

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

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| SUBMISSION TYPE: | NEW ASSIGNMENT |
| NATURE OF CONVEYANCE: | Intellectual Property Security Agreement |

CONVEYING PARTY DATA

| Name | Formerly | Execution Date | Entity Type |
|---------------------------|----------|----------------|-----------------------|
| The Container Store, Inc. | | 08/16/2007 | CORPORATION: TEXAS |
| TCS Merger Corp. | | 08/16/2007 | CORPORATION: TEXAS |
| TCS Holdings, Inc. | | 08/16/2007 | CORPORATION: DELAWARE |

RECEIVING PARTY DATA

| | |
|--------------------------|---|
| Name: | JPMorgan Chase Bank, N.A. as Collateral Agent |
| Street Address: | 1111 Fannin Street |
| Internal Address: | 10th Floor |
| City: | Houston |
| State/Country: | TEXAS |
| Postal Code: | 77002 |
| Entity Type: | National Banking Association: |

PROPERTY NUMBERS Total: 34

| Property Type | Number | Word Mark |
|----------------------|---------|---|
| Registration Number: | 2790892 | WHO SAYS A STORE CAN'T CHANGE YOUR LIFE? |
| Registration Number: | 2790891 | WHO SAYS A TRASH CAN CAN'T MAKE YOU SMILE? |
| Registration Number: | 2672077 | ORGANIZE BEFORE YOU ITEMIZE |
| Registration Number: | 2695250 | GIFT WRAP WONDERLAND |
| Registration Number: | 2517359 | THE NEATEST SITE ON THE WEB |
| Registration Number: | 2486687 | THE ORIGINAL STORAGE AND ORGANIZATION STORE |
| Registration Number: | 2470015 | THE CONTAINER STORE |
| Registration Number: | 2077172 | HERBAL CUCUMBER |
| Registration Number: | 1940914 | THE CONTAINER STORE |
| Registration Number: | 1920441 | ORGANIZED STATE |
| Registration Number: | 2029125 | MEADOW FLOWERS |
| Registration Number: | 1930314 | EVENING GARDEN |

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| Registration Number: | 1930313 | BLUE WATERS |
| Registration Number: | 1911969 | THE CONTAINER STORE |
| Registration Number: | 1843315 | FOR THE NATURAL ORDER OF THINGS |
| Registration Number: | 1824751 | SMARTROOM |
| Registration Number: | 1713572 | THE CONTAINER STORE |
| Registration Number: | 1699573 | BIN IT BOX IT RACK IT BAG IT STACK IT TIN IT BOTTLE IT SHELF IT CAN IT SACK IT TRASH IT HANG IT HOOK IT STORE IT |
| Registration Number: | 1373124 | CONTAIN IT |
| Registration Number: | 1373123 | CONTAIN IT |
| Registration Number: | 1257975 | CONTAIN YOURSELF! |
| Registration Number: | 1164143 | THE CONTAINER STORE |
| Serial Number: | 78659495 | HOLIDAY GIFT BOX TO GO |
| Serial Number: | 76439764 | COLLEGE NIGHT EVENT |
| Serial Number: | 76429199 | BRINGING BEAUTY, EASE AND ORDER TO YOUR HOME |
| Serial Number: | 76429400 | BRINGING BEAUTY, EASE AND ORDER TO YOUR HOME |
| Serial Number: | 75761664 | FURNITURE FOR LIVING |
| Serial Number: | 75108056 | CEDAR SPICE |
| Serial Number: | 74536652 | TIMBERLINE |
| Serial Number: | 74536653 | CEDAR SPICE |
| Serial Number: | 74124492 | THE ORGANIZATION ORGANIZATION |
| Serial Number: | 78639985 | GOSHOP! |
| Serial Number: | 78624977 | LIFE'S LITTLE PLEASURES. ORGANIZED. |
| Serial Number: | 78640709 | LIFE'S MORE FUN WHEN YOU'RE ORGANIZED |

CORRESPONDENCE DATA

Fax Number: (202)756-9299
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 8002210770
Email: matthew.mayer@thomson.com
Correspondent Name: Corporation Service Company
Address Line 1: 1133 Avenue of the Americas
Address Line 2: Suite 3100
Address Line 4: New York, NEW YORK 10036

| | |
|-------------------------|-----------------|
| ATTORNEY DOCKET NUMBER: | CSC # 063690 |
| NAME OF SUBMITTER: | Matthew Mayer |
| Signature: | /Matthew Mayer/ |

TRADEMARK

Date:

08/22/2007

Total Attachments: 27

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EXHIBIT CList of Trademarks**Trademark Registrations and Trademark Applications**

| Owner | Mark | Registration # | Filing Jurisdiction | Status |
|---------------------------|--|-----------------------|----------------------------|-------------------------|
| The Container Store, Inc. | HOLIDAY GIFT BOX TO GO | 78-659495 | USPTO | Abandoned |
| The Container Store, Inc. | LIFE'S MORE FUN WHEN YOU'RE ORGANIZED | 78-630709 | USPTO | Allowed - Intent to use |
| The Container Store, Inc. | GOSHOP! | 3259305 | USPTO | Registered |
| The Container Store, Inc. | LIFE'S LITTLE PLEASURES ORGANIZED | 3231091 | USPTO | Registered |
| The Container Store, Inc. | WHO SAYS A STORE CAN'T CHANGE YOUR LIFE | 2790892 | USPTO | Registered |
| The Container Store, Inc. | WHO SAYS A TRASH CAN CAN'T MAKE YOU SMILE | 2790891 | USPTO | Registered |
| The Container Store, Inc. | COLLEGE NIGHT EVENT | 76-439764 | USPTO | Abandoned |
| The Container Store, Inc. | BRINGING BEAUTY, EASE AND ORDER TO YOUR HOME | 76-429199 | USPTO | Abandoned |
| The Container Store, Inc. | BRINGING BEAUTY, EASE AND ORDER TO YOUR HOME | 76-429400 | USPTO | Abandoned |
| The Container Store, Inc. | ORGANIZE BEFORE YOU ITEMIZE | 2672077 | USPTO | Registered |
| The Container Store, Inc. | GIFT WRAP WONDERLAND | 2695250 | USPTO | Registered |
| The Container | THE NEATEST SITE | 2517359 | USPTO | Registered |

| Owner | Mark | Registration # | Filing Jurisdiction | Status |
|---------------------------|---|----------------|---------------------|--------------------|
| Store, Inc. | ON THE WEB | | | |
| The Container Store, Inc. | FURNITURE FOR LIVING | 75-761664 | USPTO | Abandoned |
| The Container Store, Inc. | THE ORIGINAL STORAGE AND ORGANIZATION STORE | 2486687 | USPTO | Registered |
| The Container Store, Inc. | THE CONTAINER STORE | 2470015 | USPTO | Registered |
| The Container Store, Inc. | CEDAR SPICE | 75-108056 | USPTO | Abandoned |
| The Container Store, Inc. | HERBAL CUCUMBER | 2077172 | USPTO | Renewed |
| The Container Store, Inc. | THE CONTAINER STORE | 1940914 | USPTO | Renewed |
| The Container Store, Inc. | ORGANIZED STATE | 1920441 | USPTO | Cancelled – Sec 8 |
| The Container Store, Inc. | TIMBERLINE | 74-536652 | USPTO | Abandoned |
| The Container Store, Inc. | CEDAR SPICE | 74-536653 | USPTO | Abandoned |
| The Container Store, Inc. | MEADOW FLOWERS | 2029125 | USPTO | Registered |
| The Container Store, Inc. | EVENING GARDEN | 1930314 | USPTO | Renewed |
| The Container Store, Inc. | BLUE WATERS | 1930313 | USPTO | Renewed |
| The Container Store, Inc. | THE CONTAINER STORE | 1911969 | USPTO | Renewed |
| The Container Store, Inc. | FOR THE NATURAL ORDER OF THINGS | 1843315 | USPTO | Cancelled – Sec. 8 |
| The Container Store, Inc. | SMARTROOM | 1824751 | USPTO | Cancelled – Sec. 8 |
| The Container | THE CONTAINER | 1713572 | USPTO | Renewed |

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| Owner | Mark | Registration # | Filing Jurisdiction | Status |
|---------------------------|--|----------------|---------------------|------------|
| Store, Inc. | STORE | | | |
| The Container Store, Inc. | THE ORGANIZATION ORGANIZATION | 74-124492 | USPTO | Abandoned |
| The Container Store, Inc. | BIN IT BOX IT RACK IT BAG IT STACK IT TIN IT BOTTLE IT SHELF IT CAN IT SACK IT TRASH IT HANG IT HOOK IT STORE IT | 1699573 | USPTO | Renewed |
| The Container Store, Inc. | CONTAIN IT | 1373124 | USPTO | Registered |
| The Container Store, Inc. | CONTAIN IT | 1373123 | USPTO | Renewed |
| The Container Store, Inc. | CONTAIN YOURSELF! | 1257975 | USPTO | Renewed |
| The Container Store, Inc. | THE CONTAINER STORE | 1164143 | USPTO | Renewed |

