed, the Drag Along Notice shall be null and void, each Drag Along Seller shall be released from such holder's obligation under the Drag Along Notice and it shall be necessary for a

separate Drag Along Notice to be delivered and the terms and provisions of this Section 4.2 separately complied with, in order to consummate such proposed Business Sale pursuant to this Section 4.2.

4.2.2. No Other Consideration. No Prospective Dragging Shareholder nor any of its Affiliates shall receive any direct or indirect consideration in connection with a Business Sale to which Section 4.2 applies (including by way of fees, consulting arrangements or a non-compete payment) other than consideration received in exchange for its Shares on the terms described in the Drag Along Notice.

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

4.3.1. Further Assurances. Each Participating Tag Seller or Participating Drag Seller, as applicable, shall take or cause to be taken all Necessary Action, and the Company shall take or cause to be taken all such reasonable actions as may be requested by the Prospective Selling Shareholders or the Prospective Dragging Shareholders, as applicable, in each case, in order to expeditiously consummate each transaction pursuant to Section 4.1 or Section 4.2 and any related transactions, including executing, acknowledging and delivering consents, assignments, waivers and other documents or instruments; furnishing information and copies of documents; filing applications, reports, returns, filings and other documents or instruments with governmental authorities; and otherwise cooperating with the Prospective Selling Shareholder(s) or Prospective Dragging Shareholder(s), as applicable, and the prospective purchaser; provided, however, that Participating Tag Sellers and Participating Drag Sellers shall be obligated to become liable in respect of any representations, warranties, covenants, indemnities or otherwise to the Prospective Buyer or prospective acquirer solely to the extent provided in the immediately following sentence. Without limiting the generality of the foregoing, each Participating Tag Seller and Participating Drag Seller agrees to execute and deliver such agreements as may be reasonably specified by the Prospective Selling Shareholder(s) or Prospective Dragging Shareholder(s), as applicable, to which such Prospective Selling Shareholder(s) or Prospective Dragging Shareholder(s), as applicable, will also be party, including agreements to (a)(i) make individual representations, warranties, covenants and other agreements, but solely as to the unencumbered title to its Shares and the power, authority and legal right to Transfer (with respect to a Sale pursuant to Section 4.1) or vote (with respect to a Business Sale pursuant to Section 4.2) such Shares, the absence of any Adverse Claim with respect to such Shares and the non-contravention of other agreements to which such Participating Tag Seller or Participating Drag Seller is a party (it being understood and agreed that the Participating Tag Seller or Participating Drag Seller, as applicable, shall not be required to make any other representations and warranties) and (ii) be liable, severally and not jointly, as to such representations, warranties, covenants and other agreements, in each case to the same extent (but with respect to its own Shares) as the Prospective Selling Shareholder(s) or Prospective Dragging Shareholder(s), as applicable, and (b), be liable, severally and not jointly (whether by purchase price adjustment, indemnity payments or otherwise) in respect of representations, warranties, covenants and agreements made in respect of the Company and its subsidiaries; provided, however, that the aggregate amount of liability

described in this clause (b) in connection with any Sale of Shares shall not exceed the lesser of (i) such Participating Tag Seller's or Participating Drag Seller's pro rata portion of any such liability, to be determined in accordance with such Participating Tag Seller's or Participating Drag Seller's portion of the aggregate proceeds to all Tag Along Sellers or Drag Along Sellers, as applicable in connection with such transaction and (ii) the net proceeds to such Participating Tag Seller or Participating Drag Seller in connection with such transaction.

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

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

4.3.4. Closing. The closing of a transaction to which Section 4.1 or 4.2 applies shall take place (i) on the proposed Transfer date, if any, specified in the Tag Along Notice or Drag Along Notice, as applicable (provided that consummation of any Transfer may be extended beyond such date to the extent necessary to obtain any applicable governmental approval or other required approval or to satisfy other conditions), (ii) if no proposed Transfer date was so specified, at such time as the Prospective Selling Shareholders or Prospective Dragging Shareholders, as applicable, shall specify by notice to each Participating Tag Seller or Participating Drag Seller, as applicable, and the Company, as the case may be, and (iii) at such place as the Prospective Selling

Shareholder(s) or Prospective Dragging Shareholder(s), as applicable, shall specify by written notice to each Participating Tag Seller or Participating Drag Seller, as applicable. At the closing of any Sale pursuant to Section 4.1, each Participating Tag Seller shall deliver the certificates (if any) evidencing the Shares to be Sold by such Participating Tag Seller, duly endorsed, or with stock (or equivalent) powers duly endorsed, for transfer with signature guaranteed, free and clear of any liens or encumbrances (other than any arising as a result of the terms of this Agreement), with any stock (or equivalent) transfer tax stamps affixed, against delivery of the applicable consideration.

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

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

5.1 Right of Participation.

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

(a) the principal terms and conditions of the proposed Issuance, including (i) the amount, kind and terms of the Subject Securities to be included in the Issuance, (ii) the percentage of the total number of Shares outstanding as of immediately prior to giving effect to such Issuance which the number of Shares held by such Participation Offeree immediately prior to such issuance constitutes (the "Participation Portion"), (iii) the price (including if applicable, the Price Per Equivalent Share) per unit of the Subject Securities, including a description of any non-cash consideration sufficiently detailed to permit valuation thereof, (iv) the proposed manner through which the Issuer shall effectuate the Issuance, (v) if known, the name and address of the Person to whom the Subject Securities are expected to be issued (the "Prospective Subscriber") and (vi) if known, the proposed Issuance date; and

(b) an offer by the Issuer to issue, at the option of each Participation Offeree, to such Participation Offeree such portion of the Subject Securities to be

included in the Issuance as may be requested by such Participation Offeree (not to exceed the Participation Portion of the total amount of Subject Securities to be included in the Issuance), on the same terms and conditions (except that, if non-cash consideration is to be delivered, a Participating Buyer would pay the cash equivalent thereof (as reasonably determined by the Board)), with respect to each unit of Subject Securities issued to the Participation Offerees, as each of the Prospective Subscribers shall be issued units of Subject Securities.

5.1.2. Exercise.

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

(b) Irrevocable Acceptance. The acceptance of each Participating Buyer as set forth in such Participating Buyer's Acceptance Notice shall be irrevocable except as hereinafter provided, and each such Participating Buyer shall be bound and obligated to acquire in the Issuance on the same terms and conditions, with respect to each unit of Subject Securities issued, as the Prospective Subscriber, such amount of Subject Securities as such Participating Buyer shall have specified in such Participating Buyer's Acceptance Notice.

(c) Time Limitation. If at the end of the 90th day after the date of the delivery of the Participation Notice the Issuer has not completed the Issuance, each Participating Buyer shall be released from such Participating Buyer's obligations under such Participating Buyer's Acceptance Notice, the Participation Notice shall be null and void, and it shall be necessary for a separate Participation Notice to be delivered, and the terms and provisions of this Section 5.1 separately complied with, in order to consummate such Issuance pursuant to this Section 5.1; provided, however, that in such case of a separate Participation Notice on substantially the same terms and conditions, the applicable period to which reference is made in Section 5.1.1 and in the first sentence of Section 5.1.2(a) shall be three (3) Business Days and two (2) Business Days, respectively, and the time to complete such Issuance referenced in the first sentence of this Section 5.1.2(c) shall be 60 days instead of 90.

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

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

5.1.5. Further Assurances. Each Participating Buyer shall take or cause to be taken all such reasonable actions as may be reasonably necessary or reasonably desirable in order to expeditiously consummate each Issuance pursuant to this Section 5.1 and any related transactions, including executing, acknowledging and delivering consents, assignments, waivers and other documents or instruments; filing applications, reports,

returns, filings and other documents or instruments with governmental authorities; and otherwise cooperating with the Issuer and the Prospective Subscriber. Without limiting the generality of the foregoing, each such Participating Buyer agrees to execute and deliver such subscription and other agreements specified by the Issuer to which the Prospective Subscriber will be party.

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

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

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

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

(c) keep such offer open for a period of fifteen (15) Business Days, during which period, each such Participation Offeree may accept such offer by sending a written acceptance to the Issuer committing to purchase an amount of

such securities (not in any event to exceed the Participation Portion that such Participation Offeree would have been entitled to pursuant to Section 5.1 multiplied by the aggregate number of shares issued pursuant to this Section 5.2 in such Issuance); and

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

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

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

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

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

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

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

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

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

(h) Any Issuance of Subject Securities by a Subsidiary to the Company or any of its wholly owned Subsidiaries; or

(i) As to any Participation Offeree, any Issuance of Subject Securities as to which the Issuer has received the written waiver of the provisions of this Section 5 from such Participation Offeree.

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

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

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

6. COVENANTS.

6.1 Information Rights.

6.1.1. Reports.

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

Notwithstanding anything contained herein, (i) if the Company adopts a fiscal year end of March 31, the first annual report hereunder shall only be due within [120] days from March 31, 2014 and the first quarterly report hereunder shall only be due at the later of (1) 45 days from filing of such annual report, and (2) 45 days from June 30, 2014; and (ii) if the Company adopts a fiscal year end of June 30, the first annual report hereunder shall only be due within [120] days from June 30, 2014 and the first quarterly report hereunder shall only be due at the later of (1) 45 days from furnishing of such annual report, and (2) 45 days from September 30, 2014.

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

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

6.1.1.4 The Company will make available such reports and information provided under Section 6.1.1 by posting such reports and information on a public website; provided however, notwithstanding anything to the contrary contained herein, that the Company will be entitled to redact or withhold commercially sensitive information in its reasonable discretion, so long as the redaction or

withholding of such information does not make such reports and information not compliant with GAAP in any material respect. Reports and information made available by the Company in the manner contemplated by this Section 6.1.1.4 will be deemed furnished to each Shareholder when so made available for purposes of Sections 6.1.1.1 and 6.1.1.2.

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

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

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

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

6.1.4. VCOC Rights Letter. Upon reasonable request of a Shareholder, the Company agrees to enter into a customary management rights letter with such Shareholder or its applicable Affiliate to the extent such Shareholder has an interest in the

Company that is intended to qualify as a "venture capital operating company" (as defined in the U.S. Department of Labor regulation codified at 29 C.F.R. Section 2510.3-101).

6.1.5. Period. The provisions of Section 6.1.1 through Section 6.1.4 shall automatically terminate in their entirety and be of no further force and effect upon the completion of the Initial Public Offering or the earlier termination of this Agreement.

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

7. REMEDIES.

7.1 Generally. The parties hereto shall have all remedies available at law, in equity or otherwise in the event of any breach or violation of this Agreement or any default hereunder. The parties hereto acknowledge and agree that in the event of any breach of this Agreement, in addition to any other remedies which may be available, each of the parties hereto shall be entitled to specific performance of the obligations of the other parties hereto and, in addition, to

such other equitable remedies (including preliminary or temporary relief) as may be appropriate in the circumstances.

7.2 Deposit. Without limiting the generality of Section 7.1, if any Shareholder fails to deliver to the purchaser thereof the certificate or certificates (if any) evidencing Shares to be Sold pursuant to Section 4.1, such purchaser may, at its option, in addition to all other remedies it may have, deposit the purchase price for such Shares with any national bank or trust company having combined capital, surplus and undivided profits in excess of One Hundred Million Dollars ($100,000,000) (the "Escrow Agent"), and the Company shall cancel on its books the certificate or certificates representing such Shares and thereupon all of such Shareholder's rights in and to such Shares shall terminate. Thereafter, upon delivery to such purchaser of the certificate or certificates (if any) evidencing such Shares (duly endorsed, or with stock powers duly endorsed, for transfer, with signature guaranteed, free and clear of any liens or encumbrances, and with any transfer tax stamps affixed), such purchaser shall instruct the Escrow Agent to deliver the purchase price to such Shareholder.

8. LEGENDS.

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

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

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

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

9. AMENDMENT, TERMINATION, ETC.

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

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

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

10. DEFINITIONS. For purposes of this Agreement:

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

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

(b) The word “including” shall mean including, without limitation;

(c) Definitions shall be equally applicable to both nouns and verbs and the singular and plural forms of the terms defined; and

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

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

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

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

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

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

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

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

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

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

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

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

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

"Bylaws" shall mean the bylaws of the Company, as amended from time to time.

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

"Certificate" shall mean the certificate of incorporation of the Company, as amended from time to time.

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

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

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

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

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

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

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

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

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

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

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

"Effective Date" shall have the meaning set forth in Section 1.1.

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

transaction or circumstance in connection with which the number of Equivalent Shares is to be determined).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"Management Incentive Plan" shall have the meaning set forth in the Recitals.

["Management Shareholder Agreement" shall have the meaning set forth in the Recitals.]

"Management Shareholders" shall have the meaning set forth in the Recitals.

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

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

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

"Original Ownership" of any Shareholder (or group of Shareholders) means (i) the shares of Company Common Shares beneficially owned by such Shareholder (or such group) as of the Effective Date and (ii) any Company Equity Shares beneficially owned by such Shareholder (or such group) and issued directly or indirectly with respect to the securities that constitute such Shareholder's (or group's) Original Ownership by way of dividend or split or in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization. When determining whether the Company Equity Shares beneficially owned by any Shareholder (or group of Shareholders) constitutes a certain percentage of such Shareholder's (or such group's) Original Ownership, such Company Equity Shares and Original Ownership shall be calculated on an as-converted basis.

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

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

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

"Participating Drag Seller" shall have the meaning set forth in Section 4.2.1.

"Participating Tag Seller" shall have the meaning set forth in Section 4.1.2.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"Representatives" shall have the meaning set forth in Section 6.2

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

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

"Searchlight" shall mean Searchlight Capital Partners LLC or any of its Affiliates (and any investment funds managed by Searchlight Capital Partners LLC or any of its Affiliates).

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

"SEC" means the U.S. Securities and Exchange Commission.

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

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

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

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

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

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

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

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

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

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

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

"Tag Along Sellers" shall have the meaning set forth in Section 4.1.2.

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

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

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

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

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

11. MISCELLANEOUS.

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

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

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

(a) If to the Company:

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

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

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

(b) If to a Shareholder, to the name and address set forth on the signature page hereto for such Shareholder, or, if such Shareholder has not executed this Agreement, as set forth on Schedule I attached hereto for such Shareholder, or as set forth in any joinder to this Agreement executed by such Shareholder pursuant to Section 3.3; provided, that any notice or other communications or deliveries required or permitted to be given hereunder by the Company to any Shareholder may be given by posting such notice, communication or delivery to the public website utilized by the Company to disseminate reports and information pursuant to Section 6.1.1.4, and shall be deemed to have been duly given on the date such posting is made, so long as such public website shall automatically send email notifications of new postings to any Shareholder that has complied with the applicable log-in procedures or other applicable registration requirements of such website.

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

11.4 Binding Effect, Etc. Except for the Governing Documents,[the Management Shareholder Agreement] and the Registration Rights Agreement dated as of Effective Date

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

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

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

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

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

11.8 No Recourse. Notwithstanding anything that may be expressed or implied in this Agreement, the Company and each Shareholder covenant, agree and acknowledge that no recourse under this Agreement or any documents or instruments delivered in connection with this Agreement shall be had against any current or future director, officer, employee, general or limited partner, equityholder, holder of beneficial interest or member of any Shareholder or of any Affiliate or assignee thereof, as such, whether by the enforcement of any assessment or by any legal or equitable proceeding, or by virtue of any statute, regulation or other applicable law, it being expressly agreed and acknowledged that no personal liability whatsoever shall attach to, be imposed on or otherwise be incurred by any current or future officer, agent or employee of any shareholder or any current or future member of any Shareholder or any current or future director, officer, employee, partner, shareholder, holder of beneficial interest or member of any Shareholder or of any Affiliate or assignee thereof, as such, for any obligation of any Shareholder under this Agreement or any documents or instruments delivered in connection with

this Agreement for any claim based on, in respect of or by reason of such obligations or their creation.

11.9 Expenses; Indemnity. To the extent permitted by applicable law, the Company will pay, and will indemnify and hold each Board Designator and each of their respective partners, shareholders, members, Affiliates, directors, officers, fiduciaries, managers, controlling Persons, employees and agents and each of the partners, shareholders, members, Affiliates, directors, officers, fiduciaries, managers, controlling Persons, employees and agents of each of the foregoing (collectively, the "Indemnitees") free and harmless from and against any and all liability for payment of, the out-of-pocket expenses (including reasonable fees and expenses of all advisors, accountants and counsel) incurred by the Indemnitees or any of them, in connection with any Third-Party Claim arising out of its exercise or enforcement of its rights, or failure to exercise or enforce its rights, under, and in accordance with, the Agreement (but, for purposes of clarification, not liabilities arising out of such Indemnitee's breach of or non-compliance with this Agreement, any of the other Transaction Agreements, or any other agreement or instrument to which such Indemnitee is or becomes a party). If any Indemnitee receives payment from the Company pursuant to this Section 11.9 in respect of a Third-Party Claim and it is subsequently determined by a court of competent jurisdiction that such Indemnitee was not entitled to be indemnified pursuant to this Section 11.9 in respect of such Third-Party Claim, the Indemnitee shall promptly reimburse to the Company all amounts previously paid by or on behalf of the Company to such Indemnitee pursuant to this Section 11.9 in respect of such Third-Party Claim. The rights of any Indemnitee to indemnification hereunder will be in addition to any other rights any such Person may have under any other agreement or instrument referenced above or any other agreement or instrument to which such Indemnitee is or becomes a party or is or otherwise becomes a beneficiary or under law or regulation. A "Third-Party Claim" means any (i) claim brought by a Person other than the Company or any of the Subsidiaries or any Indemnitee and (ii) any derivative claim brought in the name of the Company or any of the Subsidiaries that is initiated by a Person other than any Indemnitee.

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

12. GOVERNING LAW.

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

12.2 Consent to Jurisdiction. Each party to this Agreement, by its execution hereof, (a) hereby irrevocably submits to the exclusive jurisdiction of the Court of Chancery of the State of Delaware or, if such court lacks jurisdiction, any other state or federal court sitting in the State of Delaware for the purpose of any action, claim, cause of action or suit (in contract, tort or otherwise), inquiry, proceeding or investigation arising out of or based upon this Agreement or relating to the subject matter hereof, (b) hereby waives to the extent not prohibited by applicable law, and agrees not to assert, and agrees not to allow any of its Subsidiaries to assert, by way of

motion, as a defense or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that any such proceeding brought in one of the above-named courts is improper, or that this Agreement or the subject matter hereof or thereof may not be enforced in or by such court and (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 the fullest extent permitted by law, to service of process in any such proceeding in any manner permitted by Delaware law, and agrees that service of process by registered or certified mail, return receipt requested, at its address specified pursuant to Section 11.3 hereof is reasonably calculated to give actual notice.

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

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

* * *Signature pages follow* * *

IN WITNESS WHEREOF, the parties listed below have executed this Shareholder Agreement on the day and year first written above, and all Shareholders are deemed to be bound hereby without the need for execution thereby in accordance with the terms of this Agreement and the Plan.

COMPANY:

[CENGAGE]

By: _____
Name: _____
Title: _____

SHAREHOLDERS:

[ ]

By: _____
Name: _____
Title: _____

Address for Notice:

_____
_____
Attention: _____
Facsimile: _____
Email: _____

[OTHERS]

Schedule I

Ownership of Shares

[TO COME]

Exhibit A

[Bylaws]

Exhibit B

[Form of Joinder Agreement]

Exhibit H

New Registration Rights Agreement

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "Agreement") is made and entered into as of [_____], 2014, by and between **[**Cengage], a Delaware corporation (the "Company") and each of the shareholders of the Company, including the shareholders identified on Schedule I attached hereto (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 has entered into the Shareholders Agreement dated [_____], 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 Shares" has the meaning set forth in the Shareholders Agreement.

"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).

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"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 Registrable Securities 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 Registrable Securities 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 Request" has the meaning set forth in Section 2(b)(i).

"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 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 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 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 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.

"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.

"Stand-Off Period" has the meaning set forth in Section 7(f).

"Suspension Period" has the meaning set forth in Section 2(a)(iv).

"Trading Market" means the principal national securities exchange on which Registrable Securities are listed.

"Transaction Documents" means, collectively, this Agreement, the Shareholders Agreement and any and all other agreements or instruments provided for in this Agreement to be executed and delivered by the Parties in connection with the transactions contemplated hereby.

Unless the context requires otherwise: (a) any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms; (b) references to Articles and Sections refer to Articles and Sections of this Agreement; (c) the terms "include," "includes," "including" or words of like import shall be deemed to be followed by the words "without limitation"; (d) the terms "hereof," "herein" or "hereunder" refer to this Agreement as a whole and not to any particular provision of this Agreement; (e) unless the context otherwise requires, the term "or" is not exclusive and shall have the inclusive meaning of "and/or"; (f) defined terms herein will apply equally to both the singular and plural forms and derivative forms of defined terms will have correlative meanings; (g) references to any law or statute shall include all rules and regulations promulgated thereunder, and references to any law or statute shall be construed as including any legal and statutory provisions consolidating, amending, succeeding or replacing the applicable law or statute; (h) references to any Person include such Person's successors and permitted assigns; and (i) references to "days" are to calendar days unless otherwise indicated.

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, 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 give written notice of the receipt of such Demand Notice to all other Holders that hold at least 0.5% of the Registrable Securities then outstanding (each, a "Demand Eligible Holder") and shall promptly file the appropriate registration statement (the "Demand Registration Statement") and use its reasonable best efforts to effect the registration under the Securities Act and applicable state securities laws of (i) the Registrable Securities which the Company has been so requested to register by the Initiating Holders in the Demand Notice, and (ii) all other Registrable Securities which the Company has been requested to register by the Demand Eligible Holders by written request given to the Company within ten (10) Business Days (in the case of a registration on Form S-1) or three (3) Business Days (in the case of a registration on Form S-3) after the giving of such written notice by the Company (the "Demand Eligible Holder Request"), 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 (not more than two times in any year) requesting that the Company conduct an Initial Public Offering if delivered by Holders of (i) if delivered on or after the third (3rd) anniversary but prior to the fourth (4th) anniversary of the date hereof, 50% or more of the Registrable Securities then outstanding and (ii) if delivered on or after the fourth (4th) anniversary of the date hereof, 33-1/3% or more of the Registrable Securities 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 [ ]%[1] or more of the Registrable Securities 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 with an aggregate estimated market value of at least $[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 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).

[1] Number of shares representing approximately 5% of the outstanding shares at exit.

(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 reasonable best 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 not less than six (6) months following the Effective Date 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 for the Effectiveness Period, (iii) in the event of an underwritten offering, if the conditions to closing specified in the purchase agreement or 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 or (iv) 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.

(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 Shares in which the Holders of Registrable Securities 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 determines that a postponement is in the best interest of the Company due to a

pending transaction or (2) the Board determines that a postponement is in the best interest of the Company due to an investigation or other event, and in the case of this clause (C) 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 its 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.

(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 that, in such underwriter's opinion, the inclusion of all of the Initiating Holders' and Demand Eligible Holders' Registrable Securities in the Demand Registration Statement would have a material adverse effect on the timing or success of the offering, then the Company shall so advise all Initiating Holders and other 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, on a pro rata basis based on the number of Registrable Securities held by all such Initiating Holders and Demand Eligible Holders. Any Registrable Securities excluded or withdrawn from such underwriting shall be withdrawn from the registration.

(vi) If a Demand Registration pursuant to this Section 2(a) involves an underwritten offering, 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, (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.

(b) Piggyback Registration.

(i) If at any time the Company proposes to file a Registration Statement, other than pursuant to any Demand Registration, for an offering of Company Shares for cash (whether in connection with a public offering of Company Shares by the Company, a public offering of Company 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), the Company shall promptly notify all Holders that hold at least 0.5% of the Registrable Securities then outstanding (each a "Piggyback Eligible Holder") of such proposal reasonably in advance of (and in any event at least ten (10) Business Days before) the anticipated filing date (the "Piggyback Notice"). The Piggyback Notice

shall offer the Piggyback Eligible Holders the opportunity to include for registration in such 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 from Piggyback Eligible Holders within five (5) Business Days after mailing of the Piggyback Notice ("Piggyback Request") for inclusion therein. If a Piggyback Eligible Holder decides not to include all of its Registrable Securities in any Registration Statement thereafter filed by the Company, such Piggyback Eligible 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.

(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 inclusion of all of the Piggyback Eligible Holders' Registrable Securities in the subject Registration Statement would have a material adverse effect on the timing or success of the offering, 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, will not have a material adverse effect on the timing or success of the offering, 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(f) 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 therefrom by written notice to the Company and the managing underwriter(s) delivered on or prior to the time of pricing of such offering. 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 such partners/members and retired partners/members and any trusts for the benefit 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.

(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 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)) immediately to request that such registration be effected as a registration under Section 2(a) 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, (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.

(c) Any Demand Notice, Demand Eligible Holder Request or Piggyback Request shall (i) specify the number of Registrable Securities and, in the case of an Initial Public Offering, the Company 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 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 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 Shares, as the case may be.

(d) 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.

(e) 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 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.

(f) 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 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 Shares to include Company 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.

(g) 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 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) 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 [two (2)] 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 its Effectiveness Period 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 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 and the managing underwriter or underwriters of an underwritten offering of Registrable Securities, if applicable, as promptly as

reasonably practicable: (i)(A) when a Prospectus or any prospectus supplement or post-effective amendment to a Registration Statement 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 believes 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 or other order 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 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 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 reasonable best 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, 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 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 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 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), 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 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.

(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 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 Persons 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 such disposition) and (iv) each Holder participating in such underwritten offering completes and executes all questionnaires, powers of attorney 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 and each Holder participating 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) addressed to the underwriters and such holders 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, if applicable, an opinion or opinions from counsel for the Company 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, which opinions shall be reasonably satisfactory to such underwriters, as the case may be, and their respective counsel.

(m) For a reasonable period prior to the filing of any Registration Statement and throughout the Effectiveness 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 (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.

(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.

(q) The Company will use reasonable best efforts to comply with all applicable rules and regulations of the Commission, and make available to each Holder, as soon as reasonably practicable after the Effective Date of the Registration Statement, an earnings statement which shall satisfy the provisions of Section 11(a) of the Securities Act.

(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 more than four times 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 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 (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, auditors and accountants for the Company; and (vi) 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 underwriting fees, discounts and placement agent fees applicable to securities sold by the Company. In connection with each Demand Registration or Piggyback Registration, 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.

5. **Indemnification**.

(a) If requested by a 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, (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

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) Each 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 Indemnified 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 thereof or supplement thereto or any documents incorporated by reference therein) 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 withheld. 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), 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. 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:

_____
_____
Facsimile: _____
Attention: _____

with a copy to:

_____
_____
_____
Facsimile: _____
Attention: _____

If to the Shareholders, at the addresses set forth in the signatures pages hereto,

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 Shares, each Shareholder (whether or not participating in a Company offering of Registrable Securities), 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) or ninety (90) 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 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 Shares (or other securities) subject to the foregoing restriction until the end of the Stand-Off Period.

(g) 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.

(h) 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.

(i) 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.

(j) 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(i) and (ii) the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

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

(l) 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.

(m) 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 supersede all prior contracts or agreements with respect to the subject matter hereof and supersede 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.

(n) 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:

[ ]

By: _____
Name: _____
Title: _____

SHAREHOLDERS:

[ ]

By: _____
Name: _____
Title: _____

Address for Notice:

_____
_____
Attention: _____
Facsimile: _____
Email: _____

Schedule I

[TO COME]

Exhibit I

List of the Retained Causes of Action

Exhibit J

New Management Employment Agreements

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT ("Agreement") is entered into as of this __ day of _____, 2014, by and between Cengage Learning, Inc., a Delaware corporation (the "Company"), and Michael Hansen, an individual (the "Executive").

WHEREAS, the Executive is currently employed as the Chief Executive Officer; and

WHEREAS, the Company and the Executive desire to enter into this Agreement to set out the terms and conditions for the continued employment relationship of the Executive with the Company.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the parties hereto agree as follows:

1. Employment Agreement. Effective on the date of the Company's emergence from Chapter 11 bankruptcy proceedings (the "Effective Date"), on the terms and conditions set forth in this Agreement, the Company agrees to continue to employ the Executive and the Executive agrees to continue to be employed by the Company for the Employment Period set forth in Section 2 and in the positions and with the duties set forth in Section 3. Terms used herein with initial capitalization not otherwise defined are defined in Section 25.

2. Term. The initial term of employment under this Agreement shall commence on the Effective Date and continue until the fourth (4^{th}) anniversary of the Effective Date (the "Initial Term"). The term of employment shall be automatically extended for an additional consecutive twelve (12)-month period (the "Extended Term") commencing on the fourth (4^{th}) anniversary of the Effective Date and each subsequent anniversary, unless and until the Company or the Executive provides written notice to the other party in accordance with Section 12 hereof not less than sixty (60) days before such anniversary date that such party is electing not to extend the term of employment under this Agreement ("Non-Renewal"), in which case the term of employment hereunder shall end as of the end of such Initial Term or Extended Term, as the case may be, unless sooner terminated as hereinafter set forth. The period of time between the Effective Date and the termination of the Executive's employment hereunder shall be referred to as the "Employment Period."

3. Position and Duties. During the Employment Period, the Executive shall serve as the Chief Executive Officer of the Company. In such capacity, the Executive shall have the duties, responsibilities and authorities customarily associated with persons in similar capacities in a company the size and nature of the Company. The Executive shall devote the Executive's reasonable best efforts and full business time to the performance of the Executive's duties hereunder and the advancement of the business and affairs of the Company and shall be subject to, and shall comply in all material respects with, the policies of the Company and the Company Affiliates applicable to the Executive; provided that the Executive shall be entitled (i) to serve as a member of the board of directors of a reasonable number of other companies, (ii) to serve on civic, charitable, educational, religious, public interest or public service boards, and (iii) to manage the Executive's personal and family investments, in each case, to the extent such

activities do not materially interfere with the performance of the Executive's duties and responsibilities hereunder. The Executive shall report directly to the Company's board of directors (the "Board"). In addition, during the Employment Period the Executive shall serve as a member of the Company's board of directors (the "Board") and as a Chairman of the Board, if so determined by the Board.

4. Place of Performance. During the Employment Period, the Executive shall be based primarily in the New York City, NY metropolitan area, unless the Executive and the Board mutually agree to relocation of the Executive's primary place of performance to one of the Company's major executive offices (including San Francisco, CA; Mason, OH; Boston, MA; New York City, NY; Clifton Park, NY; Farmington Hills, MI); provided that the Executive understands and agrees that the Executive may be required to travel from time to time for business purposes.

5. Relocation. In the event the Executive is required to relocate in accordance with Section 4 hereof, the Executive shall be entitled to relocation benefits commensurate with the Executive's position, in accordance with the Company's relocation program as in effect (i) on the date hereof for the purposes of any relocation within the period of eighteen (18) months following the Effective Date; and (ii) from time to time for the purposes of any relocation thereafter. All amounts payable under this Section 5 shall be subject to the Executive's presentment to the Company of appropriate documentation and shall be subject to the limitations and procedures set forth in the Company's relocation program as in effect from time to time.

6. Compensation and Benefits; Equity Awards.

(a) Base Salary. During the Employment Period, the Company shall pay to the Executive a base salary (the "Base Salary") at the rate of no less than $867,000 per calendar year, less applicable deductions. The Base Salary shall be reviewed for increase by the Board no less frequently than annually and may be increased in the discretion of the Board and any such adjusted Base Salary shall constitute the "Base Salary" for purposes of this Agreement. The Base Salary shall be paid in substantially equal installments in accordance with the Company's regular payroll procedures.

(b) Annual Bonus. During the Employment Period, the Executive shall be paid an annual cash performance bonus (an "Annual Bonus") under the Company's annual incentive plan (or successor plan) in respect of each fiscal year that ends during the Employment Period, to the extent earned based on performance against objective, reasonably attainable performance criteria, including, but not limited to, revenue and EBITDA growth and expense control. The annual performance criteria for any particular year shall be reasonably determined in good faith by the Board, after consultation with the Company's Chief Executive Officer, no later than sixty (60) days after the commencement of the relevant bonus period. The Executive's annual bonus opportunity for a calendar year shall equal 100% of the Executive's Base Salary (the "Target Bonus") if target levels of performance for that year are achieved. For each bonus year, the Company's bonus program shall include an opportunity for the Executive to earn between fifty percent (50%) and two hundred percent (200%) of the Executive's Target Bonus, based, respectively, on achieving at least eighty five percent (85%) of the applicable performance goals and exceeding the target performance goals, with the degree of achievement

to be set annually by the Board in good faith after taking into account the current market practices. The Executive's Annual Bonus for a bonus period shall be determined by the Board after the end of the applicable bonus period and shall be paid to the Executive when annual bonuses for that year are paid to other senior executives of the Company generally, but in no event later than seventy five (75) days following the end of the fiscal year to which such Annual Bonus relates. In accordance with the pre-existing commitment of the Company, with respect to the Company's fiscal year ending June 30, 2014, the Executive shall be entitled to receive in accordance herewith fifty percent (50%) of his Target Bonus if the Company achieves previously established revenue goals and fifty percent (50%) of his Target Bonus if the Company achieves previously established EBITDA-CAPEX goals, with the right to receive fifty percent (50%) of the applicable amount if ninety percent (90%) of the applicable goals are achieved and two hundred percent (200%) of the applicable amount if one hundred fifteen percent (115%) of the applicable goals are achieved (with linear interpolation for performance between any two such performance goals). For this purpose, the applicable target goals are those set forth in the debtor in possession fiscal year 2014 business plan approved by the Board before the Effective Date for the Company's fiscal year beginning July 1, 2013 and ending June 30, 2014. Before any Annual Bonus is paid with respect to the Company's fiscal year ending June 30, 2014, the minimum EBITDA less CAPEX performance threshold of ninety percent (90%) of DIP Plan must be met. In carrying out its functions under this Section 6(b), the Board shall at all times act reasonably and in good faith.

(c) Emergence Award. Within thirty (30) days following the Effective Date, the Executive shall be granted restricted stock and incentive stock options (the "Emergence Award") on terms and conditions as set forth in the applicable Restricted Unit Agreement and Incentive Stock Option Agreement, forms of which are attached as Exhibit A and Exhibit B attached hereto.

(d) Equity Awards. In addition to any award provided to the Executive hereunder or under any other Company plan, commencing in fiscal year 2015 and each fiscal year thereafter commencing during the Employment Period, the Executive shall be eligible to receive a grant of an equity-based award (the "Annual Equity Award") under the Company's 2014 Equity Incentive Plan (or successor plan). The terms and conditions applicable to the Annual Equity Award shall be determined by the Board in good faith in accordance with the Company's applicable long-term incentive plan.

(e) Vacation; Benefits. During the Employment Period, the Executive shall be entitled to no less than four (4) weeks of vacation per calendar year (prorated for partial years) in accordance with the Company's policy on accrual and use applicable to employees as in effect from time to time, which shall be accrued and used in accordance with such policies. During the Employment Period, the Executive shall be entitled to the same perquisites the Executive was entitled to receive prior to the Effective Date and shall be eligible to participate in such medical, dental and life insurance, retirement and other plans as the Company may have or establish from time to time on terms and conditions applicable to other senior executives of the Company generally. The foregoing, however, shall not be construed to require the Company to establish any such plans or to prevent the modification or termination of such plans once established.

7. Expenses. The Company shall reimburse the Executive promptly for all expenses reasonably incurred by the Executive in the performance of his duties in accordance with policies which may be adopted from time to time by the Company following presentation by the Executive of an itemized account, including reasonable substantiation, of such expenses.

8. Restrictive Covenants. The Executive agrees that the following obligations are necessary to preserve the confidential and proprietary nature of confidential information and to protect the Company and the Company Affiliates against harmful solicitation of employees and customers, harmful competition and other actions by the Executive that would result in serious adverse consequences for the Company and the Company Affiliates:

(a) Non-Competition; Non-Solicitation. Executive acknowledges and recognizes the highly competitive nature of the businesses of the Company and its affiliates and accordingly agrees as set forth below, provided that in connection therewith, in the event of the termination of Executive's employment for any reason, the Company agrees to engage in good-faith discussions with Executive in an attempt to reach a mutually agreeable arrangement under which Executive might work for a Competitive Business (as defined below) that is not a material competitor of the Company (as determined by the Board in good faith) by circumscribing his conduct and/or taking other measures calculated to prevent unfair competition with the Company during the periods contained in this Section 8. Notwithstanding the foregoing, the following businesses (including their respective subsidiaries and any successor to, or acquirer of, their competitive businesses or operations) shall be considered material competitors of the Company: Pearson Education, Inc., John Wiley & Sons, Inc., McGraw-Hill Companies, Macmillan Publishers, EBSCO Information Services, ProQuest LLC and any entity or business unit (a "Competitor") that derived more than 25% of its revenue for the trailing twelve (12)-month period from higher education sales, as determined by the Board in good faith.

(i) During the Employment Term and, except as otherwise provided herein, for twelve (12) months following the date Executive ceases to be employed by the Company for any reason (such period, the "Restricted Period"), Executive will not, whether on Executive's own behalf or on behalf of or in conjunction with any person, firm, partnership, joint venture, association, corporation or other business organization, entity or enterprise whatsoever ("Person"), directly or indirectly solicit or assist in soliciting in competition with the Company and any of its affiliates, the business of any client or prospective client: (A) with whom Executive had personal contact or dealings on behalf of the Company and any of its affiliates during the twelve (12) month period preceding Executive's termination of employment; (B) with whom employees reporting to Executive have had personal contact or dealings on behalf of the Company or any of its affiliates during the one (1) year immediately, preceding Executive's termination of employment; or (C) for whom Executive had direct or indirect responsibility during the twelve (12) month period immediately preceding Executive's termination of employment.

(ii) During the Employment Term and during Restricted Period, Executive will not directly or indirectly, other than in connection with his duties hereunder: (A) engage in any business that engages in higher education publishing or the library reference business and competes with the business of the Company or any of its affiliates (including, without limitation, businesses that the Company or any of its affiliates have specific plans to

conduct in the future, as evidenced by a strategic or business plan approved by the Board, and as to which Executive is aware of such planning) in any geographical area where the Company or any of its affiliates manufactures, produces, sells, leases, rents, licenses or otherwise provides its products or services (a "Competitive Business"); (B) enter the employ of, or render any services to, any Person (or any division or controlled or controlling affiliate of any Person) who or that engages in a Competitive Business; (C) acquire a financial interest in, or otherwise become actively involved with, any Competitive Business, directly or indirectly, as an individual, partner, shareholder, officer, director, principal, agent, trustee or consultant; or (D) knowingly interfere with, or attempt to interfere with, business relationships (whether formed before, on or after the date of this Agreement) between the Company or any of its affiliates and customers, clients, suppliers, partners, members or investors of the Company or any of its affiliates.

Notwithstanding the foregoing, Executive may provide services to an entity (other than the education publishing or library reference business divisions of Pearson Education, Inc., John Wiley & Sons, Inc., McGraw-Hill Companies, Macmillan Publishers, EBSCO Information Services, ProQuest LLC) that derived more than 25% of its revenue in the immediately prior fiscal year from higher education sales or the library reference business, as determined by the Board in good faith, but is not a Competitor so long as he is not involved in the day-to-day operations of the higher education publishing or library reference business of such entity; provided that Executive may not serve on the board of directors of any entity engaged in the higher education publishing or library reference business or any parent entity thereof.

(iii) Notwithstanding anything to the contrary in this Agreement, Executive may, directly or indirectly own, solely as an investment, securities of any Person engaged in the business of the Company or any of its affiliates that are publicly traded on a national or regional stock exchange or on the over-the-counter market if Executive (A) is not a controlling person of, or a member of a group that controls, such person and (B) does not, directly or indirectly, own five percent (5%) or more of any class of securities of such Person.

(iv) During the Restricted Period, Executive will not, whether on Executive's own behalf or on behalf or in conjunction with any Person, directly or indirectly: (A) solicit or encourage any employee of the Company or any of its affiliates to leave the employment of the Company or any of its affiliates; or (B) hire any such employee who was employed by the Company or any of its affiliates as of the date of Executive's termination of employment with the Company or who left the employment of the Company or any of its affiliates coincident with, or within twelve (12) months prior to, the termination of Executive's employment with the Company; provided, however, that general advertising and providing references upon request shall not be deemed to be a violation of this paragraph (iv).

(v) During the Restricted Period, Executive will not, directly or indirectly, solicit or encourage any consultant to cease to work with the Company or any of its affiliates who, to Executive's knowledge, is then under contract with the Company or any of its affiliates.

(b) Confidentiality.

(i) Executive will not at any time (whether during or after Executive's employment with the Company) (A) retain or use for the benefit, purposes or account of Executive or any other Person; or (B) disclose, divulge, reveal, communicate, share, transfer or provide access to any Person outside the Company (other than its professional advisers or other persons who are bound by confidentiality obligations; or in connection with Executive's duties hereunder), any non-public, proprietary or confidential information, including without limitation trade secrets, know-how, research and development, software, databases, inventions, processes, formulae, technology, designs and other intellectual property, information concerning finances, investments, profits, pricing, costs, products, services, vendors, customers, clients, partners, investors, personnel, compensation, recruiting, training, advertising, sales, marketing, promotions, government and regulatory activities and approvals concerning the past, current or future business, activities and operations of the Company, its subsidiaries or affiliates and/or any third party that has disclosed or provided any of same to the Company on a confidential basis ("Confidential Information") without the prior written authorization of the Board. "Confidential Information" shall not include any information that is (A) generally known to the industry or the public other than as a result of Executive's breach of this covenant or any breach of other confidentiality obligations by third parties; (B) made legitimately available to Executive by a third party without, to Executive's knowledge, breach of any confidentiality obligation; or (C) required by law to be disclosed; provided in the case of (C), Executive shall give prompt written notice to the Company of such requirement, unless such notice is prohibited or impracticable, disclose no more information than is so required and cooperate at the Company's sole expense with any attempts by the Company to obtain a protective order or similar treatment.

(ii) Except as required by law, Executive will not disclose to anyone, other than Executive's immediate family and legal or financial advisors, the existence or contents of this Agreement; provided that Executive may disclose to any prospective future employer the provisions of this Section 8; provided they agree to maintain the confidentiality of such terms.

(iii) Upon termination of Executive's employment with the Company for any reason, Executive shall (A) cease and not thereafter commence use of any Confidential Information or intellectual property (including without limitation, any patent, invention, copyright, trade secret, trademark, trade name, logo, domain name or other source indicator) owned or used by the Company, its subsidiaries or affiliates; (B) immediately destroy, delete or return to the Company, at the Company's option, all originals and copies in any form or medium (including memoranda, books, papers, plans, computer files, letters and other data) in Executive's possession or control (including any of the foregoing stored or located in Executive's office, home, laptop or other computer, whether or not Company property) that contain Confidential Information or otherwise relate to the business of the Company, its affiliates and subsidiaries, except that Executive may retain his rolodex and other address books in any form or media, cell phone, and those portions of any personal notes, notebooks and diaries that do not contain any Confidential Information; and (C) notify and fully cooperate with the Company, at the Company's expense, regarding the delivery or destruction of any other Confidential Information in the Executive's possession or control.

(c) Intellectual Property.

(i) If Executive has created, invented, designed, developed, contributed to or improved any works of authorship, inventions, intellectual property, materials, documents or other work product (including without limitation, research, reports, software, databases, systems, applications, presentations, textual works, content, or audiovisual materials) ("Works"), either alone or with third parties, prior to Executive's employment by the Company, that are relevant to or implicated by such employment ("Prior Works"), Executive hereby grants the Company a perpetual, non-exclusive, royalty-free, worldwide, assignable, sublicensable license under all rights and intellectual property rights (including rights under patent industrial property, copyright, trademark, trade secret, unfair competition and related laws) therein for all purposes in connection with the Company's current and future business.

(ii) If Executive creates, invents, designs, develops, contributes to improves any Works, either alone or with third parties, at any time during Executive's employment by the Company and within the scope of such employment and/or with the use of any the Company resources ("Company Works"), Executive shall promptly and fully disclose same to the Company and hereby irrevocably assigns, transfers and conveys, to the maximum extent permitted by applicable law, all rights and intellectual property rights therein (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) to the Company to the extent ownership of any such rights does not vest originally in the Company.

(iii) Executive agrees to keep and maintain adequate and current written records (in the form of notes, sketches, drawings, and any other form or media requested by the Company) of all Company Works. The records will be available to and remain the sole property and intellectual property of the Company at all times.

(iv) Executive shall take all requested actions and execute all requested documents (including any licenses or assignments required by a government contract) at the Company's expense (but without further remuneration) to assist the Company in validating, maintaining, protecting, enforcing, perfecting, recording, patenting or registering any of the Company's rights in the Prior Works and Company Works. If the Company is unable for any other reason to secure Executive's signature on any document for this purpose, then Executive hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Executive's agent and attorney in fact for and in Executive's behalf and stead to execute any documents and to do all other lawfully permitted acts m connection with the foregoing.

(v) Executive shall not improperly use for the benefit of, bring to any premises of, divulge, disclose, communicate, reveal, transfer or provide access to, or share with the Company any confidential, proprietary or non-public information or intellectual property relating to a former employer or other third party without the prior written permission of such third party. Executive shall materially comply with all relevant policies and guidelines of the Company, including regarding the protection of confidential information and intellectual property and potential conflicts of interest in effect from time to time; provided that, without Executive's consent, Executive shall not be subject to non-competition, non-solicitation or confidentiality restrictions that are more restrictive than those contained within this Agreement.

(d) Non-Disparagement. Executive agrees not to make any public statement, regardless of the form of media or communication, that is intended to or could reasonably be expected to disparage the Company or its affiliates or any of their products, services, shareholders, directors, officers or employees. The Company agrees that it shall not make any public statement, regardless of the form of media or communication, that is intended to or could reasonably be expected to disparage Executive.

(e) Conflicting Obligations and Rights. The Executive agrees to inform the Company of any apparent conflicts between the Executive's work for the Company and any obligations the Executive may have to preserve the confidentiality of another's proprietary information or related materials before using the same on the Company's behalf. The Company shall receive such disclosures in confidence and consistent with the objectives of avoiding any conflict of obligations and rights or the appearance of any conflict of interest.

(f) Direct or Indirect Activities. The Executive acknowledges and agrees that the covenants contained in this Section 8 prohibit the Executive from engaging in certain activities directly or indirectly, whether on the Executive's own behalf or on behalf of any other person or entity, and regardless of the capacity in which Executive is acting, including without limitation as an employee, director, independent contractor, owner, partner, officer, agent, consultant, or advisor.

(g) Survival of Restrictive Covenants. The Executive acknowledges and agrees that the Executive's obligations this Section 8 shall survive the expiration or termination of this Agreement and the cessation of the Executive's employment with the Company for whatever reason.

(h) Severability, Modification of Restrictions. The covenants and restrictions in this Section 8 are separate and divisible, and to the extent any covenant, provision or portion of this Section 8 is determined to be unenforceable or invalid for any reason, such unenforceability or invalidity shall not affect the enforceability or validity of the remainder of this Section 8. If any particular covenant, provision or portion of this Section 8 is determined to be unreasonable or unenforceable for any reason, such covenant, provision or portion thereof shall automatically be deemed reformed such that the contested covenant, provision or portion will have the closest effect permitted by applicable law to the original form and shall be given effect and enforced as so reformed to whatever extent would be reasonable and enforceable under applicable law. The parties agree that any court interpreting any of the restrictions and covenants contained in this Section 8 shall, if necessary and permissible under applicable law, reform any such covenant to make it enforceable under applicable law.

(i) Remedies. The Executive recognizes that a breach or threatened breach by the Executive of this Section 8 will give rise to irreparable injury to the Company and that money damages will not be adequate relief for such injury and, accordingly, the Executive agrees that the Company shall be entitled to obtain injunctive relief, including, but not limited to, temporary restraining orders, preliminary injunctions and/or permanent injunctions, without having to post any bond or other security, to restrain or prohibit such breach or threatened breach, in addition to any other legal remedies which may be available, including without

limitations, after reasonable notice and failure to cure, the cessation of payments and benefits under this Agreement and recovery of money damages.

9. Termination of Employment.

(a) Permitted Terminations. The Executive's employment hereunder may be terminated during the Employment Period under the following circumstances:

(i) Death. The Executive's employment hereunder shall terminate upon the Executive's death.

(ii) By the Company. The Company may terminate the Executive's employment:

(A) Disability. For Disability; or

(B) Cause. For Cause or without Cause.

(iii) By the Executive. The Executive may terminate his employment for any reason or for no reason by giving thirty (30) days advance Notice of Termination to the Company (or in the event of a termination for Good Reason, the notice required pursuant to Section 25(f) hereof).

(b) Non-Renewal. The Executive or the Company may terminate this Agreement pursuant to a notice of Non-Renewal in accordance with Section 2 hereof.

(c) Termination. Any termination of the Executive's employment by the Company or the Executive (other than because of the Executive's death) shall be communicated by written Notice of Termination to the other party hereto in accordance with Section 12 hereof. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon, if any, and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated. Termination of the Executive's employment shall take effect on the Date of Termination.

(d) Effect of Termination. Upon any termination of the Executive's employment with the Company, and its subsidiaries, the Executive shall resign from, and shall be considered to have simultaneously resigned from, all positions with the Company and all of its subsidiaries.

10. Compensation Upon Termination.

(a) Death. If the Executive's employment is terminated during the Employment Period as a result of the Executive's death pursuant to Section 9(a)(i), this Agreement and the Employment Period shall terminate without further notice or any action required by the Company or the Executive's legal representatives. Upon the Executive's death, the Company shall pay or provide to the Executive's representative or estate the following: (i) all Accrued Benefits, if any, to which the Executive is entitled, (ii) a pro rata portion (based on the

percentage of performance year the Executive was employed by the Company) of the actual bonus that would have been paid to the Executive if his employment had not terminated, payable in a lump sum at the time the Executive's Annual Bonus would otherwise have been payable under Section 6(b), and (iii) continued participation in the Company's group medical and dental plans which covers the Executive (and the Executive's eligible dependents) for a period of three (3) months following the Date of Termination at the Company's expense. Except as set forth herein, the Company shall have no further obligation to the Executive (or the Executive's legal representatives or estate) under this Agreement.