INTELLECTUAL PROPERTY SECURITY AGREEMENT

INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Agreement"), dated as of August 16, 2007, by and among (a) TCS MERGER CORP., a Texas corporation ("Merger Sub" and, prior to the Merger (such term and each other capitalized term used but not defined herein having the meaning specified in the Credit Agreement referred to below), the "Borrower"), (b) THE CONTAINER STORE, INC., a Texas corporation ("TCS" and, following the Merger, the "Borrower"), (c) TCS HOLDINGS, INC. (the "Guarantor") (the Borrower and the Guarantor are hereinafter referred to, individually, as a "Grantor" and, collectively, as the "Grantors") and (d) JPMORGAN CHASE BANK, N.A., a national banking association, as collateral agent (in such capacity, the "Collateral Agent") for its own benefit and the benefit of the other Credit Parties (as defined in the Credit Agreement referred to below), in consideration of the mutual covenants contained herein and benefits to be derived herefrom.

WITNESSETH:

WHEREAS, reference is made to that certain Credit Agreement, dated as of August 16, 2007 (as amended, modified, supplemented or restated and in effect from time to time, the "Credit Agreement"), by and among, among others, (i) the Grantors, (ii) JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the "Administrative Agent") for its own benefit and the benefit of the other Credit Parties, (iii) the Collateral Agent, and (iv) the lenders from time to time party thereto (individually, a "Lender" and, collectively, the "Lenders"), pursuant to which the Lenders have agreed to make Loans to the Borrower, upon the terms and subject to the conditions specified in the Credit Agreement; and

WHEREAS, the obligations of the Lenders to make Loans are conditioned upon, among other things, the execution and delivery by the Grantors of (i) that certain Security Agreement, dated as of August 16, 2007 (as amended, modified, supplemented or restated and in effect from time to time, the "Security Agreement"), by and among the Grantors and the Collateral Agent, pursuant to which each Grantor grants to the Collateral Agent (for its own benefit and the benefit of the other Credit Parties) a security interest in and to the Collateral (as defined herein), and (ii) an agreement in the form hereof, pursuant to which each Grantor grants to the Collateral Agent (for its own benefit and the benefit of the other Credit Parties) a security interest in and to the IP Collateral (as defined herein), in order to secure the Secured Obligations (as defined herein).

NOW, THEREFORE, in consideration of the mutual conditions and agreements set forth in this Agreement, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantors and the Collateral Agent, on its own behalf and on behalf of the other Credit Parties (and each of their respective successors or permitted assigns), hereby agrees as follows:

SECTION 1. Definitions.

1.1 Generally. All references herein to the UCC shall mean the Uniform Commercial Code as in effect from time to time in the State of New York; provided, however, that if a term is defined in Article 9 of the UCC differently than in another Article thereof, the term shall have the meaning set forth in Article 9; provided further that, if by reason of mandatory provisions of

law, perfection, or the effect of perfection or non-perfection, of the security interest in any IP Collateral or the availability of any remedy hereunder is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, "UCC" means the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection or effect of perfection or non-perfection or availability of such remedy, as the case may be.

1.2 Definition of Certain Terms Used Herein. Unless the context otherwise requires, all capitalized terms used but not defined herein shall have the meanings set forth in the Credit Agreement. In addition, as used herein, the following terms shall have the following meanings:

"Administrative Agent" shall have the meaning assigned to such term in the preliminary statement of this Agreement.

"Borrower" shall have the meaning assigned to such term in the preamble of this Agreement.

"Collateral" shall have the meaning assigned to such term in the Security Agreement.

"Collateral Agent" shall have the meaning assigned to such term in the preamble of this Agreement.

"Copyrights" shall mean all copyrights and like protections in each work of authorship or derivative work thereof of any Grantor, whether registered or unregistered and whether published or unpublished, including, without limitation, the United States copyright registrations and copyright applications listed on **EXHIBIT A** annexed hereto and made a part hereof.

"Copyright Licenses" shall mean all agreements, whether written or oral, providing for the grant by or to any Grantor of any right under any Copyright, including, without limitation, the agreements listed on **EXHIBIT A** annexed hereto and made a part hereof.

"Copyright Office" shall mean the United States Copyright Office or any other federal governmental agency which may hereafter perform its functions.

"Credit Agreement" shall have the meaning assigned to such term in the preliminary statement of this Agreement.