(b) Disability. If the Company terminates the Executive's employment during the Employment Period because of the Executive's Disability pursuant to Section 9(a)(ii)(A), the Company shall pay or provide to the Executive the following: (i) all Accrued Benefits, if any, to which the Executive is entitled, (ii) a pro rata portion (based on the percentage of performance year the Executive was employed by the Company) of the actual bonus that would have been paid to the Executive if his employment had not terminated, payable in a lump sum at the time the Executive's Annual Bonus would otherwise have been payable under Section 6(b), and (iii) the Executive shall be entitled to obtain payment from the insurer(s) of such payments as the Executive may be entitled to receive under any long-term disability insurance policy or policies maintained by the Company with third party insurers and under which the Executive is insured. Except as set forth herein, the Company shall have no further obligations to the Executive (or the Executive's legal representatives) under this Agreement.

(c) Termination by the Company for Cause or by the Executive without Good Reason. If, during the Employment Period, the Company terminates the Executive's employment for Cause pursuant to Section 9(a)(ii)(B) or the Executive terminates his employment without Good Reason, the Company shall pay to the Executive all Accrued Benefits, if any, to which the Executive is entitled. Except as set forth herein, the Company shall have no further obligations to the Executive under this Agreement.

(d) Termination by the Company without Cause; due to a Company Non-Renewal or by the Executive with Good Reason. Subject to Section 10(e), if (i) the Company terminates the Executive's employment during the Employment Period for a reason other than for Cause or Disability, (ii) the Executive voluntarily terminates employment with the Company within ten (10) days of the expiration of the Employment Period due to the Company giving a notice of Non-Renewal in accordance with Section 2 hereof, or (iii) if the Executive terminates his employment hereunder with Good Reason, (A) the Company shall pay or provide the Executive (or the Executive's estate, if the Executive dies after such termination but before receiving such amount) (I) all Accrued Benefits, if any, to which the Executive is entitled; (II) a pro rata portion (based on the percentage of performance year the Executive was employed by the Company) of the actual bonus that would have been paid to the Executive if his employment had not terminated, payable in a lump sum at the time the Executive's Annual Bonus would otherwise have been payable under Section 6(b); and (III) an amount equal to three times (3x) multiplied by the sum of the Executive's (x) Base Salary plus (y) Target Bonus, payable as follows: one third (1/3) of the amount monthly for a period of twelve (12) months following such termination and the remaining portion of the amount in a lump sum on the first payroll date following the end of the twelve (12)-month period, subject to the execution (and non-revocation) of the general release of claims described in Section 10(e); and (B) the Executive and his

covered dependents shall be entitled to continued participation on the same terms and conditions as applicable immediately prior to the Executive's Date of Termination for the eighteen (18) month period following the Date of Termination in such medical, dental, and hospitalization insurance coverage in which the Executive and his eligible dependents were participating immediately prior to the Date of Termination; provided that in the event that the Executive obtains other employment that offers group health and dental benefits, such continuation of coverage by the Company under this Section 10(d) shall immediately cease.

(e) Liquidated Damages. The parties acknowledge and agree that the damages that will result to the Executive for termination by the Company of the Executive's employment without Cause or by the Executive for Good Reason shall be extremely difficult or impossible to establish or prove, and agree that the amounts payable to the Executive under Section 10(d) (the "Severance Payments") shall constitute liquidated damages for any such termination. The Executive agrees that, except for such other payments and benefits to which the Executive may be entitled as expressly provided by the terms of this Agreement or any other applicable benefit plan or compensation arrangement (including equity-related awards), such liquidated damages shall be in lieu of all other claims that the Executive may make by reason of any such termination of his employment. Any and all amounts payable and benefits or additional rights provided pursuant to this Agreement beyond the Accrued Benefits shall only be payable if the Executive delivers to the Company and does not revoke a general release of claims in favor of the Company in substantially the form attached on Exhibit C hereto. Such release must be executed and delivered (and no longer subject to revocation, if applicable) within sixty (60) days following the Executive's Date of Termination. The Company shall deliver to the Executive the appropriate form of release of claims for the Executive to execute within five (5) business days of the Date of Termination.

(f) Certain Payment Delays. Notwithstanding anything to the contrary set forth herein, to the extent that the payment of any amount described in Section 10(d) constitutes "nonqualified deferred compensation" for purposes of Code Section 409A (as defined in Section 24 hereof), any such payment scheduled to occur during the first sixty (60) days following the termination of employment shall not be paid until the first regularly scheduled pay period following the sixtieth (60th) day following such termination and shall include payment of any amount that was otherwise scheduled to be paid prior thereto.

(g) No Offset. In the event of termination of his employment, the Executive shall be under no obligation to seek other employment and there shall be no offset against amounts due to him on account of any remuneration or benefits provided by any subsequent employment he may obtain. The Company's obligation to make any payment pursuant to, and otherwise to perform its obligations under, this Agreement shall not be affected by any offset, counterclaim or other right that the Company or the Company Affiliates may have against the Executive for any reason.

11. Indemnification. The Company will indemnify the Executive against all Liability and Expense that may be incurred by the Execution in connection with or resulting from any claim as specified in Exhibit D. This Section 11 shall continue in effect after the termination of the Executive's employment or the termination of this Agreement.

12. Notices. All notices, demands, requests, or other communications which may be or are required to be given or made by any party to any other party pursuant to this Agreement shall be in writing and shall be hand delivered, mailed by first-class registered or certified mail, return receipt requested, postage prepaid, delivered by overnight air courier, or transmitted by facsimile transmission addressed as follows:

(i) If to the Company:

Cengage Learning, Inc.
[20 Channel Street
Boston, Massachusetts 02210]
Attention: General Counsel

(ii) If to the Executive:

Address last shown on the Company's records.

Each party may designate by notice in writing a new address to which any notice, demand, request or communication may thereafter be so given, served or sent. Each notice, demand, request, or communication that shall be given or made in the manner described above shall be deemed sufficiently given or made for all purposes at such time as it is delivered to the addressee (with the return receipt, the delivery receipt, confirmation of facsimile transmission or the affidavit of messenger being deemed conclusive but not exclusive evidence of such delivery) or at such time as delivery is refused by the addressee upon presentation.

13. Severability. The invalidity or unenforceability of any one or more provisions of this Agreement, including, without limitation, Section 8, shall not affect the validity or enforceability of the other provisions of this Agreement, which shall remain in full force and effect.

14. Survival. It is the express intention and agreement of the parties hereto that the provisions of Sections 8, 10, **Error! Reference source not found.**, 12, 13, 15, 16, 17, 19, 20, 21, 23 and 24 hereof and this Section 14 shall survive the termination of employment of the Executive. In addition, all obligations of the Company to make payments hereunder shall survive any termination of this Agreement on the terms and conditions set forth herein.

15. Assignment. The rights and obligations of the parties to this Agreement shall not be assignable or delegable, except that (i) in the event of the Executive's death, the personal representative or legatees or distributees of the Executive's estate, as the case may be, shall have the right to receive any amount owing and unpaid to the Executive hereunder and (ii) the rights and obligations of the Company hereunder shall be assignable and delegable in connection with any subsequent merger, consolidation, sale of all or substantially all of the assets or equity interests of the Company or similar transaction involving the Company or a successor corporation. The Company shall require any successor to the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

16. Binding Effect. Subject to any provisions hereof restricting assignment, this Agreement shall be binding upon the parties hereto and shall inure to the benefit of the parties and their respective heirs, devisees, executors, administrators, legal representatives, successors and assigns.

17. Amendment; Waiver. This Agreement shall not be amended, altered or modified except by an instrument in writing duly executed by the party against whom enforcement is sought. Neither the waiver by either of the parties hereto of a breach of or a default under any of the provisions of this Agreement, nor the failure of either of the parties, on one or more occasions, to enforce any of the provisions of this Agreement or to exercise any right or privilege hereunder, shall thereafter be construed as a waiver of any subsequent breach or default of a similar nature, or as a waiver of any such provisions, rights or privileges hereunder.

18. Headings. Section and subsection headings contained in this Agreement are inserted for convenience of reference only, shall not be deemed to be a part of this Agreement for any purpose, and shall not in any way define or affect the meaning, construction or scope of any of the provisions hereof.

19. Governing Law. This Agreement, the rights and obligations of the parties hereto, and any claims or disputes relating thereto, shall be governed by and construed in accordance with the laws of the State of New York (but not including any choice of law rule thereof that would cause the laws of another jurisdiction to apply).

20. Arbitration. Subject to Section 8, if any contest or dispute arises between the parties with respect to this Agreement, such contest or dispute shall be submitted to binding arbitration for resolution in New York, New York in accordance with the rules and procedures of the Employment Dispute Resolution Rules of the American Arbitration Association then in effect. If the arbitrator determines that the Executive is the prevailing party in the dispute, then the Company shall reimburse the Executive for his reasonable legal and other fees and expenses incurred in such arbitration subject to and within ten (10) days after his request for reimbursement accompanied by evidence that the fees and expenses were incurred. Any reimbursement hereunder shall be paid to the Executive promptly and in no event later than the end of the year next following the date the expense was incurred.

21. Entire Agreement. This Agreement constitutes the entire agreement between the parties respecting the employment of the Executive, there being no representations, warranties or commitments except as set forth herein and supersedes and replaces all other agreements related to the subject matter hereof of, including the Agreement by and between the Company and the Executive dated as of July 6, 2012, as amended on November 16, 2012 and March 29, 2013.

22. Counterparts. This Agreement may be executed in two counterparts, each of which shall be an original and all of which shall be deemed to constitute one and the same instrument.

23. Withholding. The Company may withhold from any benefit payment under this Agreement all federal, state, city or other taxes as shall be required pursuant to any law or governmental regulation or ruling.

24. Section 409A.

(a) The intent of the parties is that payments and benefits under this Agreement comply with Internal Revenue Code Section 409A and the regulations and guidance promulgated thereunder (collectively "Code Section 409A") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. If the Executive notifies the Company (with specificity as to the reason therefor) that the Executive believes that any provision of this Agreement (or of any award of compensation, including equity compensation or benefits) would cause the Executive to incur any additional tax or interest under Code Section 409A and the Company concurs with such belief or the Company (without any obligation whatsoever to do so) independently makes such determination, the Company shall, after consulting with the Executive, reform such provision to attempt to comply with Code Section 409A through good faith modifications to the minimum extent reasonably appropriate to conform with Code Section 409A. To the extent that any provision hereof is modified in order to comply with Code Section 409A, such modification shall be made in good faith and shall, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the Executive and the Company of the applicable provision without violating the provisions of Code Section 409A.

(b) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service." If the Executive is deemed on the date of termination to be a "specified employee" within the meaning of that term under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered deferred compensation under Code Section 409A payable on account of a "separation from service," such payment or benefit shall be made or provided at the date which is the earlier of (A) the expiration of the six (6)-month period measured from the date of such "separation from service" of the Executive, and (B) the date of the Executive's death, to the extent required under Code Section 409A. Upon the expiration of the foregoing delay period, all payments and benefits delayed pursuant to this Section 24(b) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to the Executive in a lump sum, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

(c) To the extent that reimbursements or other in-kind benefits under this Agreement constitute "nonqualified deferred compensation" for purposes of Code Section 409A, (A) all expenses or other reimbursements hereunder shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by the Executive, (B) any right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (C) no such reimbursement, expenses eligible for

reimbursement, or in-kind benefits provided in any taxable year shall in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year.

(d) For purposes of Code Section 409A, the Executive's right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days, the actual date of payment within the specified period shall be within the sole discretion of the Company.

(e) Notwithstanding any other provision of this Agreement to the contrary, in no event shall any payment under this Agreement that constitutes "nonqualified deferred compensation" for purposes of Code Section 409A be subject to offset by any other amount unless otherwise permitted by Code Section 409A.

25. Definitions.

(a) "Accrued Benefits" means (i) any unpaid Base Salary through the Date of Termination; (ii) any earned but unpaid Annual Bonus; (iii) any accrued and unpaid vacation and/or sick days; (iv) any amounts or benefits owing to the Executive or to the Executive's beneficiaries under the then applicable benefit plans of the Company (excluding any severance plan, program, agreement or arrangement); and (v) any amounts owing to the Executive for reimbursement of expenses properly incurred by the Executive prior to the Date of Termination and which are reimbursable in accordance with Section 7. Amounts payable under (A) clauses (i), (ii) and (iii) shall be paid promptly after the Date of Termination, (B) clause (iv) shall be paid in accordance with the terms and conditions of the applicable plan, program or arrangement and (C) clause (v) shall be paid in accordance with the terms of the applicable expense policy.

(b) "Cause" means the occurrence of one or more of the following events: the Executive's (i) willful failure to perform substantial job functions that continues after written notice from the Company; (ii) material fraud or material dishonesty in performance of Executive's duties; (iii) conviction of, or plea of guilty or *nolo contendere* to, a felony; (iv) willful malfeasance or willful misconduct in performance of Executive's duties or any willful act or omission (other than in the good faith performance of duties) that is materially injurious to the financial condition or business reputation of the Company; (v) material breach of confidentiality covenant that is not cured within fifteen (15) days following a notice from the Company; (vi) material breach of Section 8(d) that is not cured within fifteen (15) days following a notice from the Company; or (vii) material breach of Section 8(a). For purposes of this provision, no act or failure to act, on the part of the Executive, shall be considered "willful" unless it is done, or omitted to be done, by the Executive in bad faith or without reasonable belief that the Executive's action or omission was in the best interest of the Company.

(c) "Company Affiliate" means any entity controlled by, in control of, or under common control with, the Company.

(d) "Date of Termination" means (i) if the Executive's employment is terminated by the Executive's death, the date of the Executive's death; (ii) if the Executive's

employment is terminated because of the Executive's Disability pursuant to Section 9(a)(ii)(A), thirty (30) days after Notice of Termination, provided that the Executive shall not have returned to the performance of the Executive's duties on a full-time basis during such thirty (30)-day period; (iii) if the Executive's employment is terminated during the Employment Period by the Company pursuant to Section 9(a)(ii)(B) or by the Executive pursuant to Section 9(a)(iii), the date specified in the Notice of Termination; (iv) if the Executive's employment is terminated during the Employment Period other than pursuant to Section 9(a), the date on which Notice of Termination is given; or (v) if the Executive's employment is terminated pursuant to Section 9(b), the last day of the Employment Period.

(e) "Disability" means either (i) when the Executive is deemed disabled in accordance with the long-term disability insurance policy or plan, if any, of the Company in effect at the time of the illness or injury causing the disability and under which the Executive is insured, or if no such policy or plan is in effect, (ii) the inability of the Executive, because of injury, illness, disease or bodily or mental infirmity as determined by a physician reasonably acceptable to the Company, to perform the essential functions of the Executive's job (with or without reasonable accommodation) for more than one hundred eighty (180) days during any period of twelve (12) consecutive months.

(f) "Good Reason" means the occurrence, without the Executive's consent, of any of the following events: (i) any material reduction in the Executive's Base Salary or Target Bonus; (ii) a material reduction in the Executive's title, duties or responsibilities, (for the avoidance of doubt, including, but not limited to, the Executive no longer serving as the Company's Chief Executive Officer or a member of Board); (iii) an adverse change in the Executive's reporting requirements; or (iv) a material breach of a material agreement between the Executive and the Company or its affiliates; or (v) relocation of the Executive's primary work location by more than fifty (50) miles from his then current location; provided, that, in any case, unless such events are fully corrected in all material respects by the Company within thirty (30) days following written notification by the Executive to the Company of the occurrence of one of the reasons.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this Agreement, or have caused this Agreement to be duly executed and delivered on their behalf.

CENGAGE LEARNING, INC.

By:_____
Name:
Title:

EXECUTIVE

_____
Michael Hansen

EXHIBIT A

FORM INCENTIVE STOCK OPTION AWARD AGREEMENT

EXHIBIT B

FORM RESTRICTED STOCK UNIT AWARD AGREEMENT

EXHIBIT C

GENERAL RELEASE

I, Michael Hansen, in consideration of and subject to the performance by Cengage Learning, Inc. (together with its parent companies and subsidiaries, the "Company"), of its obligations under Section 10 of the Employment Agreement, dated as of **[●]**, 2014 (the "Agreement"), do hereby release and forever discharge as of the date hereof the Company and its respective affiliates and subsidiaries and all present, former and future directors, officers, agents, representatives, employees, successors and assigns of the Company and/or its respective affiliates and subsidiaries and direct or indirect owners (collectively, the "Released Parties") to the extent provided herein (this "General Release"). The Released Parties are intended third-party beneficiaries of this General Release, and this General Release may be enforced by each of them in accordance with the terms hereof in respect of the rights granted to such Released Parties hereunder. Terms used herein but not otherwise defined shall have the meanings given to them in the Agreement.

1. I understand that any payments or benefits paid or granted to me under Section 10 of the Agreement represent, in part, consideration for signing this General Release and are not salary, wages or benefits to which I was already entitled. I understand and agree that I will not receive the payments and benefits specified in Section 10 of the Agreement, other than the Accrued Benefits, unless I execute this General Release and do not revoke this General Release within the time period permitted hereafter or breach this General Release. Such payments and benefits will not be considered compensation for purposes of any employee benefit plan, program, policy or arrangement maintained or hereafter established by the Company or its affiliates.

2. Except as provided in paragraph 4 below and except for the provisions of the Agreement which expressly survive the termination of my employment with the Company, I knowingly and voluntarily (for myself, my heirs, executors, administrators and assigns) release and forever discharge the Company and the other Released Parties from any and all claims, suits, controversies, actions, causes of action, cross-claims, counter-claims, demands, debts, compensatory damages, liquidated damages, punitive or exemplary damages, other damages, claims for costs and attorneys' fees, or liabilities of any nature whatsoever in law and in equity, both past and present (through the date that this General Release becomes effective and enforceable) and whether known or unknown, suspected, or claimed against the Company and/or any of the Released Parties which I, my spouse, or any of my heirs, executors, administrators or assigns, ever had, now have, or hereafter may have, by reason of any matter, cause, or thing whatsoever, from the beginning of my initial dealings with the Company to the date of this General Release, and particularly, but without limitation of the foregoing general terms, any claims arising from or relating in any way to my employment relationship with the Company, the terms and conditions of that employment relationship, and the termination of that employment relationship (including, but not limited to, any allegation, claim or violation, arising under: Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967, as amended (including the Older Workers Benefit Protection Act); the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990; the Family and Medical Leave Act of 1993; the Worker Adjustment Retraining and

Notification Act; the Employee Retirement Income Security Act of 1974; any applicable Executive Order Programs; the Fair Labor Standards Act; or their state or local counterparts; or under any other federal, state or local civil or human rights law, or under any other local, state, or federal law, regulation or ordinance; or under any public policy, contract or tort, or under common law; or arising under any policies, practices or procedures of the Company; or any claim for wrongful discharge, breach of contract, infliction of emotional distress, defamation; or any claim for costs, fees, or other expenses, including attorneys' fees incurred in these matters) (all of the foregoing collectively referred to herein as the "Claims"). I understand and intend that this General Release constitutes a general release of all claims and that no reference herein to a specific form of claim, statute or type of relief is intended to limit the scope of this General Release.

3. I represent that I have made no assignment or transfer of any right, claim, demand, cause of action, or other matter covered by paragraph 2 above.

4. I agree that this General Release does not waive or release any rights or claims that I may have under the Age Discrimination in Employment Act of 1967 which arise after the date I execute this General Release. I acknowledge and agree that my separation from employment with the Company in compliance with the terms of the Agreement shall not serve as the basis for any claim or action (including, without limitation, any claim under the Age Discrimination in Employment Act of 1967).

5. I agree that I hereby waive all rights to sue or obtain equitable, remedial or punitive relief from any or all Released Parties of any kind whatsoever, including, without limitation, reinstatement, back pay, front pay, and any form of injunctive relief. Notwithstanding the foregoing, I acknowledge that I am not waiving and am not being required to waive any right that cannot be waived under law, including the right to file an administrative charge or participate in an administrative investigation or proceeding; provided, however, that I disclaim and waive any right to share or participate in any monetary award resulting from the prosecution of such charge or investigation or proceeding.

6. In signing this General Release, I acknowledge and intend that it shall be effective as a bar to each and every one of the Claims hereinabove mentioned or implied. I expressly consent that this General Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims (notwithstanding any state or local statute that expressly limits the effectiveness of a general release of unknown, unsuspected and unanticipated Claims), if any, as well as those relating to any other Claims hereinabove mentioned or implied. I acknowledge and agree that this waiver is an essential and material term of this General Release and that without such waiver the Company would not have agreed to the terms of the Agreement. I further agree that in the event that I should bring a Claim seeking damages against the Company, or in the event that I should seek to recover against the Company in any Claim brought by a governmental agency on my behalf, this General Release shall serve as a complete defense to such Claims to the maximum extent permitted by law. I further agree that I am not aware of any pending claim, or of any facts that could give rise to a claim, of the type described in paragraph 2 as of the execution of this General Release.

7. I agree that neither this General Release, nor the furnishing of the consideration for this General Release, shall be deemed or construed at any time to be an admission by the Company, any Released Party or myself of any improper or unlawful conduct.

8. I agree that I will forfeit all amounts payable by the Company pursuant to the Agreement if I challenge the validity of this General Release. I also agree that if I violate this General Release by suing the Company or the other Released Parties, I will pay all costs and expenses of defending against the suit incurred by the Released Parties, including reasonable attorneys' fees, and return all payments received by me pursuant to the Agreement on or after the termination of my employment.

9. I agree that this General Release and the Agreement are confidential and agree not to disclose any information regarding the terms of this General Release or the Agreement, except to my immediate family and any tax, legal or other counsel that I have consulted regarding the meaning or effect hereof or as required by law, and I will instruct each of the foregoing not to disclose the same to anyone.

10. Any non-disclosure provision in this General Release does not prohibit or restrict me (or my attorney) from responding to any inquiry about this General Release or its underlying facts and circumstances by the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA), or any other self-regulatory organization or governmental entity.

11. I hereby acknowledge that Sections 8, 10, 11, **Error! Reference source not found.**, 12, 13, 14, 15, 16, 17, 19, 20, 21, 23 and 24 of the Agreement shall survive my execution of this General Release.

12. I represent that I am not aware of any Claim by me, and I acknowledge that I may hereafter discover Claims or facts in addition to or different than those which I now know or believe to exist with respect to the subject matter of the release set forth in paragraph 2 above and which, if known or suspected at the time of entering into this General Release, may have materially affected this General Release and my decision to enter into it.

13. Notwithstanding anything in this General Release to the contrary, this General Release shall not relinquish, diminish, or in any way affect any rights or claims arising out of any breach by the Company or by any Released Party of the Agreement after the date hereof.

14. Whenever possible, each provision of this General Release shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this General Release is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this General Release shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein. This General Release constitutes the complete and entire agreement and understanding among the parties, and supersedes any and all prior or contemporaneous agreements, commitments, understandings or arrangements, whether written or oral, between or among any of the parties, in each case concerning the subject matter hereof.

BY SIGNING THIS GENERAL RELEASE, I REPRESENT AND AGREE THAT:

(i) I HAVE READ IT CAREFULLY;

(ii) I UNDERSTAND ALL OF ITS TERMS AND KNOW THAT I AM GIVING UP IMPORTANT RIGHTS, INCLUDING BUT NOT LIMITED TO, RIGHTS UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967, AS AMENDED, TITLE VII OF THE CIVIL RIGHTS ACT OF 1964, AS AMENDED, THE EQUAL PAY ACT OF 1963, THE AMERICANS WITH DISABILITIES ACT OF 1990, AND THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED;

(iii) I VOLUNTARILY CONSENT TO EVERYTHING IN IT;

(iv) I HAVE BEEN ADVISED TO CONSULT WITH AN ATTORNEY BEFORE EXECUTING IT AND I HAVE DONE SO OR, AFTER CAREFUL READING AND CONSIDERATION, I HAVE CHOSEN NOT TO DO SO OF MY OWN VOLITION;

(v) I HAVE HAD AT LEAST **[21][45]** DAYS FROM THE DATE OF MY RECEIPT OF THIS RELEASE TO CONSIDER IT AND THE CHANGES MADE SINCE MY RECEIPT OF THIS RELEASE ARE NOT MATERIAL OR WERE MADE AT MY REQUEST AND WILL NOT RESTART THE REQUIRED **[21][45]**-DAY PERIOD;

(vi) I UNDERSTAND THAT I HAVE SEVEN (7) DAYS AFTER THE EXECUTION OF THIS RELEASE TO REVOKE IT AND THAT THIS RELEASE SHALL NOT BECOME EFFECTIVE OR ENFORCEABLE UNTIL THE REVOCATION PERIOD HAS EXPIRED;

(vii) I HAVE SIGNED THIS GENERAL RELEASE KNOWINGLY AND VOLUNTARILY AND WITH THE ADVICE OF ANY COUNSEL RETAINED TO ADVISE ME WITH RESPECT TO IT; AND

(viii) I AGREE THAT THE PROVISIONS OF THIS GENERAL RELEASE MAY NOT BE AMENDED, WAIVED, CHANGED OR MODIFIED EXCEPT BY AN INSTRUMENT IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE COMPANY AND BY ME.

SIGNED:_____ DATE:_____

EXHIBIT D

INDEMNIFICATION

1. The Company shall indemnify the Executive against all Liability and Expense that may be incurred by the Executive in connection with or resulting from any Claim to the fullest extent authorized or permitted by law, as the same exists or may hereafter be amended (but in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than such law permitted the Company to provide prior to such amendment), or otherwise consistent with the public policy of the State of Delaware.

2. In furtherance of the foregoing, and not by way of limitation, the Executive shall be indemnified by the Company against all Liability and reasonable Expense that may be incurred by the Executive in connection with or resulting form any Claim, (a) if the Executive is Wholly Successful with respect to the Claim, or (b) if not Wholly Successful, then if the Executive is determined, as provided in either Paragraph 6 or 7 below, to have acted in good faith, in what the Executive reasonably believed to be the best interests of the Company or at least not opposed to its best interests and, in addition, with respect to any criminal claim is determined to have had reasonable cause to believe that the Executive's conduct was lawful or had no reasonable cause to believe that the Executive's conduct was unlawful. The termination of any Claim, by judgment, order, settlement (whether with our without court approval), or conviction or upon a pleas of guilty or of nolo contendere, or its equivalent, shall not create a presumption that the Executive did not meet the standards of conduct set forth in clause (b) of this Paragraph 2.

3. The term "Claim" as used in this Exhibit D shall include every pending, threatened, or completed claim, action, suit, or proceeding and all appeals thereof (whether brought by or in the right of either of the Company or otherwise), civil, criminal, administrative, or investigative, formal or informal, in which the Executive may become involved, as a party or otherwise:

(a) by reason of the Executive's being or having been an officer or employee of the Company, or

(b) by reason of any action taken or not taken by the Executive in the Executive's capacity as an officer or employee of either of the Company, whether or not the Executive continued in such capacity at the time such Liability or Expense shall have been incurred.

4. The terms "Liability" and "Expense" as used in this Exhibit D shall include, but shall not be limited to, counsel fees and disbursement and other amounts of judgments, fines, or penalties against (including excise taxes assessed with respect to an employee benefits plan), and amounts paid in settlement by or on behalf of the Executive.

5. The term "Wholly Successful" as used in this Exhibit D shall mean (1) termination of any Claim, whether on the merits or otherwise, against the Executive in question without any finding of liability or guilt against him, (2) approval by a court, with knowledge of the indemnity herein provided, of a settlement of any Claim, or (3) the expiration of a reasonable period of time after the making or threatened making of any Claim without the institution of the same, without any payment or promise made to induce a settlement.

6. If the Executive is claiming indemnification hereunder (other than if the Executive has been Wholly Successful with respect to any Claim), the Executive shall be entitled to

indemnification (a) if special independent legal counsel, which may be regular counsel of the Company, or other disinterested person or persons, in either case selected by the Board of Directors (such counsel or persons hereinafter called the "Referee"), shall deliver to the Company a written finding that the Executive has met the standards of conduct set forth in Paragraph 2(b) above, and (b) if the Board of Directors, acting upon such written finding, so determines. The Board of Directors, if the Executive is found to be entitled to indemnification pursuant to the preceding sentence, shall also determine the reasonableness of the Executive's Expenses. The Executive, if requested, shall appear before the Referee, answer questions that the Referee deems relevant and shall be given ample opportunity to present to the Referee evidence upon which the Executive relies for indemnification. The Company, at the request of the Referee, shall make available facts, opinions, or other evidence in any way relevant to the Referee's findings that are within the possession or control of the Company.

7. If the Executive is claiming indemnification pursuant to Paragraph 6 above and if the Board of Directors fails to select a Referee within a reasonable amount of time following a written request of the Executive for the selection of a Referee, or if the Referee or the Board of Directors fails to make a determination under Paragraph 6 above within a reasonable amount of time following the selection of a Referee, the Executive may apply for indemnification with respect to a Claim to a court of competent jurisdiction, including a court in which the Claim is pending against the Executive. On receipt of an application, the court, after giving notice to the Company and giving the Company opportunity to present to the court any information or evidence relating to the claim for indemnification that the Company deems appropriate, may order indemnification if it determines that the Executive is entitle to indemnification with respect to the Claim because the Executive met the standards of conduct set forth in Paragraph 2(b) above. If the court determines that the Executive is entitled to indemnification, the court shall also determine the reasonableness of the Executive's Expenses.

8. Expenses incurred by the Executive in defending any Claim shall be paid by the Company in advance of the final disposition of such Claim promptly as they are incurred upon receipt of an undertaking by or on behalf of the Executive to repay such amount if the Executive is determined not to be entitled to indemnification.

9. The rights of indemnification and advancement of Expenses provided in this Exhibit D shall be in addition to any rights to which the Executive may otherwise be entitled, provided that he Company shall not be obligated to make any payment in connection with a Claim to the extent the Executive has received payment of such amount from another source, including without limitation any insurer.

10. The provisions of this Exhibit D shall be applicable to Claims made or commenced after the date of this Agreement, whether arising from acts or omissions to act occurring before or after the date of this Agreement.

11. If this Section or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify the Executive as to costs, charges and expenses (including attorney's fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, including an action by or in the right of the Company, to the fullest extent permitted by an applicable portion of this Section that shall not have been invalidated and to the fullest extent permitted by applicable law.

AMENDMENT TO MANAGEMENT OFFER LETTERS

The Offer Letters between Cengage Learning, Inc., a Delaware corporation (the "Company") and the following individuals (each, the "Offer Letter") shall be amended to include the provisions set forth herein: Kevin Stone (Executive Vice President, Chief Sales and Marketing Officer); James Donohue (Executive Vice President, Chief Product Officer); Sandi Kirshner (Executive Vice President, Chief Marketing Officer); Alexander Broich (Executive Vice President, President, International); Kenneth Carson (Executive Vice President, General Counsel); Mark Howe (Executive Vice President, Chief People Officer); George Moore (Executive Vice President, Chief Technology Officer); Fernando Bleichmar (Executive Vice President, Chief Strategy Officer) (each, the "Executive"). The amendment to the Offer Letters shall be effective on the date of the Company's emergence from Chapter 11 bankruptcy proceedings (the "Effective Date").

1. Place of Performance. During the period of the Executive's employment with the Company (the "Employment Period"), the Executive shall be based primarily in the [●][1] metropolitan area, unless the Executive and Chief Executive Officer mutually agree to relocation of the Executive's primary place of performance to one of the Company's major executive offices (including San Francisco, CA; Mason, OH; Boston, MA; New York City, NY; Clifton Park, NY; Farmington Hills, MI); provided that the Executive understands and agrees that the Executive may be required to travel from time to time for business purposes.

2. Relocation. In the event the Executive is required to relocate in accordance with Section 1 hereof, the Executive shall be entitled to relocation benefits commensurate with the Executive's position, in accordance with the Company's relocation program as in effect (i) on the date hereof for the purposes of any relocation within the period of eighteen (18) months following the Effective Date; and (ii) from time to time for the purposes of any relocation thereafter. All amounts payable under this Section 2 shall be subject to the Executive's presentment to the Company of appropriate documentation and shall be subject to the limitations and procedures set forth in the Company's relocation program as in effect on the date hereof.

3. Annual Bonus. During the Employment Period, the Executive shall be paid an annual cash performance bonus (an "Annual Bonus") under the Company's annual incentive plan (or successor plan) in respect of each fiscal year that ends during the Employment Period, to the extent earned based on performance against objective, reasonably attainable performance criteria, including, but not limited to, revenue and EBITDA growth and expense control. The annual performance criteria for any particular year shall be reasonably determined in good faith by the Board of Directors of the Company (the "Board"), after consultation with the Company's Chief Executive Officer, no later than sixty (60) days after the commencement of the relevant bonus period. The Executive's annual bonus opportunity for a calendar year shall equal **[●]**%[2] of the Executive's base salary (the "Target Bonus") if target levels of performance for that year are

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[1] Insert Clifton Park, NY for Mark Howe; Stamford, CT for Kenneth Carson; and Boston, MA for other executives.

[2] Kevin Stone-60%; James Donohue-60%; Sandi Kirshner-50%; Alexander Broich-60%; Kenneth Carson-60%; Mark Howe-60%; George Moore-60%; Fernando Bleichmar-60%.

achieved. For each bonus year, the Company's bonus program shall include an opportunity for the Executive to earn between fifty percent (50%) and two hundred percent (200%) of the Executive's Target Bonus, based, respectively, on achieving at least eighty five percent (85%) of the applicable performance goals and exceeding the target performance goals, with the degree of achievement to be set annually by the Board in good faith after taking into account the current market practices. The Executive's Annual Bonus for a bonus period shall be determined by the Board after the end of the applicable bonus period and shall be paid to the Executive when annual bonuses for that year are paid to other senior executives of the Company generally, but in no event later than seventy five (75) days following the end of the fiscal year to which such Annual Bonus relates. In accordance with the pre-existing commitment of the Company, with respect to the Company's fiscal year ending June 30, 2014, the Executive shall be entitled to receive in accordance herewith fifty percent (50%) of his Target Bonus if the Company achieves previously established revenue goals and fifty percent (50%) of his Target Bonus if the Company achieves previously established EBITDA-CAPEX goals, with the right to receive fifty percent (50%) of the applicable amount if ninety percent (90%) of the applicable goals are achieved and two hundred percent (200%) of the applicable amount if one hundred fifteen percent (115%) of the applicable goals are achieved (with linear interpolation for performance between any two such performance goals). For this purpose, the applicable target goals are those set forth in the debtor in possession fiscal year 2014 business plan approved by the Board before the Effective Date for the Company's fiscal year beginning July 1, 2013 and ending June 30, 2014. Before any Annual Bonus is paid with respect to the Company's fiscal year ending June 30, 2014, the minimum EBITDA less CAPEX performance threshold of ninety percent (90%) of DIP Plan must be met. In carrying out its functions under this Section 3, the Board shall at all times act reasonably and in good faith.

4. Emergence Award. Within thirty (30) days following the Effective Date, the Executive shall be granted restricted stock and incentive stock options (the "Emergence Award") on terms and conditions as set forth in the applicable Restricted Unit Agreement and Incentive Stock Option Agreement, forms of which are attached as Exhibit A and Exhibit B attached hereto.

5. [**Restrictive Covenants. In consideration of the mutual covenants and agreements set forth herein and for other good and valuable consideration, the Executive shall be required to execute the Company Non-Compete and Non-Solicitation Agreement.**][3]

6. Change in Control. This Section 6 shall apply if there is (i) a Change in Control during the eighteen (18) month period following the Effective Date; and (ii) the Executive's employment is terminated by the Company for a reason other than with Cause or Disability or by the Executive for Good Reason, in each case, during the six (6) month period after a Change in Control. If any such termination occurs, the Executive shall receive the severance benefits set forth in the "Severance" section of the Offer Letter, except that in lieu of the annual base salary continuation set forth in the "Severance" section of the Offer Letter, the Executive shall receive an amount equal to two times (2x) the Executive's annual base salary, payable in a lump sum within thirty (30) days following the date of termination of the Executive's employment by the

[3] Insert for Executives other than Kevin Stone, George Moore and James Donohue.

Company for a reason other than without Cause or Disability or by the Executive for Good Reason.

7. Definitions.

(a) "Cause" means the occurrence of one or more of the following events: the Executive's (i) willful failure to perform substantial job functions that continues after written notice from the Company; (ii) material fraud or material dishonesty in performance of Executive's duties; (iii) conviction of, or plea of guilty or *nolo contendere* to, a felony; (iv) willful malfeasance or willful misconduct in performance of Executive's duties or any willful act or omission (other than in the good faith performance of duties) that is materially injurious to the financial condition or business reputation of the Company; (v) material breach of confidentiality covenant that is not cured within fifteen (15) days following a notice from the Company; (vi) material breach of non-disparagement covenant that is not cured within fifteen (15) days following a notice from the Company; or (vii) material breach of non-compete or non-solicitation covenant. For purposes of this provision, no act or failure to act, on the part of the Executive, shall be considered "willful" unless it is done, or omitted to be done, by the Executive in bad faith or without reasonable belief that the Executive's action or omission was in the best interest of the Company.

(b) "Change in Control" means the occurrence of any one or more of the following events: (i) any "person" as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (the "1934 Act") (other than the Company, any trustee or other fiduciary holding securities under any employee benefit plan of the Company, or any company owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of Common Stock of the Company or pursuant to an Exempt Transaction (as defined in paragraph (iv) below)), becoming the beneficial owner (as defined in Rule 13d-3 under the 1934 Act), directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities; (ii) any "person" as such term is used in Sections 13(d) and 14(d) of the 1934 Act (other than the Company, any trustee or other fiduciary holding securities under any employee benefit plan of the Company, any company owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of Common Shares of the Company or pursuant to an Exempt Transaction), becoming the beneficial owner (as defined in Rule 13d-3 under the 1934 Act) in one or a series of related transactions during any twelve (12)-month period, directly or indirectly, of securities of the Company representing 30% or more of the combined voting power of the Company's then outstanding securities; (iii) during any one (1)-year period, individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in paragraph (i), (ii), (iv) or (v) of this definition of "Change in Control" or a director whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such term is used in Rule 14a-11 of Regulation 14A promulgated under the 1934 Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board) whose election by the Board or nomination for election by the Company's shareholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the one-year period or whose election or nomination for election was previously so approved, cease for any reason to

constitute at least a majority of the Board; (iv) a merger or consolidation of the Company or a direct or indirect subsidiary of the Company with any other company, other than a merger or consolidation (an "Exempt Transaction") that results in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 67% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation (or the ultimate parent company of the Company or such surviving entity); or (v) the consummation of a sale or disposition of assets of the Company and/or its direct and indirect subsidiaries having a value constituting at least 40% of the total gross fair market value of all of the assets of the Company and its direct and indirect subsidiaries (on a consolidated basis) immediately prior to such transaction.

(c) "Disability" means either (i) when the Executive is deemed disabled in accordance with the long-term disability insurance policy or plan, if any, of the Company in effect at the time of the illness or injury causing the disability and under which the Executive is insured, or if no such policy or plan is in effect, (ii) the inability of the Executive, because of injury, illness, disease or bodily or mental infirmity as determined by a physician reasonably acceptable to the Company, to perform the essential functions of the Executive's job (with or without reasonable accommodation) for more than one hundred eighty (180) days during any period of twelve (12) consecutive months.

(d) "Good Reason" means the occurrence, without the Executive's consent, of any of the following events: (i) any material reduction in the Executive's Base Salary or Target Bonus; (ii) a material reduction in the Executive's title, duties or responsibilities; (iii) an adverse change in the Executive's reporting requirements; or (iv) a material breach of a material agreement between the Executive and the Company or its affiliates[**; or (v) relocation of the Executive's primary work location by more than fifty (50) miles from his then current location**][4]; provided, that, in any case, unless such events are fully corrected in all material respects by the Company within thirty (30) days following written notification by the Executive to the Company of the occurrence of one of the reasons.

[4] Insert only for Kevin Stone.

EXHIBIT A

FORM INCENTIVE STOCK OPTION AWARD AGREEMENT

EXHIBIT B

FORM RESTRICTED STOCK UNIT AWARD AGREEMENT

[_____], 2014

Dean D. Durbin
200 First Stamford Place
Stamford, CT 06902

Re: Separation Agreement and General Release

Dear Dean:

This is to confirm our conversation concerning your separation from Cengage Learning, Inc. effective on the one (1) month anniversary of the appointment of a new Chief Financial Officer, or such earlier date designated by Cengage Learning, Inc. Given the complexity of the transition of your duties and responsibilities as Chief Financial Officer of Cengage Learning, Inc., your separation date may be extended up to [_] additional days due to business needs upon reasonable advance notice of such change in the schedule (the date of your separation, the "Effective Date").

1. In appreciation of your services to Cengage Learning, Inc., its predecessors, branches, divisions, affiliates, parents, subsidiaries and related entities (collectively "the Company"), and in consideration of your agreement to the terms and conditions of this Separation Agreement and General Release, we are offering the following severance benefits in lieu of any other Company benefits, and by signing this Separation Agreement and General Release you are acknowledging that such benefits are more valuable than the benefits to which you would otherwise be entitled:

   A. It is agreed that from now until the Effective Date (the "Transition Period"), you will remain an employee in good standing, assist in the transition of your duties, and otherwise perform your assigned duties in a competent and professional manner. The Company agrees to treat you in a competent and professional manner. If your employment is terminated by the Company for any reason other than Cause prior to the completion of the Transition Period, you will be entitled to receive your base salary and benefits through the Transition Period and the benefits described in this Separation Agreement and General Release. If you voluntarily resign your employment or your employment is terminated for cause prior to the completion of the Transition Period, you will only be paid through your actual last day worked and you will not be eligible for the benefits described in this Separation Agreement and General Release. Upon the execution of this Separation Agreement and General Release, you may still be terminated for Cause subject to the following provisions and upon such a termination pursuant to those provisions, you will forfeit all benefits

under this Separation Agreement and General Release. Notwithstanding the provisions of this Separation Agreement and General Release, upon the execution of this Separation Agreement and General Release, if you are terminated for Cause the following shall apply:

"Cause" shall mean (i) any willful or grossly negligent act by you intended to enrich yourself at the Company's expense involving an amount that is not immaterial to you; (ii) any material misconduct in the performance of your duties to the Company.

No termination for Cause after the execution of this Separation Agreement and General Release shall be effective unless it is accomplished in accordance with the following procedures. The Company's Board of Directors (the "Board") shall give you a written notice of its intention to terminate your employment for Cause, setting forth in reasonable detail the specific conduct that it considers to constitute Cause and the specific provisions of this Separation Agreement and General Release on which it relies. Any determination of Cause by the Board will be made by a resolution approved by a majority of the members of the Board; provided that no such determination may be made until you have been given a period of ten (10) days following receipt of the notice as set forth above to cure such event (if susceptible to cure) to the satisfaction of the Board. Notwithstanding anything to the contrary contained herein, your right to cure as set forth in the preceding sentence shall not apply if there are habitual or repeated breaches.

B. Subject to your continuing compliance with the terms and conditions of this Separation Agreement and General Release and provided you do not invoke your right to revocation as set forth below, we will continue to pay you your current base salary, less applicable withholdings, commencing on the day immediately following the Effective Date and continuing for fifty two (52) weeks. Each payment will be made on the Company's regularly scheduled pay days in accordance with the Company's payroll practices, and will be the amount of your current bi-weekly base salary until all severance benefits to which you are entitled have been paid. The period during which you are paid under this paragraph shall be referred to as the "Severance Period". You hereby acknowledge that all amounts paid to you on account of periods on or after the Effective Date shall be applied as a credit against any amounts payable under this and all other paragraphs of this Separation Agreement and General Release.

C. To the extent you were enrolled in the Company's medical, dental, vision or health care flexible spending account plans as of the Effective Date, and so long as you remain unemployed or ineligible for benefits from a subsequent employer during the Severance Period, you will continue to receive group medical, dental, vision and health care flexible spending account benefits on the same basis that those benefits are offered to employees of the Company of similar position to you, provided, however, you will not be eligible to continue your health care flexible spending account for the following

calendar year. You will continue to share in the cost of these benefits in the same manner as active employees. Any applicable medical, dental and vision benefits will end the last day of the month in which the Severance Period ends. Any health care flexible spending account benefit will end on December 31st of the current calendar year or the last day of the month in which the Severance Period ends, whichever is earlier. All other applicable employee benefits including, without limitation, participation in the following Company plans shall terminate as of the Effective Date: 401(k) plan, life insurance, short- and long-term disability, bonus/incentive (subject to paragraph D below), dependent care flexible spending account and any paid time off programs. Upon your obtaining eligibility for benefits from a subsequent employer or on the first day of the month following the expiration of the Severance Period, whichever comes first, you will not be entitled to receive any employee benefits, except for group health coverage continuation in accordance with COBRA, and vested 401(k) benefits, if any. You will receive information regarding COBRA under separate cover. Notwithstanding anything herein to the contrary, you shall have no duty to mitigate hereunder.

D. Any award under the Cengage Incentive Plan for the 2013-2014 plan year to which you would otherwise be entitled in accordance with the terms of such plan had you remained employed through March 31, 2014 will be paid to you, subject to applicable withholdings, when such bonuses are paid to Company employees on or about 90 days following the end of the plan year.

E. You will be provided outplacement support by Lee Hecht Harrison. To be eligible, you must initiate these services after signing this agreement but within 45 calendar days of your last day worked. In addition to the Lee Hecht Harrison benefit available to you after your last day worked, during your transition period you may utilize our online Career Transitions resource which can be found on *Inside > Human Resources*. You will receive outplacement information under separate cover.

2. Both parties agree to treat as confidential and not disclose the terms, contents, or execution of this Separation Agreement and General Release, except as required by law and, with respect to you, other than to your counsel, or tax advisor, with the understanding that he or she will maintain the confidentiality thereof. You also agree to refrain from disparaging or holding up to ridicule the name of the Company, its successors, and its current and former officers, directors, attorneys, agents and employees (the Company and these individuals are referred to as "Protected Parties"), and will not bring publicity to matters of the Company by communicating, directly or indirectly, with the press, on "blogs" or through any other media, concerning the Company. If you receive any inquiries from any member of the press or of any other media, you will not respond to it substantively, and will instead refer the inquiry to the Company. The Company agrees to instruct its senior executive team and the Board from disparaging you or holding you up to ridicule. Notwithstanding the

foregoing or anything else in this Separation Agreement and General Release, nothing in this Separation Agreement and General Release shall be construed to prohibit you from initiating, participating or cooperating in any legal or administrative proceeding, except that to the extent permitted by law, you waive your right to any individual monetary relief or other individual remedies in connection therewith.

3. You represent that on or before the Effective Date, you will return all materials and/or property of the Company, except for any Company equipment we mutually agree you may retain such as your laptop, iPad and iPhone, provided the Company's confidential and/or proprietary information has been removed or deleted from all such equipment.

4. a. You agree that the Company is engaged in the highly competitive business of providing print and digital information services for the educational and library reference markets. The Company's involvement in this business has required and continues to require the expenditure of substantial amounts of money and the use of skills developed over long periods of time and has developed certain valuable trade secrets and confidential information that are unique to the Company's business and the disclosure of which would cause the Company great and irreparable harm. These investments also give the Company a competitive advantage over companies that have not made comparable investments, and that otherwise have not been as successful as the Company in developing their businesses. Solely by virtue of your employment with the Company, you have become privy to the Company's trade secrets and confidential information and became intertwined with the Company's goodwill. It would be unfair for you to exploit the information and goodwill you obtained during and as a result of your employment by the Company. You agree to treat as confidential and not to use or disclose any trade secrets, confidential materials or information which you have learned or discovered during your employment by the Company. You reaffirm your continuing obligations under the Cengage Learning Code of Business Conduct and Ethics as in effect during the term of your employment.

   b. You agree that for the duration of the Severance Period, you will not directly or indirectly recruit, hire or attempt to recruit or hire any other employee of the Company.

   c. You agree that while employed by the Company, you had contact with and became aware of some, most or all of the Company's customers, representatives of those customers, their names and addresses, specific customer needs and requirements, and leads and references to prospective customers. You further agree that loss of such customers will cause the Company great and irreparable harm. You agree that for the duration of the Severance Period, you will not directly or indirectly solicit, contact, call upon, communicate with or attempt to communicate with any customer, former customer, or prospective customer of the Company for the purpose of providing or obtaining any product or service reasonably deemed competitive with any product or

service then offered by the Company. This restriction shall apply only to: (i) any customer, former customer, or prospective customer of the Company with whom you had contact during the last twelve months of your employment or (ii) any customer, former customer, or prospective customer of the Company about which you had access to the Company's trade secret or confidential information concerning such customer, former customer or prospective customer during the last twelve months of employment.

d. You agree that for the duration of the Severance Period**,** you will not, directly or indirectly, individually or through an entity, as an owner, part owner, partner, employee, agent or otherwise: (i) act in any capacity for or with the Company's main competitors, or for or with any agents of the Company's main competitors. For purposes of this paragraph, the Company's main competitors shall include Pearson, McGraw Hill, Wiley, Macmillan, ProQuest and EBSCO; (ii) sell, attempt to sell, or assist in the effort of anyone else who sells or attempts to sell, any products or services that are competitive with any products or services offered by the Company and for which you gained knowledge of during your employment by the Company; (iii) act in any capacity for or with any of the Company's main competitors, or for or with any agents for any of the Company's main competitors, if in such capacity you would, because of the nature of your position or role with such competitor or agent and your knowledge of the Company's trade secrets or confidential information, inevitably use and/or disclose any of the Company's trade secrets or confidential information in your work for, or on behalf of, the competitor or agent; or (iv) interfere with, disrupt or attempt to disrupt relations between the Company and any of its customers, employees, consultants, suppliers or vendors. Because of the global nature of the Company's business, it is agreed that the restrictions set forth above shall apply in the State of Connecticut, the geographic regions that you worked in and were responsible for while employed by the Company, and any other geographic area (country, province, state, city or other political subdivision) in which the Company is engaged in, or was developing plans to engage in, or was otherwise selling products or services at the time you ceased working for the Company.

e. In addition to any remedies the Company may have under law, you will forfeit all remaining benefits under this Separation Agreement and General Release in the event you engage in any of the activities prohibited by the terms of paragraph 3 and 5; provided, that as a condition to the forfeiture of any benefits as set forth in this paragraph e, the Board shall give you a written notice detailing in reasonable detail the specific event constituting a breach of your obligations set forth in paragraph 3 and 5 hereof and you shall have a period of ten (10) days following receipt of such notice to cure such event (if susceptible to cure) to the satisfaction of the Board.

5. In consideration for the severance payments and benefits described herein, on behalf of yourself, your heirs, executors, administrators, successors and assigns, you hereby irrevocably and unconditionally release and discharge the Company and the Protected Parties, individually and in their official capacities, from any and all causes of action, claims or damages of any kind or nature, that you may have against them, other than any claims that cannot lawfully be waived. This release includes, but is not limited to any claims for employment discrimination, including but not limited to any claims under federal, state or local fair employment laws or practices or other employee relations statutes (including without limitation the Civil Rights Act of 1866, Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, the Americans with Disabilities Act of 1990, the Equal Pay Act of 1963), and the employment laws and regulations of the States of Connecticut; any claims pursuant to any other federal, state or local statutes, regulations, ordinances or executive orders; any claims based on any rule, common law or public policy; any claims based in contract, whether oral or written, express or implied; any claims based in tort, or any other obligation. If a claim is not subject to release, to the extent permitted by law, you waive any right or ability to be a class or collective action representative or to otherwise participate in any putative or certified class, collective or multi-party action or proceedings based on such a claim in which the Company is a party.

6. The Company hereby irrevocably and unconditionally releases and discharges you from any and all causes of action, claims or damages of any kind or nature, that the Company may have against you, other than any claims arising from any embezzlement, fraud or material conduct that you concealed from the Company's Chief Executive Officer and any claims that cannot lawfully be waived. The Company agrees that the release set forth in Article VIII of the Debtor's Amended Joint Plan of Reorganization pursuant to Chapter 11 of the Bankruptcy Code is hereby incorporated by reference.

7. In signing this Separation Agreement and General Release, you affirm the following:

    a. Neither you nor the Company have filed, or caused to be filed, or presently are a party to any claim against the other party.
    b. You have been provided and/or have not been denied any leave requested under the Family and Medical Leave Act or applicable state law.
    c. You further affirm that you have been paid and received all compensation, wages, bonuses, commissions and benefits due you, except as provided in this Separation Agreement and General Release.
    d. You have no known workplace injuries or occupational diseases.
    e. You have not violated the terms of paragraph 3 herein or otherwise divulged any proprietary or confidential information of the Company.
    f. You have not been retaliated against for reporting any allegations of wrongdoing by the Company or its officers, including any allegations of corporate fraud.

g. All of the Company's decisions regarding your pay and benefits through the date of your separation of employment were not discriminatory based on age, disability, race, color, sex, religion, national origin or any other classification protected by law.

8. The Company affirms that, as of the date hereof, it is not aware of any basis to deny you the benefits under this Separation Agreement and General Release.

You understand that by signing this Separation Agreement and General Release, you are providing a complete waiver of all claims that may have arisen, whether known or unknown, up until the time that this Separation and General Release is executed by you, other than any claims that cannot lawfully be waived.

9. Following the execution of this Separation Agreement and General Release, in the event of a good faith dispute between you and the Company, the Company shall advance, on your behalf, amounts sufficient to satisfy all reasonable legal fees and expenses incurred by you in connection with any legal proceedings, including pre-trial counseling and evaluation and good faith appeals. If neither the Company nor you prevail or substantially prevail in the dispute, or if you prevail at least in part in the dispute, the Company's advance will become permanent and the Company shall pay any and all remaining legal fees and expenses owing on your behalf related to such a dispute.

10. The laws of the State of Connecticut will apply to any dispute concerning this Separation Agreement and General Release, except where preempted by federal law. Should any provision of this Separation Agreement and General Release be declared illegal or unenforceable by any court of competent jurisdiction and cannot be modified to be enforceable, excluding the general release language, such provision shall immediately become null and void, leaving the remainder of the Separation Agreement and General Release in full force and effect. Should the general release be declared unlawful or unenforceable by a court of competent jurisdiction, you agree to sign a new general release which is in a form acceptable to the Company for no additional consideration.

11. This Separation Agreement and General Release may not be modified, altered, or changed except in writing and signed by both parties wherein specific reference is made to this Separation Agreement and General Release.

12. This Separation Agreement and General Release represents the entire agreement of the parties. All prior understandings relating to the subject matter of this Separation Agreement and General Release, whether oral or written, are hereby superseded by this document, with the exception of the Cengage Learning Code of Business Conduct and Ethics, which **is** incorporated by reference. You acknowledge that you have not relied on any representations, promises, or agreements of any kind made to you in connection with your decision to accept this Separation Agreement and General Release, except for those set for in this Separation Agreement and General Release.

You will have 21 days from the date you receive this Separation Agreement and General Release to consider accepting this offer but may not accept this offer until your last day worked. If you choose not to accept the offer by the later to occur of 21 days from the date you receive this letter and your last day worked, it should be considered withdrawn. You agree that any modifications, material or otherwise, made to this Separation Agreement and General Release do not restart or affect in any manner the original 21-day consideration period. If you accept the offer and sign this Separation Agreement and General Release you will then have seven (7) days to reconsider and revoke your acceptance, if you choose. Any such revocation must be in writing and must state "I hereby revoke my acceptance of the Separation Agreement and General Release" and must be received by the Company or postmarked within seven calendar days of execution of this Separation Agreement and General Release. You should either personally deliver or mail the revocation to _____.

Since your execution of this Separation Agreement and General Release releases the Protected Parties from all claims you may have, including the Age Discrimination in Employment Act, **we advise you to take time to consider this proposal and to consult with an attorney prior to signing it.** Please indicate your understanding, acceptance and approval of this Separation Agreement and General Release by signing your name and dating your signature where indicated below. Kindly return the original of this Separation Agreement and General Release to me at _____. The enclosed original duplicate is for your files.

Let me take this opportunity to express my personal thanks for your services and support and to wish you every success in your future endeavors.

Sincerely,

Name:
Title:

Accepted and Agreed by:

_____
Dean D. Durbin

Date:_____

Exhibit K

Management Incentive Plan

CENGAGE LEARNING, INC.

2014 EQUITY INCENTIVE PLAN

ARTICLE I
PURPOSE

Purpose of the Plan. The Plan shall be known as the Cengage Learning, Inc. 2014 Equity Incentive Plan (the "Plan"). The Plan is intended to further the growth and profitability of Cengage Learning, Inc. (the "Company") by increasing incentives and encouraging Share ownership on the part of the Employees of the Company and its Subsidiaries. The Plan is intended to permit the grant of Awards that constitute Incentive Stock Options, Non-Qualified Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Awards and Other Stock Awards including any combination of the above.

ARTICLE II
DEFINITIONS

The following words and phrases shall have the following meanings unless a different meaning is plainly required by the context:

"1934 Act" means the Securities Exchange Act of 1934, as amended. Reference to a specific section of the 1934 Act or regulation thereunder shall include such section or regulation, any valid regulation or interpretation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

"Affiliate" means any corporation or any other entity (including, but not limited to, partnerships and joint ventures) directly or indirectly controlled by the Company.

"Award" means, individually or collectively, a grant under the Plan of Incentive Stock Options, Non-Qualified Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Awards and Other Stock Awards.

"Award Agreement" means the written agreement setting forth the terms and conditions of an Award.

"Base Price" means the price at which a SAR may be exercised with respect to a Share.

"Board" means the Company's Board of Directors, as constituted from time to time.

"Cause" means with respect to a Participant's Termination from and after the date hereof, the following: (a) in the case where there is no employment agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award (or where there is such an agreement but it does not define "cause" (or words of like import)), termination due to: (i) a failure by Participant to perform substantial job functions that continues after written notice from the Company; (ii) a fraud or

material dishonesty in performance of Participant's duties; (iii) conviction of, or plea of guilty or *nolo contendere* to, a felony; (iv) a malfeasance or misconduct by Participant in performance of Participant's duties or any wrongful act or omission (other than in the good faith performance of duties) that is materially injurious to the financial condition or business reputation of the Company; (v) a material breach of a confidentiality covenant that is not cured within fifteen (15) days following a notice from the Company; (vi) a material breach of a non-disparagement covenant that is not cured within fifteen (15) days following a notice from the Company; or (vii) a breach of a non-compete or non-solicitation covenant; or (b) in the case where there is an employment agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award that defines "cause" (or words of like import), "cause" as defined under such agreement; provided, however, that with regard to any agreement under which the definition of "cause" only applies on occurrence of a change in control, such definition of "cause" shall not apply until a change in control actually takes place and then only with regard to a termination thereafter. With respect to a Participant's Termination of Directorship, "cause" means an act or failure to act that constitutes cause for removal of a director under applicable law.

"Change in Control" means the occurrence of any one or more of the following events:

(a) any "person" as such term is used in Sections 13(d) and 14(d) of the 1934 Act (other than the Company, any trustee or other fiduciary holding securities under any employee benefit plan of the Company, or any company owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of Common Stock of the Company or pursuant to an Exempt Transaction (as defined in paragraph (d) below)), becoming the beneficial owner (as defined in Rule 13d-3 under the 1934 Act), directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities;

(b) any "person" as such term is used in Sections 13(d) and 14(d) of the 1934 Act (other than the Company, any trustee or other fiduciary holding securities under any employee benefit plan of the Company, any company owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of Common Shares of the Company or pursuant to an Exempt Transaction), becoming the beneficial owner (as defined in Rule 13d-3 under the 1934 Act) in one or a series of related transactions during any 12-month period, directly or indirectly, of securities of the Company representing 30% or more of the combined voting power of the Company's then outstanding securities;

(c) during any one (1)-year period, individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in paragraph (a), (b), (d) or (e) of this definition of "Change in Control" or a director whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such term is used in Rule 14a-11 of Regulation 14A promulgated under the 1934 Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board) whose election by the Board or nomination for election by the Company's shareholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of

the one-year period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the Board;

(d) a merger or consolidation of the Company or a direct or indirect subsidiary of the Company with any other company, other than a merger or consolidation (an "Exempt Transaction") that results in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 67% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation (or the ultimate parent company of the Company or such surviving entity); or

(e) the consummation of a sale or disposition of assets of the Company and/or its direct and indirect subsidiaries having a value constituting at least 40% of the total gross fair market value of all of the assets of the Company and its direct and indirect subsidiaries (on a consolidated basis) immediately prior to such transaction.

Notwithstanding the foregoing, to the extent necessary to comply with Section 409A of the Code with respect to a particular award, any of the foregoing events shall constitute a "Change in Control" only if such event is also a "change in control event" within the meaning of Section 409A of the Code.

"Code" means the Internal Revenue Code of 1986, as amended. Reference to a specific section of the Code or regulation thereunder shall include such section or regulation, any valid regulation or other guidance promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

"Committee" means the committee, as described in Article III, appointed by the Board from time to time to administer the Plan and to perform the functions set forth herein.

"Disability" means, except as otherwise set forth in a Participant's employment agreement, with respect to a Participant's Termination, a permanent and total disability as defined in Section 22(e)(3) of the Code. A Disability shall only be deemed to occur at the time of the determination by the Committee of the Disability. Notwithstanding the foregoing, for Awards that are subject to Section 409A of the Code, Disability shall mean that a Participant is disabled under Section 409A(a)(2)(C)(i) or (ii) of the Code.

"Eligible Individual" means any of the following individuals who is designated by the Committee in its discretion as eligible to receive Awards subject to the conditions set forth herein: (a) any director, officer, or Employee of the Company or a Subsidiary of the Company or (b) any individual to whom the Company, or a Subsidiary of the Company, has extended a formal offer of employment, so long as the grant of any Award shall not become effective until the individual commences employment.

"Emergence Date" means the date that the Company substantially consummates its Chapter 11 plan or reorganization.

"Employee" means an employee of the Company or a Subsidiary. Notwithstanding anything to the contrary contained herein, the Committee may grant Awards to an individual who has been extended an offer of employment by the Company or a Subsidiary; provided that any such Award shall be subject to forfeiture if such individual does not commence employment by a date established by the Committee.

"Exercise Price" means the price at which a Share subject to an Option may be purchased upon the exercise of the Option.

"Fair Market Value" means, except as otherwise specified in a particular Award Agreement, (a) while the Shares are readily traded on an established national or regional securities exchange, the closing transaction price of such a Share as reported by the principal exchange on which such Shares are traded on the date as of which such value is being determined or, if there were no reported transaction for such date, the opening transaction price as reported by exchange for the first trading date following the date by which such value is being determined on the next preceding date for which a transaction was reported, (b) if the Shares are not readily traded on an established national or regional securities exchange, then the average of the bid and ask prices for such a Share on the date as of which such value is being determined , or (c) if Fair Market Value cannot be determined under clause (a) or clause (b) above, or if the Board determines in its sole discretion that the Shares are too thinly traded for Fair Market Value to be determined pursuant to clause (a) or clause (b), the value as determined by the Board, in good faith without taking into account minority interest, lack of liquidity or similar discounts. In the event the amount in dispute exceeds $75,000, if a Participant disagrees with such determination, the Participant and the Board shall promptly (and in any event within fifteen (15) days) agree on an independent nationally recognized firm experienced in the valuation of private companies (the "Independent Valuator", which may not be a firm that has performed services for compensation for the Company or its Affiliates during the one (1)-year period preceding the retention of such firm), which shall determine the Fair Market Value. The Fair Market Value determined by the application of this process shall be the Fair Market Value for the applicable purpose under this Plan. If the final Fair Market Value, as determined pursuant to this process described herein, is 110% or more of the Fair Market Value originally determined by the Board, then the Company will pay the cost of such Independent Valuator. If, however, such final Fair Market Value is less than 110% of the Fair Market Value originally determined by the Board, then the cost of such Independent Valuator shall be paid by the Participant. Notwithstanding the foregoing, a Participant may not request a valuation by an Independent Valuator if such a valuation has been prepared within the preceding ninety (90) days and such valuation shall be deemed to be Fair Market Value unless, in each case, there has been a significant change in the business of the Company and its Subsidiaries since such valuation.

"Good Reason" means, unless otherwise agreed to in writing by the Participant, the following: (a) in the case where there is no employment agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award (or where there is such an agreement but it does not define "good reason" (or words of like import)), termination due to: (i) any material reduction in Participant's base pay or target bonus; (ii) a material reduction in Participant's duties or responsibilities; or (iii) a material breach of a material agreement between Participant and the Company or its Affiliates; provided,

that, in any case, unless such events are fully corrected in all material respects by the Company within thirty (30) days following written notification by Participant to the Company of the occurrence of one of the reasons; or (b) in the case where there is an employment agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award that defines "good reason" (or words of like import), "good reason" as defined under such agreement; provided, however, that with regard to any agreement under which the definition of "good reason" only applies on occurrence of a change in control, such definition of "good reason" shall not apply until a change in control actually takes place and then only with regard to a termination thereafter.

"Grant Date" means the date that the Award is granted.

"Immediate Family" means the Participant's children, stepchildren, grandchildren, parents, stepparents, grandparents, spouse, siblings (including half-brothers and half-sisters), in-laws (including all such relationships arising because of legal adoption) and any other person required under applicable law to be accorded a status identical to any of the foregoing.

"Incentive Stock Option" means an Option that is designated as an "incentive stock option" in the Award Agreement pursuant to which such Option is granted and is intended by the Committee to meet the requirements of Section 422 of the Code.

"Non-Qualified Stock Option" means an Option that is not an Incentive Stock Option.

"Option" means an option to purchase Shares granted pursuant to Article VII.

"Other Stock-Based Award" means an Award under Article XI of this Plan that is valued in whole or in part by reference to, or is payable in or otherwise based on, Shares.

"Participant" means an Employee to whom an Award has been granted and remains outstanding.

"Performance Award" means an Award granted to a Participant pursuant to Article X hereof contingent upon achieving certain Performance Goals.

"Performance Goals" means goals established by the Committee as contingencies for Awards to vest and/or become exercisable or distributable.

"Performance Period" means the designated period during which the Performance Goals must be satisfied with respect to the Award to which the Performance Goals relate.

"Period of Restriction" means the period during which Awards are subject to forfeiture and/or restrictions on transferability.

"Restricted Stock" means an Award granted pursuant to Article VIII under which the Shares are subject to forfeiture upon such terms and conditions as specified in the relevant Award Agreement.

"Restricted Stock Unit" or "RSU" means an Award granted pursuant to Article VIII subject to a period or periods of time after which the Participant will receive Shares if the conditions contained in such Stock Award have been met.

"Share" means the share of the Company's common stock, or any security issued by the Company or any successor in exchange or in substitution therefore.

"Spread" means, in the case of a SAR or an Option, the aggregate difference between the Fair Market Value of all the Shares subject to such SAR or Option and the aggregate Base Price or Exercise Price of such SAR or Option, as applicable.

"Stock Appreciation Right" or "SAR" means an Award granted pursuant to Article IX, granted alone or in tandem with a related Option which is designated by the Committee as a SAR.

"Stock Award" means an Award of Restricted Stock or an RSU pursuant to Article VIII.

"Subsidiary" means, with respect to any person, any corporation, limited liability company, partnership, association or other business entity of which (a) if a corporation, a majority of the total voting power of shares entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that person or one or more of the other Subsidiaries of that person or a combination thereof, or (b) if a limited liability company, partnership, association or other business entity, a majority of the limited liability company, partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by any person or one or more Subsidiaries of that person or a combination thereof. For purposes hereof, person or persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity if such person or persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control the managing director or general partner of such limited liability company, partnership, association or other business entity.

"Ten Percent Holder" means an Employee (together with persons whose stock ownership is attributed to the Employee pursuant to Section 424(d) of the Code) who, at the time an Option is granted, owns shares representing more than ten percent of the voting power of all classes of securities of the Company.

"Termination" means (i) in the case of an Employee: (a) a termination of employment of a Participant from the Company and its Affiliates; or (b) when an entity which is employing a Participant ceases to be a Subsidiary, unless the Participant otherwise is, or thereupon becomes, employed by the Company or another Subsidiary at the time the entity ceases to be a Subsidiary; or (ii) in the case of a Member of the Board, that individual Director has ceased to be a Member of the Board. Notwithstanding the foregoing, the Committee may, in its sole discretion, otherwise define Termination in the Award Agreement or, if no rights of a Participant are reduced, may otherwise define Termination thereafter.

Notwithstanding the foregoing, for Awards that are considered to be "deferred compensation" under Section 409A of the Code and that are settled or distributed upon a

"Termination," the foregoing definition shall only apply to the extent the applicable event would also constitute a "separation from service" under Code Section 409A

"Transfer" means: (a) when used as a noun, any direct or indirect transfer, sale, assignment, pledge, hypothecation, encumbrance or other disposition (including the issuance of equity in a Person), whether for value or no value and whether voluntary or involuntary (including by operation of law), and (b) when used as a verb, to directly or indirectly transfer, sell, assign, pledge, encumber, charge, hypothecate or otherwise dispose of (including the issuance of equity in a Person) whether for value or for no value and whether voluntarily or involuntarily (including by operation of law). "Transferred" and "Transferable" shall have a correlative meaning.

ARTICLE III
ADMINISTRATION

3.1 The Committee. The Plan shall be administered by the Committee. The Committee shall consist of one (1) or more Members of the Board and may consist of the entire Board. Unless otherwise determined by the Board, the Committee shall be the compensation committee of the Board or, in the event no compensation committee exists, the Board.

3.2 Authority and Action of the Committee. It shall be the duty of the Committee to administer the Plan in accordance with the Plan's provisions. The Committee shall have all powers and discretion necessary or appropriate to administer the Plan and to control its operation, including, but not limited to, the full and final authority in its discretion to (a) determine which Eligible Individuals shall be eligible to receive Awards and to grant Awards, (b) prescribe the form, amount, timing and other terms and conditions of each Award, (c) interpret the Plan and the Award Agreements (and any other instrument relating to the Plan), (d) adopt such procedures as it deems necessary or appropriate to permit participation in the Plan by Eligible Individuals, (e) adopt such rules as it deems necessary or appropriate for the administration, interpretation and application of the Plan, (f) interpret, amend or revoke any such procedures or rules, (g) correct any technical defect(s) or technical omission(s), or reconcile any technical inconsistency(ies), in the Plan and/or any Award Agreement, (h) accelerate the vesting of any Award, (i) extend the period during which an Option or SAR may be exercisable, and (j) make all other decisions and determinations that may be required pursuant to the Plan and/or any Award Agreement or as the Committee deems necessary or advisable to administer the Plan. Notwithstanding the foregoing, in the event any Participant is a member of the Committee, such Participant cannot participate in or vote with respect to any matter which will affect the Participant's Awards or rights under the Plan.

The acts of the Committee shall be either (i) acts of a majority of the members of the Committee present at any meeting at which a quorum is present or (ii) acts approved in writing by all of the members of the Committee without a meeting. A majority of the Committee shall constitute a quorum. The Committee's determinations under the Plan need not be uniform and may be made selectively among Participants, whether or not such Participants are similarly situated. Each member of the Committee is entitled to, in good faith, rely or act upon any report or other information furnished to that member by any Employee of the Company or any of its Subsidiaries or Affiliates, the Company's independent certified public accountants or any executive compensation consultant or other professional retained by the Company to assist in the administration of the Plan.

The Company shall effect the granting of Awards under the Plan, in accordance with the determinations made by the Committee, by execution of written agreements and/or other instruments in such form as is approved by the Committee.

3.3 Delegation by the Committee.

3.3.1 The Committee, in its sole discretion and on such terms and conditions as it may provide, may delegate all or any part of its authority and powers under the Plan to one or more Members of the Board of the Company and/or officers of the Company; provided, however, that the Committee may not delegate its authority or power if prohibited by applicable law.

3.3.2 The Committee may, in its sole discretion, employ such legal counsel, consultants and agents as it may deem desirable for the administration of this Plan and may rely upon any opinion received from any such counsel or consultant and any computation received from any such consultant or agent. Expenses incurred by the Committee or the Board in the engagement of any such counsel, consultant or agent shall be paid by the Company.

3.4 Indemnification. Each person who is or shall have been a member of the Committee, or of the Board and any person designated pursuant to Section 3.3.1, shall be indemnified and held harmless by the Company against and from (a) any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any good faith action taken or good faith failure to act under the Plan or any Award Agreement, and (b) from any and all amounts paid by him or her in settlement thereof, with the Company's approval, or paid by him or her in satisfaction of any judgment in any such claim, action, suit, or proceeding against him or her, provided he or she shall give the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's Notice of Articles or Articles of the Company, by contract, as a matter of law, or otherwise, or under any power that the Company may have to indemnify them or hold them harmless.

3.5 Decisions Binding. All good faith determinations, decisions and interpretations of the Committee, the Board, and any delegate of the Committee pursuant to the provisions of the Plan or any Award Agreement shall be final, conclusive, and binding on all persons, and shall be given the maximum deference permitted by law.

ARTICLE IV
SHARES SUBJECT TO THE PLAN

4.1 Number of Shares. Subject to adjustment as provided in Section 4.3, the number of Shares available for delivery pursuant to Awards granted under the Plan shall be **[__]**[1] Shares. Shares awarded under the Plan may be authorized but unissued Shares, authorized and issued

[1] Note to Draft: To represent 5.6% of the Company's equity on a fully diluted basis.

Shares reacquired and held as treasury Shares or a combination thereof. Shares issued in assumption of, or in substitution for, any outstanding awards of any entity acquired in any form of combination by the Company or any Subsidiary or Affiliate shall not reduce the Shares available for grants of Awards under this Section 4.1. Eighty percent (80%) of the Shares reserved for issuance hereunder shall, in the aggregate, be granted to certain Employees of the Company or any Subsidiary (the "Emergence Pool" and any such Awards the "Emergence Awards")) upon the Company's emergence from Chapter 11 bankruptcy proceedings; provided, that 60% of the Emergence Pool shall be granted in the form of Incentive Stock Options and 40% of the Emergence Pool shall be granted in the form of RSUs in accordance with the forms attached as Exhibits A and B hereto.

4.2 Lapsed Awards. To the extent that Shares subject to an outstanding Option (except to the extent Shares are issued or delivered by the Company in connection with the exercise of a tandem SAR) or other Award are not issued or delivered by reason of (i) the expiration, cancellation, forfeiture or other termination of such Award, (ii) the withholding of such Shares in satisfaction of applicable federal, state or local taxes or (iii) of the settlement of all or a portion of such Award in cash, then such Shares shall again be available under this Plan.

4.3 Changes in Capital Structure. In the event that any extraordinary dividend or other extraordinary distribution (whether in the form of cash, Shares, other securities, or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, change of control or exchange of Shares or other securities of the Company, or other corporate transaction or event (each a "Corporate Event") affects the Shares, the Board shall, in such manner as it in good faith deems equitable, adjust any or all of (i) the number of Shares or other securities of the Company (or number and kind of other securities or property) with respect to which Awards may be granted, (ii) the number of Shares or other securities of the Company (or number and kind of other securities or property) subject to outstanding Awards, and (iii) the Exercise Price or Base Price with respect to any Award, or make provision for an immediate cash payment to the holder of an outstanding Award in consideration for the cancellation of such Award.

4.3.1 If the Company enters into or is involved in any Corporate Event, the Board may, prior to such Corporate Event and upon such Corporate Event, take such action as it deems appropriate, including, but not limited to, replacing Awards with substitute awards in respect of the Shares, other securities or other property of the surviving corporation or any affiliate of the surviving corporation on such terms and conditions, as to the number of Shares, pricing and otherwise, which shall substantially preserve the value, rights and benefits of any affected Awards granted hereunder as of the date of the consummation of the Corporate Event. Notwithstanding anything to the contrary in the Plan, if a Change in Control occurs, with respect to clauses (a), (d) and (e) of such definition only, the Company shall have the right, but not the obligation, to cancel each Participant's Awards immediately prior to such Change in Control and to pay to each affected Participant in connection with the cancellation of such Participant's Awards, an amount that the Committee, in its sole discretion, in good faith determines to be the equivalent value of such Award (e.g., in the case of an Option or SAR, the amount of the Spread), it being understood that the equivalent value of an Option or SAR with an exercise price greater than or equal to the Fair Market Value of the underlying Shares shall be $0.

4.3.2 Upon receipt by any affected Participant of any such substitute awards (or payment) as a result of any such Corporate Event, such Participant's affected Awards for which such substitute awards (or payment) were received shall be thereupon cancelled without the need for obtaining the consent of any such affected Participant. Any actions or determinations of the Committee under this Section 4.3 need not be uniform as to all outstanding Awards, nor treat all Participants identically.

4.3.3 If the Company (i) makes distributions (by dividend or otherwise), (ii) grants rights to purchase securities, or (iii) issues securities, in the case of clauses (ii) and (iii) at a price below Fair Market Value, and in each case of clauses (i), (ii) and (iii) such actions constitute a "corporate transaction" under Treasury Regulation 1.424-1(a)(3)(ii), (an "Extraordinary Distribution"), then, to reflect such Extraordinary Distribution, (A) SARs and Options, including the number of SARs and Options, shall be adjusted such that the Spread of such SARs and Options immediately after the Extraordinary Distribution is the same as the Spread of the adjusted SARs and Options immediately after the Extraordinary Distribution and the ratio of Base Price or Exercise Price to Fair Market Value immediately prior to the Extraordinary Distribution is the same as immediately after the Extraordinary Distribution, and (B) holders of Stock Awards will be granted dividend equivalent rights payable in cash when the applicable Stock Award vests.

4.4 Minimum Purchase Price. Notwithstanding any provision of this Plan to the contrary, if authorized but previously unissued Shares are issued under this Plan, such Shares shall not be issued for a consideration that is less than as permitted under applicable law.

ARTICLE V
EFFECTIVE DATE

The Plan has been adopted by the Board on **[_____]**, 2014 (the "Effective Date"), subject, only in the case of the ability to grant ISOs, to the approval of the shareholders of the Company.

ARTICLE VI
GENERAL REQUIREMENTS FOR AWARDS

6.1 Awards Under the Plan. Awards under the Plan may be in the form of Incentive Stock Options, Non-Qualified Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Awards and Other Stock Awards, including any combination of the above. No fractional Shares shall be issued under the Plan nor shall any right be exercised under the Plan with respect to a fractional Share.

6.2 General Eligibility. All Eligible Individuals are eligible to be granted Awards, subject to the terms and conditions of this Plan. Eligibility for the grant of Awards and actual participation in this Plan shall be determined by the Committee in its sole discretion.

ARTICLE VII
STOCK OPTIONS

7.1 Grant of Options. Subject to the provisions of the Plan, Options may be granted to Participants at such times, and subject to such terms and conditions, as determined by the

Committee in its sole discretion. An Award of Options may include Incentive Stock Options, Non-Qualified Stock Options, or a combination thereof; provided, however, that an Incentive Stock Option may only be granted to an Employee of the Company or a Subsidiary and no Incentive Stock Option shall be granted more than ten (10) years after the earlier of (i) the Effective Date or (ii) the date this Plan is approved by the Company's shareholders.

7.2 Award Agreement. Each Option shall be evidenced by an Award Agreement that shall specify the Exercise Price, the expiration date of the Option, the number of Shares to which the Option pertains, any conditions to the exercise of all or a portion of the Option, vesting requirements, and such other terms and conditions as the Committee, in its discretion, shall determine. The Award Agreement pertaining to an Option shall designate such Option as an Incentive Stock Option or a Non-Qualified Stock Option. Notwithstanding any such designation, to the extent that the aggregate Fair Market Value (determined as of the Grant Date) of Shares with respect to which Options designated as Incentive Stock Options are exercisable for the first time by a Participant during any calendar year (under this Plan or any other plan of the Company, or any parent or subsidiary as defined in Section 424 of the Code) exceeds $100,000, such Options shall constitute Non-Qualified Stock Options. For purposes of the preceding sentence, Incentive Stock Options shall be taken into account in the order in which they are granted.

7.3 Exercise Price. Subject to the other provisions of this Section, the Exercise Price with respect to Shares subject to an Option shall be no less than the Fair Market Value; provided, however, that the Exercise Price with respect to an Incentive Stock Option granted to a Ten Percent Holder shall not be less than one hundred and ten percent (110%) of the Fair Market Value of a Share on the Grant Date. If and to the extent that an Option by its terms purports to be granted at a price lower than that permitted by the Plan, such Option shall be deemed for all purposes to have been granted at the lowest price that would have in fact have been permitted by the Plan at the time of grant.

7.4 Expiration Dates. Each Option shall terminate not later than the expiration date specified in the Award Agreement pertaining to such Option; provided, however, that the expiration date with respect to an Option shall not be later than the tenth (10th) anniversary of its Grant Date and the expiration date with respect to an Incentive Stock Option granted to a Ten Percent Holder shall not be later than the fifth (5th) anniversary of its Grant Date.

7.5 Exercisability of Options. Subject to Section 7.4, Options granted under the Plan shall be exercisable at such times, and shall be subject to such restrictions and conditions, as the Committee shall determine in its sole discretion. The exercise of an Option is contingent upon payment by the optionee of the amount sufficient to pay all taxes required to be withheld by any governmental agency. Such payment may be in any form approved by the Committee.

7.6 Method of Exercise. Options shall be exercised in whole or in part by the Participant's delivery of a written notice of exercise to the General Counsel of the Company (or his or her designee), setting forth the number of Shares with respect to which the Option is to be exercised, accompanied by full payment of the Exercise Price with respect to each such Share and an amount sufficient to pay all taxes required to be withheld by any governmental agency. The Exercise Price shall be payable to the Company in full in cash or its equivalent and no Shares resulting from the exercise of an Option shall be issued until full payment therefore has been made.

Notwithstanding anything to the contrary in this Plan, with respect to Emergence Awards and any other Award to the extent set forth in the applicable Award Agreement, in the event of a Participant's Termination by the Company without Cause, by Participant with Good Reason, or due to Participant's death or Disability, the Exercise Price and an amount sufficient to pay all taxes required to be withheld by any governmental agency may be satisfied (a) by tendering previously acquired Shares; (b) by deducting or withholding Shares underlying the Option; or (c) by any other means which the Committee, in its sole discretion, determines to both provide legal consideration for the Shares, and to be consistent with the purposes of the Plan. As soon as practicable after receipt of a written notification of exercise and full payment for the Shares with respect to which the Option is exercised, the Company shall deliver to the Participant Share certificates (or the equivalent if such Shares are held in book entry form) for such Shares with respect to which the Option is exercised.

7.7 Restrictions on Transferability of Incentive Stock Options. Incentive Stock Options are not transferable, except by will or the laws of descent. The Committee may impose such additional restrictions on any Shares acquired pursuant to the exercise of an Option as it may deem advisable, including, but not limited to, restrictions related to applicable federal securities laws, the requirements of any national securities exchange or system upon which Shares are then listed or traded, or any blue sky or state securities laws.

7.8 Certain Powers. Notwithstanding anything herein to the contrary, unless otherwise provided in the Award Agreement, the Committee may, at its sole and absolute discretion, (i) lower the Exercise Price of an Option after it is granted, or take any other action with the effect of lowering the Exercise Price of an Option after it is granted; or (ii) permit Participants to cancel an Option in exchange for another Award.

7.9 Incentive Stock Options. Should any Option granted under this Plan be designated an "Incentive Stock Option," but fail, for any reason, to meet the requirements of the Code for such a designation, then such Option shall be deemed to be a Non-Qualified Stock Option and shall be valid as such according to its terms.

7.10 Dividends and Other Distributions. Unless otherwise provided in the Award Agreement, Participants shall not be entitled to receive any dividends or other distributions paid with respect to any Options, whether vested, but unexercised, or unvested.

ARTICLE VIII
STOCK AWARDS

8.1 Grant of Stock Awards. Subject to the provisions of the Plan, Stock Awards may be granted to such Participants at such times, and subject to such terms and conditions, as determined by the Committee in its sole discretion. Stock Awards may be issued either alone or in addition to other Awards granted under the Plan.

8.2 Stock Award Agreement. Each Stock Award shall be evidenced by an Award Agreement that shall specify the number of Shares granted or underlying such Award, the price, if any, to be paid for the Shares and the Period of Restriction applicable to a Restricted Stock Award

or RSU Award and such other terms and conditions as the Committee, in its sole discretion, shall determine.

8.3 Acceptance. Awards of Restricted Stock must be accepted within a period of sixty (60) days (or such other period as the Committee may specify) after the grant date, by executing a Restricted Stock Award Agreement and by paying whatever price (if any) the Committee has designated thereunder.

8.4 Transferability/Share Certificates. Shares subject to an Award of Restricted Stock may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated during a Period of Restriction. During the Period of Restriction, a Restricted Stock Award may be registered in the holder's name or a nominee's name at the discretion of the Company and may bear a legend as described in Section 8.5.2. Unless the Committee determines otherwise, shares of Restricted Stock shall be held by the Company as escrow agent during the applicable Period of Restriction, together with stock powers or other instruments of assignment (including a power of attorney), each endorsed in blank with a guarantee of signature if deemed necessary or appropriate by the Company, which would permit transfer to the Company of all or a portion of the Shares subject to the Restricted Stock Award in the event such Award is forfeited in whole or part.

8.5 Other Restrictions.

8.5.1 General Restrictions. The Committee may set restrictions to the extent necessary to comply with applicable federal or state securities laws with respect to the Shares underlying or granted pursuant to a Stock Award.

8.5.2 Legend on Certificates. The Committee, in its sole discretion, may legend the certificates representing Restricted Stock during the Period of Restriction to give appropriate notice of such restrictions. For example, the Committee may determine that some or all certificates representing Shares of Restricted Stock shall bear the following legend: "The sale or other transfer of the shares of stock represented by this certificate, whether voluntary, involuntary, or by operation of law, is subject to certain restrictions on transfer as set forth in the Cengage Learning, Inc. 2014 Equity Incentive Plan (the "Plan"), and in a Restricted Stock Award Agreement (as defined by the Plan). A copy of the Plan and such Restricted Stock Award Agreement may be obtained from the General Counsel of Cengage Learning, Inc."

8.6 Removal of Restrictions. Shares of Restricted Stock covered by a Restricted Stock Award made under the Plan shall be released from escrow as soon as practicable after the termination of the Period of Restriction and, subject to the Company's right to require payment of any taxes, a certificate or certificates evidencing ownership of the requisite number of Shares shall be delivered to the Participant.

8.7 Voting Rights. During the Period of Restriction, Participants holding Shares of Restricted Stock granted hereunder may exercise full voting rights with respect to those Shares, unless otherwise provided in the Award Agreement.

8.8 Dividends and Other Distributions. Unless otherwise provided in the Award Agreement, Participants shall be entitled to receive all dividends and other distributions paid with

respect to Stock Awards provided, that any such dividends or other distributions will be subject to the same vesting requirements and other restrictions as the underlying Stock Awards and shall be paid at the time the Stock Award becomes vested. If any dividends or distributions are paid in Shares, such Shares shall be deposited with the Company and shall be subject to the same vesting requirements, restrictions on transferability and forfeitability as the Stock Awards with respect to which they were paid.

ARTICLE IX
STOCK APPRECIATION RIGHTS

9.1 Grant of SARs. Subject to the provisions of the Plan, SARs may be granted to such Participants at such times, and subject to such terms and conditions, as shall be determined by the Committee in its sole discretion.

9.2 Base Price and Other Terms. The Committee, subject to the provisions of the Plan, shall have complete discretion to determine the terms and conditions of SARs granted under the Plan. Without limiting the foregoing, the Base Price with respect to Shares subject to a tandem SAR shall be the same as the Exercise Price with respect to the Shares subject to the related Option.

9.3 SAR Agreement. Each SAR grant shall be evidenced by an Award Agreement that shall specify the Base Price (which shall not be less than one hundred percent (100%) of the Fair Market Value of a Share on the Grant Date), the term of the SAR, the conditions of exercise, vesting conditions, and such other terms and conditions as the Committee, in its sole discretion, shall determine.

9.4 Expiration Dates. Each SAR shall terminate no later than the tenth (10th) anniversary of its Grant Date; provided, however, that the expiration date with respect to a tandem SAR shall not be later than the expiration date of the related Option.

9.5 Exercisability.

9.5.1 Method of Exercise. Unless otherwise specified in the Award Agreement pertaining to a SAR, a SAR may be exercised (a) by the Participant's delivery of a written notice of exercise to the General Counsel of the Company (or his or her designee) setting forth the number of whole SARs which are being exercised, (b) in the case of a tandem SAR, by surrendering to the Company any Options which are cancelled by reason of the exercise of such SAR, and (c) by executing such documents as the Company may reasonably request.

9.5.2 Tandem SARs. Tandem SARs (i.e., SARs issued in tandem with Options) shall be exercisable only at such time or times and to the extent that the Options to which they relate shall be exercisable in accordance with the provisions of Article VII. The related Options which have been surrendered by the exercise of a tandem SAR, in whole or in part, shall no longer be exercisable to the extent the related tandem SARs have been exercised.

9.5.3 Discretionary Limitations. If the Committee provides, in its discretion, that any such right is exercisable subject to certain limitations (including, without limitation, that it is

exercisable only in installments or within certain time periods), the Committee may waive such limitations on the exercisability at any time at or after grant in whole or in part (including, without limitation, waiver of the installment exercise provisions or acceleration of the time at which such right may be exercised), based on such factors, if any, as the Committee shall determine, in its sole discretion. Unless otherwise set forth in an Award Agreement, in the event that a written employment agreement between the Company or its Affiliates and a Participant provides for a vesting schedule that is more favorable than the vesting schedule provided in the form of Award Agreement, the vesting schedule in such employment agreement shall govern, provided that such agreement is in effect of the date of grant and applicable to the specific Award.

9.6 Payment. Except as otherwise provided in the relevant Award Agreement, upon exercise of a SAR, the Participant shall be entitled to receive payment from the Company in an amount determined by multiplying: (i) the amount by which the Fair Market Value of a Share on the date of exercise exceeds the Base Price specified in the Award Agreement pertaining to such SAR by (ii) the number of Shares with respect to which the SAR is exercised (the "SAR Payment Amount").

9.7 Payment Upon Exercise of SAR. Payment to a Participant upon the exercise of the SAR of the SAR Payment Amount shall be made, as determined by the Committee in its sole discretion, either (a) in cash, (b) in Shares with a Fair Market Value equal to the SAR Payment Amount or (c) in a combination thereof, as set forth in the applicable Award Agreement.

ARTICLE X
PERFORMANCE AWARDS

10.1 General. Subject to the provisions of the Plan, Performance Awards may be granted to such Participant at such times as the Committee determines, payable in any form described in Section 6.1, upon the attainment of specific Performance Goals. If the Performance Award is payable in shares of Restricted Stock, such shares shall be transferable to the Participant in accordance with Article VIII only upon attainment of the relevant Performance Goals. If the Performance Award is payable in cash, it may be paid upon attainment of the relevant Performance Goals either in cash or in Shares (based on the then current Fair Market Value of such Shares), as determined by the Committee, in its sole and absolute discretion. Each Performance Award shall be evidenced by an Award Agreement in a form that is not inconsistent with the Plan and that the Committee may from time to time approve. Performance Awards granted under the Plan shall be subject to the following terms and conditions and such additional terms and conditions, not inconsistent with the terms of the Plan, as the Committee shall deem desirable, which additional terms and conditions shall be reflected in the applicable Award Agreement.

10.2 Performance Goals. Unless otherwise prohibited by applicable law, the Committee shall have the authority to grant Awards under this Plan that are contingent upon the achievement of Performance Goals. Such Performance Goals are to be specified in the relevant Award Agreement and may be based on such factors including, but not limited to: (a) revenue, (b) earnings per Share (basic and diluted), (c) net income per Share, (d) Share price, (e) pre-tax profits, (f) net earnings, (g) net income, (h) operating income, (i) cash flow (including, without limitation, operating cash flow, free cash flow, discounted cash flow, return on investment and cash flow in excess of cost of capital), (j) earnings before interest, taxes, depreciation and amortization, (k)

earnings before interest and taxes, (l) sales, (m) total stockholder return relative to assets, (n) total stockholder return relative to peers, (o) financial returns (including, without limitation, return on assets, return on net assets, return on equity and return on investment), (p) cost reduction targets, (q) customer satisfaction, (r) customer growth, (s) employee satisfaction, (t) gross margin, (u) revenue growth, (v) market share, (w) book value per share, (x) expenses and expense ratio management, (y) same-store sales or same-stores sales growth, (z) system-wide sales or system-wide sales growth, (aa) traffic or customer counts, (bb) new product sales, (cc) any combination of the foregoing or (dd) such other criteria as the Committee may determine. Performance Goals may be in respect of the performance of the Company, any of its Subsidiaries or Affiliates or any combination thereof on either a consolidated, business unit or divisional level. Performance Goals may be absolute or relative (to prior performance of the Company or to the performance of one or more other entities or external indices) and may be expressed in terms of a progression within a specified range. Multiple Performance Goals may be established and may have the same or different weighting.

10.3 Additional Criteria. The foregoing criteria shall have any reasonable definitions that the Committee may specify, which may include or exclude any or all of the following items, as the Committee may specify: extraordinary, unusual or non-recurring items; effects of accounting changes; effects of currency fluctuations; effects of financing activities (e.g., effect on earnings per share of issuing convertible debt securities); expenses for restructuring, productivity initiatives or new business initiatives; non-operating items; acquisition expenses; and effects of divestitures. Any such performance criterion or combination of such criteria may apply to the Participant's award opportunity in its entirety or to any designated portion or portions of the award opportunity, as the Committee may specify.

10.4 Adjustment to Performance Goals. At any time prior to payment of an Award, the Committee may adjust previously established Performance Goals and other terms and conditions of the Award to reflect major unforeseen events, including, without limitation, changes in laws, regulations or accounting policies or procedures, mergers, acquisitions or divestitures or extraordinary, unusual or non-recurring items.

10.5 Value, Form and Payment of Performance Award. The Committee will establish the value or range of value of the Performance Award, the form in which the Award will be paid, and the date(s) and timing of payment of the Award. The Participant will be entitled to receive the Performance Award only upon the attainment of the Performance Goals and such other criteria as may be prescribed by the Committee during the Performance Period.

ARTICLE XI
OTHER STOCK AWARDS

11.1 Grant. Subject to the provisions of the Plan, the Committee may grant Other Stock-Based Awards that are payable in, valued in whole or in part by reference to, or otherwise based on or related to Shares, including, but not limited to, Shares awarded purely as a bonus and not subject to any restrictions or conditions, Shares in payment of the amounts due under an incentive or performance plan sponsored or maintained by the Company or a Subsidiary, performance units, dividend equivalent units, stock equivalent units, and deferred stock units. To the extent permitted by law, the Committee may, in its sole discretion, permit Eligible Individuals to defer all or a

portion of their cash compensation in the form of Other Stock-Based Awards granted under this Plan, subject to the terms and conditions of any deferred compensation arrangement established by the Company, which shall be drafted in a manner that complies with Section 409A of the Code. Other Stock-Based Awards may be granted either alone or in addition to or in tandem with other Awards granted under the Plan.

11.2 Non-Transferability. Subject to the applicable provisions of the Award agreement and this Plan, Shares subject to Other Stock-BasedAwards may not be Transferred prior to the date on which the Shares are issued, or, if later, the date on which any applicable restriction, performance or deferral period lapses.

11.3 Dividends. Unless otherwise determined by the Committee at the time of Award, subject to the provisions of the Award agreement and this Plan, the recipient of an Other Stock-Based Award shall be entitled to receive all dividends and other distributions paid with respect to such Award provided, that any such dividends or other distributions will be subject to the same vesting requirements as the underlying Award and shall be paid at the time the Award becomes vested or is paid. If any dividends or distributions are paid in Shares, such Shares shall be deposited with the Company and shall be subject to the same restrictions on transferability and forfeitability as the Award with respect to which they were paid.

11.4 Vesting. Any Award under this Article XI and any Shares covered by any such Award shall vest or be forfeited to the extent so provided in the Award agreement, as determined by the Committee, in its sole discretion. Unless expressly provided otherwise in an Award Agreement, in the event that a written employment agreement between the Company or its Affiliates and a Participant provides for a vesting schedule that is more favorable than the vesting schedule provided in the form of Award Agreement, the vesting schedule in such employment agreement shall govern, provided that such agreement is in effect on the date of grant and applicable to the specific Award.

11.5 Price. Shares issued on a bonus basis under this Article XI may be issued for no cash consideration; Shares purchased pursuant to a purchase right awarded under this Article XI shall be priced, as determined by the Committee in its sole discretion.

11.6 Payment. The form of payment for the Other Stock-Based Award shall be specified in the Award agreement.

ARTICLE XII
RESTRICTIVE COVENANTS

The restrictive covenant obligations set forth in any employment agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and a Participant at the time of the grant of the Award, are incorporated herein by reference and shall have the same legal force and effect as if fully set forth herein, with references to the "Company" therein to be deemed to be references to the Company herein. Participant acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of any of the provisions of this Article XII would be inadequate and, in recognition of this fact, Participant agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law, the Company,

without posting any bond or other security, shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy which may then be available, without the necessity of showing actual monetary damages.

ARTICLE XIII
AMENDMENT, TERMINATION AND DURATION

13.1 Amendment, Suspension or Termination. The Board, in its sole discretion, may amend, suspend or terminate the Plan, or any part thereof, at any time and for any reason, subject to any requirement of stockholder approval required by applicable law, rule or regulation, including, without limitation, Section 422 of the Code and the rules of the applicable securities exchange; provided, however, the Board may amend the Plan and any Award Agreement without shareholder approval as necessary to avoid the imposition of any taxes under Section 409A of the Code. Subject to the preceding sentence, the amendment, suspension or termination of the Plan shall not, without the consent of the Participant, materially adversely alter or impair any rights or obligations under any Award theretofore granted to such Participant. Notwithstanding the foregoing, the Committee may, but shall not be required to, amend or modify any Award to the extent necessary to avoid the imposition of taxes under Section 409A of the Code. Section 14.8.2 and the provisions of the Plan dealing with the Emergence Pool or Awards in respect of the Emergence Pool may not be amended without the consent of the Chief Executive Officer of the Company.

13.2 Duration of the Plan. The Plan shall, subject to Section 13.1, terminate ten (10) years after adoption by the Board, unless earlier terminated by the Board and no further Awards shall be granted under the Plan. The termination of the Plan shall not affect any Awards granted prior to the termination of the Plan.

ARTICLE XIV
MISCELLANEOUS

14.1 No Effect on Employment or Service. Nothing in the Plan shall interfere with or limit in any way the right of the Company to terminate any Participant's employment or service at any time, for any reason, with or without cause.

14.2 Participation. No person shall have the right to be selected to receive an Award under this Plan, or, having been so selected, to be selected to receive a future Award. The Committee's determination under the Plan (including, without limitation, determination of the eligible Employees who shall be granted Awards, the form, amount and timing of such Awards, the terms and provisions of Awards and the Awards Agreements and the establishment of Performance Goals) need not be uniform and may be made by it selectively among eligible Employees who receive or are eligible to receive Awards under the Plan, either or not such eligible Employees are similarly situated.

14.3 Unfunded Status. The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. Except upon the issuance of Shares pursuant to an Award, any rights of a Participant under the Plan shall be those of a general unsecured creditor of the Company, and neither a Participant nor the Participant's permitted transferees or estate shall have

any other interest in any assets of the Company by virtue of the Plan. Notwithstanding the foregoing, the Company shall have the right, in its sole discretion, to implement or set aside funds in a grantor trust, subject to the claims of the Company's creditors or otherwise, to discharge its obligations under the Plan.

14.4 Successors. All obligations of the Company under the Plan, with respect to Awards granted hereunder, shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation or otherwise, of all or substantially all of the business or assets of the Company.

14.5 Beneficiary Designations. Subject to the restrictions in Section 14.6 below, a Participant under the Plan may name a beneficiary or beneficiaries to whom any vested but unpaid Award shall be paid in the event of the Participant's death. For purposes of this Section, a beneficiary may include a designated trust having as its primary beneficiary a family member of a Participant. Each such designation shall revoke all prior designations by the Participant and shall be effective only if given in a form and manner acceptable to the Committee. In the absence of any such designation, any vested benefits remaining unpaid at the Participant's death shall be paid to the Participant's estate and, subject to the terms of the Plan and of the applicable Award Agreement, any unexercised vested Award may be exercised by the administrator or executor of the Participant's estate.

14.6 Nontransferability of Awards. No Award granted under the Plan may be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will, by the laws of descent and distribution; provided, however, that except as provided by in the relevant Award Agreement, a Participant may transfer, without consideration, an Award other than an Incentive Stock Option to one or more members of his or her Immediate Family, to a trust established for the exclusive benefit of one or more members of his or her Immediate Family, to a partnership in which all the partners are members of his or her Immediate Family, or to a limited liability company in which all the members are members of his or her Immediate Family; provided, further, that any such Immediate Family, and any such trust, partnership and limited liability company, shall agree to be and shall be bound by the terms of the Plan, and by the terms and provisions of the applicable Award Agreement and any other agreements covering the transferred Awards. All rights with respect to an Award granted to a Participant shall be available during his or her lifetime only to the Participant and may be exercised only by the Participant or the Participant's legal representative.

14.7 No Rights as Shareholder. Except to the limited extent provided in Sections 8.7 and 8.8, no Participant (nor any beneficiary) shall have any of the rights or privileges of a shareholder of the Company with respect to any Shares issuable pursuant to an Award (or exercise thereof), unless and until certificates representing such Shares, if any, or in the event the Shares are non-certificate, such other method of recording beneficial ownership, shall have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to the Participant (or beneficiary).

14.8 Withholding.

14.8.1 General. As a condition to the settlement of any Award hereunder, a Participant shall be required to pay in cash, or to make other arrangements satisfactory to the Company (including, without limitation, authorizing withholding from payroll and any other amounts payable to the Participant), an amount sufficient to satisfy any federal, state, local and foreign taxes of any kind (including, but not limited to, the Participant's FICA and SDI obligations) which the Company, in its sole discretion, deems necessary to comply with the Code and/or any other applicable law, rule or regulation with respect to the Award. Unless the tax withholding obligations of the Company are satisfied, the Company shall have no obligation to issue a certificate or book-entry transfer for such Shares.

14.8.2 Shares Not Publicly Traded. Notwithstanding anything to the contrary in Section 14.8.1, in the event the Shares are not listed for trading on an established securities exchange on the date an Award is required to be settled and in the event of a Participant's Termination by the Company without Cause, by Participant with Good Reason or due to Participant's death or Disability, then the Company shall, at the request of the Participant, deduct or withhold Shares having a Fair Market Value equal to the minimum amount required to be withheld to satisfy any federal, state, local and foreign taxes of any kind (including, but not limited to, the Participant's FICA and SDI obligations) which the Company, in its sole discretion, deems necessary to comply with the Code and/or any other applicable law, rule or regulation with respect to such Award.

14.8.3 Withholding Arrangements. The Committee, in its sole discretion and pursuant to such procedures as it may specify from time to time, may permit or require a Participant to satisfy all or part of the tax withholding obligations in connection with an Award by (a) paying cash, (b) having the Company withhold otherwise deliverable Shares, (c) delivering to the Company already-owned Shares having a Fair Market Value equal to the tax obligation, or (d) any combination of the foregoing.

14.9 No Corporate Action Restriction. The existence of the Plan, any Award Agreement and/or the Awards granted hereunder shall not limit, affect or restrict in any way the right or power of the Board or the shareholders of the Company to make or authorize (a) any adjustment, recapitalization, reorganization or other change in the Company's or any Subsidiary's or Affiliate's capital structure or business, (b) any merger, consolidation or change in the ownership of the Company or any Subsidiary or Affiliate, (c) any issue of bonds, debentures, capital, preferred or prior preference stocks ahead of or affecting the Company's or any Subsidiary's or Affiliate's capital stock or the rights thereof, (d) any dissolution or liquidation of the Company or any Subsidiary or Affiliate, (e) any sale or transfer of all or any part of the Company's or any Subsidiary's or Affiliate's assets or business, or (f) any other corporate act or proceeding by the Company or any Subsidiary or Affiliate. No Participant, beneficiary or any other person shall have any claim against any Member of the Board or the Committee, the Company or any Subsidiary or Affiliate, or any employees, officers, shareholders or agents of the Company or any Subsidiary or Affiliate, as a result of any such action.

14.10 Conditions and Restrictions on Shares. Each Participant to whom an Award is made under the Plan shall (i) enter into an Award Agreement with the Company that shall contain such

provisions consistent with the provisions of the Plan, as may be approved by the Committee and (ii) to the extent the Award is made at a time prior to the date Shares are listed for trading on an established securities exchange, enter into a "Stockholder's Agreement" in a form substantially consistent with Exhibit C. Each Award made hereunder shall be subject to the requirement that if at any time the Company determines that the listing, registration or qualification of the Shares subject to such Award upon any securities exchange or under any law, or the consent or approval of any governmental body, or the taking of any other action is necessary or desirable as a condition of, or in connection with, the exercise or settlement of such Award or the delivery of Shares thereunder, such Award shall not be exercised or settled and such Shares shall not be delivered unless such listing, registration, qualification, consent, approval or other action shall have been effected or obtained, free of any conditions not acceptable to the Company. The Company may require that certificates evidencing Shares delivered pursuant to any Award made hereunder bear a legend indicating that the sale, transfer or other disposition thereof by the holder is prohibited except in compliance with the Securities Act of 1933, as amended, and the rules and regulations thereunder. Finally, no Shares shall be issued and delivered under the Plan, unless the issuance and delivery of those Shares shall comply with all relevant regulations and any registration, approval or action thereunder.

14.11 Gender and Number. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine; the plural shall include the singular and the singular shall include the plural.

14.12 Severability. In the event any provision of the Plan or of any Award Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan or the Award Agreement, and the Plan and/or the Award Agreement shall be construed and enforced as if the illegal or invalid provision had not been included.

14.13 Requirements of Law. The granting of Awards and the issuance of Shares under the Plan shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

14.14 Governing Law. The Plan and all determinations made and actions taken pursuant hereto to the extent not otherwise governed by the Code or the securities laws of the United States, shall be governed by the law of the State of Delaware and construed accordingly.

14.15 Jurisdiction; Waiver of Jury Trial. Any suit, action or proceeding with respect to this Plan or any Award Agreement, or any judgment entered by any court of competent jurisdiction in respect of any thereof, shall be brought in any Court in the State of Delaware, and the Company and each Participant shall submit to the exclusive jurisdiction of such courts for the purpose of any such suit, action, proceeding or judgment. The Company and each Participant shall irrevocably waive any objections which he, she or it may have to the laying of the venue of any suit, action or proceeding arising out of or relating to this Plan or any Award Agreement brought in any Court in the State of Delaware, and shall further irrevocably waive any claim that any such suit, action or proceeding brought in any such court has been brought in any inconvenient forum. The Company and each Participant shall waive any right he, she or it may have to trial by jury in respect of any litigation based on, arising out of, under or in connection with this Plan or any Award Agreement

or any course of conduct, course of dealing, verbal or written statement or action of any party to any Award Agreement or relating to this Plan in any way.

14.16 Captions. Captions are provided herein for convenience only, and shall not serve as a basis for interpretation or construction of the Plan.

14.17 Payments to Minors. Any benefit payable to or for the benefit of a minor, an incompetent person or other person incapable of receipt thereof shall be deemed paid when paid to such person's guardian or to the party providing or reasonably appearing to provide for the care of such person, and such payment shall fully discharge the Committee, the Board, the Company, its Affiliates and their employees, agents and representatives with respect thereto.

14.18 Section 409A of the Code. The Plan is intended to comply with the applicable requirements of Section 409A of the Code and shall be limited, construed and interpreted in accordance with such intent. To the extent that any Award is subject to Section 409A of the Code, its terms shall be drafted and it shall be paid in a manner that will comply with Section 409A of the Code, including proposed, temporary or final regulations or any other guidance issued by the Secretary of the Treasury and the Internal Revenue Service with respect thereto. Notwithstanding anything herein to the contrary, any provision in the Plan that is inconsistent with Section 409A of the Code shall be deemed to be amended to comply with Section 409A of the Code and to the extent such provision cannot be amended to comply therewith, such provision shall be null and void. The Company shall have no liability to a Participant, or any other party, if an Award that is intended to be exempt from, or compliant with, Code Section 409A is not so exempt or compliant or for any action taken by the Committee or the Company and, in the event that any amount or benefit under the Plan becomes subject to penalties under Section 409A, responsibility for payment of such penalties shall rest solely with the affected Participant(s) and not with the Company.

14.19 Section 16(b) of the 1934 Act. All elections and transactions under this Plan by persons subject to Section 16 of the 1934 Act involving Shares are intended to comply with any applicable exemptive condition under Rule 16b-3. The Committee may, in its sole discretion, establish and adopt written administrative guidelines, designed to facilitate compliance with Section 16(b) of the 1934 Act, as it may deem necessary or proper for the administration and operation of this Plan and the transaction of business thereunder.

14.20 Other Benefits. No Award granted or paid out under this Plan shall be deemed compensation for purposes of computing benefits under any retirement plan of the Company or its Affiliates nor affect any benefits under any other benefit plan now or subsequently in effect under which the availability or amount of benefits is related to the level of compensation.

14.21 Costs. The Company shall bear all expenses associated with administering this Plan, including expenses of issuing Shares pursuant to any Awards hereunder.

14.22 Award Agreement. Notwithstanding any other provision of the Plan, to the extent the provisions of any Award Agreement are inconsistent with terms of the Plan and such inconsistency is a result of compliance with laws of the jurisdiction in which the Participant is resident or is related to taxation of such Award in such jurisdiction, the relevant provisions of the particular Award Agreement shall govern.

EXHIBIT A

FORM INCENTIVE STOCK OPTION AGREEMENT

EXHIBIT B

FORM RESTRICTED STOCK UNIT AGREEMENT

EXHIBIT C

STOCKHOLDER'S AGREEMENT

RESTRICTED STOCK UNIT AGREEMENT
PURSUANT TO THE
CENGAGE LEARNING, INC. 2014 EQUITY INCENTIVE PLAN

*** * * * ***

Participant:

Grant Date:

Emergence Date:

Number of Restricted Stock Units granted:

*** * * * ***

THIS RESTRICTED STOCK UNIT AWARD AGREEMENT (this "Agreement"), dated as of the Grant Date specified above, is entered into by and between Cengage Learning, Inc., a Delaware corporation (the "Company"), and the Participant specified above, pursuant to the Cengage Learning, Inc. 2014 Equity Incentive Plan (the "Plan"), which is administered by the Committee; and

WHEREAS, it has been determined under the Plan that it would be in the best interests of the Company to grant the Restricted Stock Units ("RSUs") provided herein to the Participant.

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth and for other good and valuable consideration, the parties hereto hereby mutually covenant and agree as follows:

1. **Incorporation By Reference; Plan Document Receipt**. This Agreement is subject in all respects to the terms and provisions of the Plan (including, without limitation, any amendments thereto adopted at any time and from time to time unless such amendments are expressly intended not to apply to the grant of the RSUs hereunder), all of which terms and provisions are made a part of and incorporated in this Agreement as if they were each expressly set forth herein. The Participant hereby acknowledges receipt of a true copy of the Plan and that the Participant has read the Plan carefully and fully understands its content. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall control.

2. **Grant of Restricted Stock Unit Award**. The Company hereby grants to the Participant, as of the Grant Date specified above, the number of RSUs specified above. Except as otherwise provided by the Plan, the Participant agrees and understands that nothing contained in this Agreement provides, or is intended to provide, the Participant with any protection against potential future dilution of the Participant's interest in the Company for any reason. The Participant shall not have the rights of a stockholder in respect of the Shares underlying this Award until such Shares are delivered to the Participant in accordance with Section 4.

3. **Vesting**.

(a) General. Except as otherwise provided in this Section 3, RSUs subject to this grant shall vest as follows, provided that the Participant is then employed by the Company and/or one of its Subsidiaries or Affiliates on each such vesting date: (i) twenty percent (20%) on the first anniversary of the Emergence Date, (ii) twenty percent (20%) on the second anniversary of the Emergence Date, (iii) twenty percent (20%) on the third anniversary of the Emergence Date, (iv) twenty percent (20%) on the fourth anniversary of the Emergence Date and (v) twenty percent (20%) the fifth anniversary of the Emergence Date.

(b) Termination by Reason of Death or Disability. If a Participant's Termination is by reason of death or Disability, all RSUs that are held by such Participant at the time of the Participant's Termination shall fully vest.

(c) Termination Without Cause or For Good Reason. If a Participant's Termination is (i) due to a termination by the Company for a reason other than Cause; or (ii) by the Participant for Good Reason, all RSUs that are held by such Participant shall fully vest. [**For purposes of this Agreement, a Participant's voluntary termination of employment following the Company's election not to renew such Participant's employment agreement with the Company shall be considered a termination of such Participant's employment by the Company without Cause.**][1]

(d) Other Terminations. Except as set forth above, all unvested RSUs that are held by a Participant shall immediately terminate and be forfeited upon a Termination.

(e) Change in Control. All unvested RSUs shall immediately vest upon the occurrence of a Change in Control so long as the Participant has not incurred a Termination prior to such Change in Control, unless the RSUs are fully assumed by a successor of the Company as of the Change in Control on terms and conditions no less favorable to the Participant than the terms and conditions set forth herein.

4. **Delivery of Shares**. Subject to Section 14.18 of the Plan, the Company shall deliver to the Participant the Shares underlying the outstanding RSUs within thirty (30) days following the first to occur of (i) a Change in Control; (ii) a Termination (to the extent then vested); or (iii) with respect to fifty percent (50%) of the RSUs (to the extent then vested), the fourth anniversary of the Grant Date and with respect to the balance of the RSUs (to the extent then vested), the fifth anniversary of the Grant Date. In no event shall a Participant be entitled to receive any Shares with respect to any unvested or forfeited portion of the RSUs.

5. **Dividends and Other Distributions**. The Participant shall be entitled to receive all dividends and other distributions paid with respect to the Shares underlying the RSUs, provided that any such dividends or other distributions will be subject to the same vesting requirements as the underlying RSUs and shall be paid at the time the Shares are delivered pursuant to Section 4. If any dividends or distributions are paid in Shares with respect to unvested Shares, the Shares shall be deposited with the Company and shall be subject to the

[1] Include only for Michael Hansen.

same vesting requirements, restrictions on transferability and forfeitability as the RSUs with respect to which they were paid.

6. **Conditions**. By acceptance of this RSU award, the Participant hereby releases any rights and/or claims the Participant may have associated with, or in any way related to, any equity awards granted by the Company or any of its Affiliates prior to the Effective Date of the Plan.

7. **Non-transferability**.

(a) Restriction on Transfers. Except as provided in Section 7(b) below, all RSUs, and any rights or interests therein, (i) shall not be sold, exchanged, transferred, assigned or otherwise disposed of in any way at any time by the Participant (or any beneficiary(ies) of the Participant), other than by testamentary disposition by the Participant or by the laws of descent and distribution, (ii) shall not be pledged or encumbered in any way at any time by the Participant (or any beneficiary(ies) of the Participant) and (iii) shall not be subject to execution, attachment or similar legal process. Any attempt to sell, exchange, pledge, transfer, assign, encumber or otherwise dispose of this RSU, or the levy of any execution, attachment or similar legal process upon this RSU, contrary to the terms of this Agreement and/or the Plan, shall be null and void and without legal force or effect.

(b) Permissible Transfers. During the Participant's lifetime, the Participant may, with the consent of the Committee, transfer without consideration all or any portion of this RSU to one or more members of his/her Immediate Family, to a trust established for the exclusive benefit of one or more members of his/her Immediate Family, to a partnership in which all the partners are members of his/her Immediate Family, or to a limited liability company in which all the members are members of his/her Immediate Family.

8. **Shareholder Rights**. Notwithstanding anything herein to the contrary, the Participant, and any permitted transferee, shall be subject to the repurchase rights, tag-along rights, registration rights, drag-along rights and other rights set forth in the Stockholders Agreement.[2]

9. **Securities Representations**. Upon the delivery of the Shares prior to the registration of the Shares to be issued hereunder pursuant to the Securities Act of 1933, as amended, and the rules and regulations thereunder (the "Securities Act"), the Participant shall be deemed to acknowledge and make the following representations and warranties and as otherwise may be requested by the Company for compliance with applicable laws, and any issuances of Shares by the Company hereunder shall be made in reliance upon the express representations and warranties of the Participant:

(a) The Participant is acquiring and will hold the Shares to be issued hereunder for investment for the Participant's account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act or other applicable securities laws.

[2] Note to Draft: To be updated as necessary to give management contractual rights to these provisions.

(b) The Participant has been advised that the Shares to be issued hereunder have not been registered under the Securities Act or other applicable securities laws, on the ground that no distribution or public offering of such Shares is to be effected (it being understood, however, that such Shares are being issued and sold in reliance on the exemption provided under Rule 701 under the Securities Act), and that such Shares must be held indefinitely, unless they are subsequently registered under the applicable securities laws or the Participant obtains an opinion of counsel (in the form and substance satisfactory to the Company and its counsel) that registration is not required. In connection with the foregoing, the Company is relying in part on the Participant's representations set forth in this Section 9. The Participant further acknowledges and understands that the Company is under no obligation hereunder to register the Shares to be issued hereunder.

(c) The Participant is aware of the adoption of Rule 144 by the United States Securities and Exchange Commission under the Securities Act, which permits limited public resales of securities acquired in a non-public offering, subject to the satisfaction of certain conditions. The Participant acknowledges that the Participant is familiar with the conditions for resale set forth in Rule 144, and acknowledges and understands that the conditions for resale set forth in Rule 144 have not been satisfied and that the Company has no plans to satisfy these conditions in the foreseeable future.

(d) The Participant will not Transfer the Shares deliverable with respect to the RSUs in violation of the Plan, this Agreement, the Securities Act (or the rules and regulations promulgated thereunder) or under any other applicable securities laws. The Participant agrees that the Participant will not dispose of the Shares to be issued hereunder unless and until the Participant has complied with all requirements of the Plan and this Agreement applicable to the disposition of such Shares.

(e) The Participant has been furnished with, and has had access to, such information as the Participant considers necessary or appropriate for deciding whether to invest in the Shares to be issued hereunder, and the Participant has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the issuance of such Shares.

(f) The Participant is aware that an investment in the Company is a speculative investment that has limited liquidity and is subject to the risk of complete loss. The Participant is able, without impairing the Participant's financial condition, to hold the Shares to be issued hereunder for an indefinite period and to suffer a complete loss of the Participant's investment in such Shares.

10. **Entire Agreement; Amendment**. This Agreement, together with the Plan contains the entire agreement between the parties hereto with respect to the subject matter contained herein, and supersedes all prior agreements or prior understandings, whether written or oral, between the parties relating to such subject matter. The Committee shall have the right, in its sole discretion, to modify or amend this Agreement from time to time in accordance with and as provided in the Plan. This Agreement may also be modified or amended by a writing signed by both the Company and the Participant. The Company shall give written notice to the

Participant of any such modification or amendment of this Agreement as soon as practicable after the adoption thereof.

11. **Acknowledgment of Employee**. This award of RSUs does not entitle Participant to any benefit other than that granted under this Agreement. Any benefits granted under this Agreement are not part of the Participant's ordinary salary, and shall not be considered as part of such salary in the event of severance, redundancy or resignation. Participant understands and accepts that the benefits granted under this Agreement are entirely at the discretion of the Company and that the Company retains the right to amend or terminate this Agreement and the Plan at any time, at its sole discretion and without notice.

12. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without reference to the principles of conflict of laws thereof.

13. **Withholding of Tax**. As a condition to the distribution of Shares to the Participant, the Participant shall be required to pay in cash, or to make other arrangements satisfactory to the Company (including, without limitation, authorizing withholding from payroll and any other amounts payable to the Participant), an amount sufficient to satisfy any federal, provincial, state, local and foreign taxes of any kind (including, but not limited to, the Participant's FICA and SDI obligations) which the Company, in its sole discretion, deems necessary to comply with the Code and/or any other applicable law, rule or regulation with respect to the RSUs; provided that Participant may satisfy his or her obligations hereunder as provided in Section 14.8.2 of the Plan. Unless the tax withholding obligations of the Company are satisfied, the Company shall have no obligation to issue a certificate or book-entry transfer for such Shares.

14. **No Right to Employment**. Nothing in this Agreement shall interfere with or limit in any way the right of the Company to terminate the Participant's employment or service at any time, for any reason and with or without Cause. Any questions as to whether and when there has been a termination of such employment and the cause of such termination shall be determined in the sole discretion of the Committee.

15. **Notices**. Any notice which may be required or permitted under this Agreement shall be in writing, and shall be delivered in person or via facsimile transmission, overnight courier service or certified mail, return receipt requested, postage prepaid, properly addressed as follows:

(a) If such notice is to the Company, to the attention of the General Counsel of the Company or at such other address as the Company, by notice to the Participant, shall designate in writing from time to time.

(b) If such notice is to the Participant, at his/her address as shown on the Company's records, or at such other address as the Participant, by notice to the Company, shall designate in writing from time to time.

16. **Transfer of Personal Data**. The Participant authorizes, agrees and unambiguously consents to the transmission by the Company (or any Subsidiary) of any personal

data information related to the RSU awarded under this Agreement for legitimate business purposes (including, without limitation, the administration of the Plan). This authorization and consent is freely given by the Participant.

17. **Compliance with Laws**. This issuance of RSUs (and the Shares underlying the RSUs) pursuant to this Agreement shall be subject to, and shall comply with, any applicable requirements of any foreign and U.S. federal and state securities laws, rules and regulations (including, without limitation, the provisions of the Securities Act of 1933, as amended, the 1934 Act and in each case any respective rules and regulations promulgated thereunder) and any other law or regulation applicable thereto. The Company shall not be obligated to issue this RSU or any of the Shares pursuant to this Agreement if any such issuance would violate any such requirements.

18. **Binding Agreement; Assignment**. This Agreement shall inure to the benefit of, be binding upon, and be enforceable by the Company and its successors and assigns. The Participant shall not assign (except as provided by Section 7 hereof) any part of this Agreement without the prior express written consent of the Company.

19. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument.

20. **Headings**. The titles and headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of this Agreement.

21. **Further Assurances**. Each party hereto shall do and perform (or shall cause to be done and performed) all such further acts and shall execute and deliver all such other agreements, certificates, instruments and documents as either party hereto reasonably may request in order to carry out the intent and accomplish the purposes of this Agreement and the Plan and the consummation of the transactions contemplated thereunder.

22. **Severability**. The invalidity or unenforceability of any provisions of this Agreement in any jurisdiction shall not affect the validity, legality or enforceability of the remainder of this Agreement in such jurisdiction or the validity, legality or enforceability of any provision of this Agreement in any other jurisdiction, it being intended that all rights and obligations of the parties hereunder shall be enforceable to the fullest extent permitted by law.

23. **Definitions**. Any capitalized term not defined in this Agreement shall have the same meaning as is ascribed thereto in the Plan.

(a) "Cause" means with respect to the Participant's Termination from and after the date hereof, the following: (a) in the case where there is no employment agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award (or where there is such an agreement but it does not define "cause" (or words of like import)), termination due to: (i) willful failure to perform substantial job functions that continues after written notice from the Company; (ii) material fraud or material dishonesty in performance of the Participant's duties;

(iii) conviction of, or plea of guilty or *nolo contendere* to, a felony; (iv) willful malfeasance or willful misconduct in performance of the Participant's duties or any willful act or omission (other than in the good faith performance of duties) that is materially injurious to the financial condition or business reputation of the Company; (v) material breach of confidentiality covenant that is not cured within fifteen (15) days following a notice from the Company; (vi) material breach of non-disparagement covenant that is not cured within fifteen (15) days following a notice from the Company; or (vii) material breach of non-compete or non-solicitation covenant; or (b) in the case where there is an employment agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of grant of the Award that defines "cause" (or words of like import), "cause" as defined under such agreement; provided, however, that with regard to any agreement under which the definition of "cause" only applies on occurrence of a change in control, such definition of "cause" shall not apply until a change in control actually takes place and then only with regard to a termination thereafter. With respect to a Participant's Termination of Directorship, "cause" means an act or failure to act that constitutes cause for removal of a director under applicable law.

(b) "Good Reason" means, unless otherwise agreed to in writing by the Participant, the following: (a) in the case where there is no employment agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award (or where there is such an agreement but it does not define "good reason" (or words of like import)), termination due to: (i) any material reduction in the Participant's base salary or target bonus; (ii) a material reduction in the Participant's title, duties or responsibilities (other than temporarily while physically or mentally incapacitated or as required by applicable law); or (iii) relocation of the Participant's primary work location by more than twenty five (25) miles from its then current location; provided, that, in any case, unless such events are fully corrected in all material respects by the Company within thirty (30) days following written notification by Participant to the Company of the occurrence of one of the reasons; or (b) in the case where there is an employment agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award that defines "good reason" (or words of like import), "good reason" as defined under such agreement; provided, however, that with regard to any agreement under which the definition of "good reason" only applies on occurrence of a change in control, such definition of "good reason" shall not apply until a change in control actually takes place and then only with regard to a termination thereafter.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

CENGAGE LEARNING, INC.

By:_____

Name:_____

Title:_____

PARTICIPANT

_____

Name:_____

Social Security Number:_____

INCENTIVE STOCK OPTION AGREEMENT
PURSUANT TO THE
CENGAGE LEARNING, INC. 2014 EQUITY INCENTIVE PLAN

*** * * * ***

Participant:

Grant Date:

Emergence Date:

Per Share Exercise Price: $

Number of Shares subject to Option:

* * * * *

THIS INCENTIVE STOCK OPTION AWARD AGREEMENT (this "Agreement"), dated as of the Grant Date specified above, is entered into by and between Cengage Learning, Inc., a Delaware corporation (the "Company"), and the Participant specified above, pursuant to the Cengage Learning, Inc. 2014 Equity Incentive Plan (the "Plan"), which is administered by the Committee; and

WHEREAS, it has been determined under the Plan that it would be in the best interests of the Company to grant the Incentive Stock Option provided for herein to the Participant.

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth and for other good and valuable consideration, the parties hereto hereby mutually covenant and agree as follows:

1. **Incorporation By Reference; Plan Document Receipt**. This Agreement is subject in all respects to the terms and provisions of the Plan (including, without limitation, any amendments thereto adopted at any time and from time to time unless such amendments are expressly intended not to apply to the Award provided hereunder), all of which terms and provisions are made a part of and incorporated in this Agreement as if they were each expressly set forth herein. Any capitalized term not defined in this Agreement shall have the same meaning as is ascribed thereto in the Plan. The Participant hereby acknowledges receipt of a true copy of the Plan and that the Participant has read the Plan carefully and fully understands its content. In the event of any conflict between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall control.

2. **Grant of Option**. The Company hereby grants to the Participant, as of the Grant Date specified above, an Incentive Stock Option (the "Option") to acquire from the Company at the Per Share Exercise Price specified above, the aggregate number of Shares specified above (the "Option Shares"). Except as otherwise provided by the Plan, the Participant agrees and understands that nothing contained in this Agreement provides, or is intended to provide, the Participant with any protection against potential future dilution of the Participant's

interest in the Company for any reason. The Participant shall have no rights as a stockholder with respect to any Shares covered by the Option unless and until the Participant has become the holder of record of such shares, and no adjustments shall be made for dividends in cash or other property, distributions or other rights in respect of any such shares, except as otherwise specifically provided for in the Plan or this Agreement.

3. **Tax Matters**. The Option granted hereunder is intended to qualify as an Incentive Stock Option under Section 422 of the Code. Notwithstanding the foregoing, the Option will not qualify as an Incentive Stock Option, among other events, (a) if the Participant disposes of the Option Shares at any time during the two (2)-year period following the date of this Agreement or the one (1)-year period following the date of any exercise of the Option; (b) except in the event of the Participant's death or Disability, if the Participant is not employed by the Company, a parent of the Company or a Subsidiary at all times during the period beginning on the date of this Agreement and ending on the day that is three (3) months before the date of any exercise of the Option; or (c) to the extent that the aggregate Fair Market Value of the Shares subject to Incentive Stock Options held by the Participant which become exercisable for the first time in any calendar year (under all plans of the Company, a parent of the Company or a Subsidiary) exceeds $100,000. For purposes of clause (c) above, the Fair Market Value of the Common Stock shall be determined as of the Grant Date. To the extent that the Option does not qualify as an Incentive Stock Option, it shall not affect the validity of the Option and shall constitute a separate Non-Qualified Stock Option. In the event that the Participant disposes of the Option Shares within either two (2) years following the Grant Date or one (1) year following the date of exercise of the Option, the Participant must deliver to the Company, within seven (7) days following such disposition, a written notice specifying the date on which such Shares were disposed of, the number of Shares so disposed, and, if such disposition was by a sale or exchange, the amount of consideration received.

4. **Vesting and Exercise**.

(a) Vesting. Subject to the provisions of Sections 4(b) and 4(c) hereof, the Option shall vest and become exercisable as follows, provided that the Participant is then employed by the Company and/or one of its Subsidiaries or Affiliate on each such vesting date: (i) the Option shall vest and become exercisable as to 25% of the Option Shares on the first anniversary of the Emergence Date; (ii) the Option shall vest and become exercisable as to 25% of the Option Shares on the second anniversary of the Emergence Date; (iii) the Option shall vest and become exercisable as to 25% of the Option Shares on the third anniversary of the Emergence Date; and (iv) the Option shall vest and become exercisable as to 25% of the Option Shares on the fourth anniversary of the Emergence Date, such that, for the avoidance of doubt, the Option shall become vested and exercisable as to 100% of the Option Shares on the fourth anniversary of the Emergence Date specified above. Upon expiration of the Option, the Option shall be cancelled and no longer exercisable.

(b) Committee Discretion to Accelerate Vesting. Notwithstanding the foregoing, the Committee may, in its sole discretion, provide for accelerated vesting of the Option at any time and for any reason.

(c) Termination by Reason of Death or Disability. If a Participant's Termination is by reason of death or Disability, all Options that are held by such Participant at the time of the Participant's Termination shall fully vest and become exercisable as of the date of such Termination and may be exercised by the Participant (or, in the case of death, by the legal representative of the Participant's estate) at any time within a one (1)-year period from the date of such Termination, but in no event beyond the expiration of the stated term of such Options.

(d) Termination Without Cause or For Good Reason. If a Participant's Termination is (i) due to a termination by the Company for a reason other than Cause; or (ii) by the Participant for Good Reason, all Options that are held by such Participant shall fully vest and become exercisable at the time of the Participant's Termination and may be exercised by the Participant at any time within a one (1)-year period from the date of such Termination, but in no event beyond the expiration of the stated term of such Options; provided, that if a Change in Control occurs within eighteen (18) months following the Emergence Date, the Options may be exercised by the Participant at any time within the greater of (A) the three (3)-year period from the date of such Change in Control and (B) the one (1)-year period following a Termination without Cause or for Good Reason, but in no event shall such period of time extend beyond the expiration of the stated term of such Options. [**For purposes of this Agreement, a Participant's voluntary termination of employment following the Company's election not to renew such Participant's employment agreement with the Company shall be considered a termination of such Participant's employment without Cause.**][1]

(e) Other Terminations. Except as set forth above (i) all unvested Options that are held by a Participant shall immediately terminate and be forfeited upon a Termination and (ii) all Options that are vested and exercisable at the time of the Participant's Termination may be exercised by the Participant at any time within a period of thirty (30) days from the date of such Termination, but in no event beyond the expiration of the stated terms of such Options.

(f) Change in Control. The Option shall become fully vested upon the occurrence of a Change in Control so long as the Participant has not incurred a Termination prior to such Change in Control, unless the Option is fully assumed by a successor of the Company as of the Change in Control on the terms and conditions that are no less favorable to the Participant than the terms and conditions set forth herein.

(g) Expiration. Unless earlier terminated in accordance with the terms and provisions of the Plan and/or this Agreement, all portions of the Option (whether vested or not vested) shall expire and shall no longer be exercisable after the expiration of seven (7) years from the Grant Date.

5. **Method of Exercise and Payment**. Subject to Section 11 hereof, to the extent that the Option has become vested and exercisable with respect to a number of Shares as provided herein, the Option may thereafter be exercised by the Participant, in whole or in part, at any time or from time to time prior to the expiration of the Option as provided herein and in accordance with Sections 7.5 and 7.6 of the Plan, including, without limitation, by the filing of any written form of exercise notice as may be required by the Committee and payment in full of

[1] Include only for Michael Hansen.

the Per Share Exercise Price specified above multiplied by the number of shares of Common Stock underlying the portion of the Option exercised. The Exercise Price shall be payable to the Company in full in cash or its equivalent, or with Shares (including through Share withholding) having an aggregate Fair Market Value equal to the aggregate Exercise Price of the Options being exercised. No Shares resulting from the exercise of an Option shall be issued until full payment therefore has been made.

6. **Non-Transferability.** The Option, and any rights and interests with respect thereto, issued under this Agreement and the Plan shall not be sold, exchanged, transferred, assigned or otherwise disposed of in any way by the Participant (or any beneficiary of the Participant), other than by testamentary disposition by the Participant or the laws of descent and distribution. Any attempt to sell, exchange, transfer, assign, pledge, encumber or otherwise dispose of or hypothecate in any way the Option, or the levy of any execution, attachment or similar legal process upon the Option, contrary to the terms and provisions of this Agreement and/or the Plan shall be null and void and without legal force or effect.

7. **Shareholder Rights**. Notwithstanding anything herein to the contrary, the Participant and any permitted transferee, shall be subject to the repurchase rights, tag-along rights, registration rights, drag-along rights and other rights set forth in the Stockholders Agreement.[2]

8. **Securities Representations**. Upon the exercise of the Option prior to the registration of the Shares to be issued hereunder pursuant to the Securities Act of 1933, as amended, and the rules and regulations thereunder (the "Securities Act"), the Participant shall be deemed to acknowledge and make the following representations and warranties and as otherwise may be requested by the Company for compliance with applicable laws, and any issuances of Shares by the Company hereunder shall be made in reliance upon the express representations and warranties of the Participant:

(a) The Participant is acquiring and will hold the Shares to be issued hereunder for investment for the Participant's account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act or other applicable securities laws.

(b) The Participant has been advised that the Shares to be issued hereunder have not been registered under the Securities Act or other applicable securities laws, on the ground that no distribution or public offering of such Shares is to be effected (it being understood, however, that such Shares are being issued and sold in reliance on the exemption provided under Rule 701 under the Securities Act), and that such Shares must be held indefinitely, unless they are subsequently registered under the applicable securities laws or the Participant obtains an opinion of counsel (in the form and substance satisfactory to the Company and its counsel) that registration is not required. In connection with the foregoing, the Company is relying in part on the Participant's representations set forth in this Section 8. The Participant further acknowledges and understands that the Company is under no obligation hereunder to register the Shares to be issued hereunder.

[2] Note to Draft: To be updated as necessary to give management contractual rights to these provisions.

(c) The Participant is aware of the adoption of Rule 144 by the United States Securities and Exchange Commission under the Securities Act, which permits limited public resales of securities acquired in a non-public offering, subject to the satisfaction of certain conditions. The Participant acknowledges that the Participant is familiar with the conditions for resale set forth in Rule 144, and acknowledges and understands that the conditions for resale set forth in Rule 144 have not been satisfied and that the Company has no plans to satisfy these conditions in the foreseeable future.

(d) The Participant will not Transfer the Shares deliverable upon exercise of the Option in violation of the Plan, this Agreement, the Securities Act (or the rules and regulations promulgated thereunder) or under any other applicable securities laws. The Participant agrees that the Participant will not dispose of the Shares to be issued hereunder unless and until the Participant has complied with all requirements of the Plan and this Agreement applicable to the disposition of such Shares.

(e) The Participant has been furnished with, and has had access to, such information as the Participant considers necessary or appropriate for deciding whether to invest in the Shares to be issued hereunder, and the Participant has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the issuance of such Shares.

(f) The Participant is aware that an investment in the Company is a speculative investment that has limited liquidity and is subject to the risk of complete loss. The Participant is able, without impairing the Participant's financial condition, to hold the Shares to be issued hereunder for an indefinite period and to suffer a complete loss of the Participant's investment in such Shares.

9. **Entire Agreement; Amendment**. This Agreement, together with the Plan contains the entire agreement between the parties hereto with respect to the subject matter contained herein, and supersedes all prior agreements or prior understandings, whether written or oral, between the parties relating to such subject matter. The Committee shall have the right, in its sole discretion, to modify or amend this Agreement from time to time in accordance with and as provided in the Plan. This Agreement may also be modified or amended by a writing signed by both the Company and the Participant. The Company shall give written notice to the Participant of any such modification or amendment of this Agreement as soon as practicable after the adoption thereof.

10. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without reference to the principles of conflict of laws thereof.

11. **Withholding of Tax.** As a condition to the distribution of Shares to the Participant, the Participant shall be required to pay in cash, or to make other arrangements satisfactory to the Company (including, without limitation, authorizing withholding from payroll and any other amounts payable to the Participant), an amount sufficient to satisfy any federal, provincial, state, local and foreign taxes of any kind (including, but not limited to, the Participant's FICA and SDI obligations) which the Company, in its sole discretion, deems

necessary to comply with the Code and/or any other applicable law, rule or regulation with respect to the Option; provided that Participant may satisfy his or her obligations hereunder as provided in Section 14.8.2 of the Plan. Unless the tax withholding obligations of the Company are satisfied, the Company shall have no obligation to issue a certificate or book-entry transfer for such Shares.

12. **No Right to Employment**. Nothing in this Agreement shall interfere with or limit in any way the right of the Company to terminate the Participant's employment or service at any time, for any reason and with or without Cause. Any questions as to whether and when there has been a termination of such employment and the cause of such termination shall be determined in good faith of the Committee.

13. **Notices**. Any notice which may be required or permitted under this Agreement shall be in writing, and shall be delivered in person or via facsimile transmission, overnight courier service or certified mail, return receipt requested, postage prepaid, properly addressed as follows:

(a) If such notice is to the Company, to the attention of the General Counsel of the Company or at such other address as the Company, by notice to the Participant, shall designate in writing from time to time.

(b) If such notice is to the Participant, at his/her address as shown on the Company's records, or at such other address as the Participant, by notice to the Company, shall designate in writing from time to time.

14. **Transfer of Personal Data**. The Participant authorizes, agrees and unambiguously consents to the transmission by the Company (or any Subsidiary) of any personal data information related to the Option awarded under this Agreement for legitimate business purposes (including, without limitation, the administration of the Plan). This authorization and consent is freely given by the Participant.

15. **Compliance with Laws**. The issuance of the Option (and the Option Shares upon exercise of the Option) pursuant to this Agreement shall be subject to, and shall comply with, any applicable requirements of any foreign and U.S. federal and state securities laws, rules and regulations and any other law or regulation applicable thereto. The Company shall not be obligated to issue the Option or any of the Option Shares pursuant to this Agreement if any such issuance would violate any such requirements. As a condition to the issuance of the Option Shares upon exercise of the Option, the Company may require the Participant to satisfy any qualifications that may be necessary or appropriate to evidence compliance with any applicable law or regulation.

16. **Section 409A**. Notwithstanding anything herein or in the Plan to the contrary, the Option is intended to be exempt from the applicable requirements of Section 409A of the Code and shall be limited, construed and interpreted in accordance with such intent.

17. **Binding Agreement; Assignment**. This Agreement shall inure to the benefit of, be binding upon, and be enforceable by the Company and its successors and assigns.

The Participant shall not assign (except in accordance with Section 6 hereof) any part of this Agreement without the prior express written consent of the Company.

18. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument.

19. **Headings**. The titles and headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of this Agreement.

20. **Further Assurances**. Each party hereto shall do and perform (or shall cause to be done and performed) all such further acts and shall execute and deliver all such other agreements, certificates, instruments and documents as either party hereto reasonably may request in order to carry out the intent and accomplish the purposes of this Agreement and the Plan and the consummation of the transactions contemplated thereunder.

21. **Severability**. The invalidity or unenforceability of any provisions of this Agreement in any jurisdiction shall not affect the validity, legality or enforceability of the remainder of this Agreement in such jurisdiction or the validity, legality or enforceability of any provision of this Agreement in any other jurisdiction, it being intended that all rights and obligations of the parties hereunder shall be enforceable to the fullest extent permitted by law.

22. **Definitions**. Any capitalized term not defined in this Agreement shall have the same meaning as is ascribed thereto in the Plan.

(a) "Cause" means with respect to the Participant's Termination from and after the date hereof, the following: (a) in the case where there is no employment agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award (or where there is such an agreement but it does not define "cause" (or words of like import)), termination due to: (i) willful failure to perform substantial job functions that continues after written notice from the Company; (ii) material fraud or material dishonesty in performance of the Participant's duties; (iii) conviction of, or plea of guilty or *nolo contendere* to, a felony; (iv) willful malfeasance or willful misconduct in performance of the Participant's duties or any willful act or omission (other than in the good faith performance of duties) that is materially injurious to the financial condition or business reputation of the Company; (v) material breach of confidentiality covenant that is not cured within fifteen (15) days following a notice from the Company; (vi) material breach of non-disparagement covenant that is not cured within fifteen (15) days following a notice from the Company; or (vii) material breach of non-compete or non-solicitation covenant; or (b) in the case where there is an employment agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of grant of the Award that defines "cause" (or words of like import), "cause" as defined under such agreement; provided, however, that with regard to any agreement under which the definition of "cause" only applies on occurrence of a change in control, such definition of "cause" shall not apply until a change in control actually takes place and then only with regard to a termination thereafter. With respect to a Participant's Termination of Directorship, "cause"

means an act or failure to act that constitutes cause for removal of a director under applicable law.

(b) "Good Reason" means, unless otherwise agreed to in writing by the Participant, the following: (a) in the case where there is no employment agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award (or where there is such an agreement but it does not define "good reason" (or words of like import)), termination due to: (i) any material reduction in the Participant's base salary or target bonus; (ii) a material reduction in the Participant's title, duties or responsibilities (other than temporarily while physically or mentally incapacitated or as required by applicable law); or (iii) relocation of the Participant's primary work location by more than twenty five (25) miles from its then current location; provided, that, in any case, unless such events are fully corrected in all material respects by the Company within thirty (30) days following written notification by Participant to the Company of the occurrence of one of the reasons; or (b) in the case where there is an employment agreement, change in control agreement or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award that defines "good reason" (or words of like import), "good reason" as defined under such agreement; provided, however, that with regard to any agreement under which the definition of "good reason" only applies on occurrence of a change in control, such definition of "good reason" shall not apply until a change in control actually takes place and then only with regard to a termination thereafter.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

CENGAGE LEARNING, INC.

By:_____

Name:_____

Title:_____

PARTICIPANT

_____

Name:_____

Social Security Number:_____

Exhibit L

Description of Transaction Steps

Description of Transaction Steps[1]

Pursuant to the *Debtors' Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* (the "***Plan***"), the Debtors intend to implement the following (the "***Restructuring Transactions***").

This Description of Transaction Steps is intended only as a summary of the Restructuring Transactions. To the extent there is any inconsistency between this Description of Transaction Steps and the Plan, the Plan shall govern.

Pursuant to the transactions set forth below, CL Holdings, as converted from a Delaware partnership to a Delaware corporation, will be the issuer of the New Equity and will hold 100% of the Interests in CL Holdco upon the Effective Date.

The Restructuring Transactions will be effectuated as follows:

1. After Confirmation of the Plan, but prior to the Effective Date, CL Holdings will be caused to convert into a Delaware corporation pursuant to Delaware law ("***Reorganized CL Holdings***").

2. On or prior to the Effective Date, Reorganized CL Holdings will issue the amount of Reorganized CL Holdings common stock (the New Equity) to CL Holdco required to make the distributions of New Equity under the Plan. CL Holdco, in turn, will contribute an amount of the New Equity to CLAI sufficient to make the First Lien Claim Distribution and Other Unsecured Creditor Distributions to be made by CLAI and CLI. CLAI, in turn, will contribute an amount of New Equity to CLI required by CLI to make its portion of the distributions of New Equity required under the Plan.

3. On the Effective Date, all CL Holdings Interests (other than, for the avoidance of doubt, the New Equity) will be cancelled in accordance with the Plan.

4. On the Initial Distribution Date, each of Reorganized CL Holdco, Reorganized CLAI, and Reorganized CLI will make their respective portions of the First Lien Claim Distribution and Other Unsecured Creditor Distributions to the Holders of the Claims entitled to receive such distributions under the Plan.

5. On the Effective Date, subject to Article IV.N.5 of the Plan, all Allowed Intercompany Claims between CLAI and CLI will be reinstated.

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[1] Capitalized terms used but not otherwise defined herein will have the meaning ascribed to such terms in the Plan.

Exhibit M

Withheld Apax Distribution Gross-Up

Percentages Referenced in the Definition of "Withheld Apax Distribution Gross-Up"[1]

The increase in the amount of the Withheld Apax Distribution for the benefit solely of non-Apax Holders of Allowed Second Lien Claims and/or non-Apax Holders of Allowed Senior Notes Claims to ensure that the incremental percentage recovery to non-Apax Holders (after giving effect to any PIK Notes recovery hereunder), calculated as of the entry of the Approval Order based upon the greater of (a) the Second Lien Claims and Senior Notes Claims held by Apax as of the Petition Date or (b) the amount of the Allowed Apax Claims set forth in Article III.D of the Plan, attributable to their allocable portion of the Withheld Apax Distribution, remains the same and is not reduced as a result of any sale, transfer, or assignment to an Apax Transferee shall be:

- an amount equal to 1.928% of the amount of any Allowed Second Lien Claims sold, transferred, or assigned to an Apax Transferee (which, for the avoidance of doubt, shall apply to any amount of Apax Second Lien Notes Claims not DWAC withdrawn by Apax);

- an amount equal to 1.496% of the amount of any Allowed Senior Notes Claims sold, transferred, or assigned to an Apax Transferee (which, for the avoidance of doubt, shall apply to any amount of Apax Senior Notes Claims not DWAC withdrawn by Apax); provided that this percentage shall be 1.830% if the Class of Holders of PIK Notes Claims does not vote to accept the Plan and/or the PIK Notes Indenture Trustee takes any action on or after the PIK Settlement Date in the Chapter 11 Cases, including regarding the Plan, that is inconsistent with the Plan or any agreements under the Plan Support Agreement.[2]

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1 Capitalized terms used but not otherwise defined herein will have the meaning ascribed to such terms in the Plan or the Distribution Election Procedures, as applicable.

2 For the avoidance of doubt, in the event Apax shall have transferred any portion of the DWAC Withdrawn Apax Notes (the "***DWAC Transferred Apax Notes***") to an Apax Transferee (such Apax Transferee, the "***DWAC Transferee***"), Apax shall, notwithstanding anything to the contrary in the Plan, be obligated to pay (and shall provide confirmation of such payment to the Debtors and the Committee) in Cash, solely for distribution to such DWAC Transferee, an amount equal to the incremental Withheld Apax Distribution Gross-Up attributable to such DWAC Transferred Apax Notes, which otherwise would have been payable in accordance with the Plan had such DWAC Transferred Apax Notes instead remained in DTC, less such DWAC Transferee's pro rata share of any Charging Lien attributable to such amount (which amount shall be transmitted by Apax to the Debtors, and then by the Debtors in accordance with the Distribution Election Procedures); provided, however, that Apax's payment of such Withheld Apax Distribution Gross-Up to any DWAC Transferee shall be deemed in full satisfaction of any obligations Apax may have under the Plan to pay the Withheld Apax Distribution Gross-Up attributable to any such DWAC Transferred Apax Notes; provided, further, however, that any settlement of any transfer of DWAC Withdrawn Apax Notes shall occur no later than March 25, 2014 at 5:00 p.m. (prevailing Eastern Time), which shall be the Distribution Record Date for purposes of determining the Equity Election Cap.

Exhibit N

Amount of Balance Sheet Cash and Available Cash

Disclosure of Balance Sheet Cash and Estimated Available Cash[1]

The Balance Sheet Cash will be $100.0 million. The Debtors estimate that, as of the Effective Date (assumed to be March 31, 2014), the Available Cash will be $307.1 million.

The estimate of Available Cash assumes that all Allowed Other Unsecured Claims entitled to make an election between Cash and New Equity make an election to receive Cash. In addition to this assumption, please note that Available Cash is based on a number of other estimates and assumptions regarding, among other things, the date of Effective Date; the projected cash balances of the Debtors and its non-Debtor subsidiaries as of the expected Effective Date; professional fee estimates; estimates for Cure Costs, Allowed Administrative Claims, Allowed Priority Tax Claims, Allowed Other Priority Claims, and Allowed Other Secured Claims; and estimates for exit facility financing fees. To the extent these estimates, and certain reserves established on the Effective Date related thereto, are in excess of the actual amounts that the Debtors are obligated to pay on account of actual Allowed Claims and Cure Costs, such amounts shall be subsequently distributed to the Holders of Allowed First Lien Claims as Distributable Cash. For these reasons, the actual amount of Available Cash is subject to change from the estimate contained herein.

[1] Capitalized terms used but not otherwise defined herein will have the meaning ascribed to such terms in the Plan.

Exhibit O

Implied Price Per Share of New Equity Under the Plan

Disclosure of Implied Price Per Share Under the Plan for the New Equity[1]

The implied price per share under the Plan for the New Equity will be approximately $25.00.

Parties should review the *Disclosure Statement for the Debtors' Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 782] and the *Supplemental Disclosure Statement Related to Debtors' Amended Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 1099] as it has, among other things, important information regarding the Debtors' total enterprise value, risks related to the New Equity under the Plan, and other factors that may affect the actual value of the New Equity.

Projected recoveries based on the implied price per share under the Plan for the New Equity are based on the Global Settlement, are based on certain assumptions, and are estimates only and therefore are subject to change based upon factors related to the Debtors' business operations and general economic conditions. Actual recoveries for all creditors are subject to material change from those presented in the Disclosure Statement and based on the implied price per share under the Plan for the New Equity.

The implied price per share under the Plan is not a prediction or guarantee of the actual market value that may be realized through the sale of the New Equity to be issued pursuant to the Plan.

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[1] Capitalized terms used but not otherwise defined herein will have the meaning ascribed to such terms in the Plan.

Exhibit P

Board Member Information

[TO COME]