"Grantor" and "Grantors" shall have the meaning assigned to such terms in the preamble of this Agreement.

"Guarantor" shall have the meaning assigned to such terms in the preamble of this Agreement.

"Intellectual Property" shall mean all present and future: trade secrets, know-how and other proprietary information; Trademarks and Trademark Licenses; internet domain names, slogans, indicia of origin, and other source and/or business identifiers, and all registrations which have heretofore been or may hereafter be issued thereon throughout the world; Copyrights and

Copyright Licenses; unpatented inventions (whether or not patentable); Patents and Patent Licenses; license agreements related to any of the foregoing; all other intellectual property; and all common law and other rights throughout the world in and to all of the foregoing.

“IP Collateral” shall have the meaning assigned to such term in Section 2 of this Agreement.

“Lender” and “Lenders” shall have the meaning assigned to such terms in the preliminary statement of this Agreement.

“Licenses” shall mean, collectively, the Copyright Licenses, Patent Licenses, Trademark Licenses, and any other agreement providing for the grant by or to any Grantor of any right under any Intellectual Property.

“Patents” shall mean all patents and applications for patents of any Grantor, and the inventions and improvements therein disclosed, and any and all divisions, revisions, reissues and continuations, continuations-in-part, extensions, and reexaminations of said patents including, without limitation, the United States patent registrations and patent applications listed on **EXHIBIT B** annexed hereto and made a part hereof.

“Patent Licenses” shall mean all agreements, whether written or oral, providing for the grant by or to any Grantor of any right under any Patent, including, without limitation, the agreements listed on **EXHIBIT B** annexed hereto and made a part hereof.

“Permitted Liens” shall have the meaning assigned to such term in the Security Agreement.

“PTO” shall mean the United States Patent and Trademark Office or any other federal governmental agency which may hereafter perform its functions.

“Secured Obligations” shall mean, collectively, the Obligations (as defined in the Credit Agreement); provided, however, that Obligations which constitute Other Liabilities shall be Secured Obligations solely to the extent that there is sufficient IP Collateral following satisfaction of the obligations described in clause (a) of the definition of Obligations.

“Security Agreement” shall have the meaning assigned to such term in the preliminary statement of this Agreement.

“Trademarks” shall mean all trademarks, trade names, corporate names, company names, domain names, business names, fictitious business names, trade dress, trade styles, service marks, designs, logos and other source or business identifiers of any Grantor, whether registered or unregistered, including, without limitation, the United States trademark registrations and trademark applications listed on **EXHIBIT C** annexed hereto and made a part hereof, together with any goodwill of the business connected with, and symbolized by, any of the foregoing.

"Trademark Licenses" shall mean all agreements, whether written or oral, providing for the grant by or to any Grantor of any right under any Trademark, including, without limitation, the agreements listed on **EXHIBIT C** annexed hereto and made a part hereof.

1.3 Rules of Interpretation. The rules of interpretation specified in Sections 1.02 through 1.07 of the Credit Agreement shall be applicable to this Agreement.

SECTION 2. Grant of Security Interest. In furtherance and as confirmation of the Security Interest (as defined in the Security Agreement) granted by the Grantors to the Collateral Agent (for its own benefit and the benefit of the other Credit Parties) under the Security Agreement, and as further security for the payment or performance, as the case may be, in full of the Secured Obligations, each of the Grantors hereby ratifies such Security Interest and grants to the Collateral Agent (for its own benefit and the benefit of the other Credit Parties) a continuing security interest, with a power of sale (which power of sale shall be exercisable only following the occurrence and during the continuance of an Event of Default), in all of the present and future right, title and interest of such Grantor in and to the following property, and each item thereof, whether now owned or existing or hereafter acquired or arising, together with all products, proceeds, substitutions, and accessions of or to any of the following property (collectively, the "IP Collateral"):

- (a) All Copyrights and Copyright Licenses;
- (b) All Patents and Patent Licenses;
- (c) All Trademarks and Trademark Licenses;
- (d) All other Licenses;
- (e) All renewals of any of the foregoing;
- (f) All trade secrets, know-how and other proprietary information; works of authorship and other copyright works (including copyrights for computer programs), and all tangible and intangible property embodying the foregoing; inventions (whether or not patentable) and all improvements thereto; industrial design applications and registered industrial designs; books, records, writings, computer tapes or disks, flow diagrams, specification sheets, computer software, source codes, object codes, executable code, data, databases, and any Licenses in any of the foregoing, and all other Intellectual Property and proprietary rights;
- (g) All income, royalties, damages and payments now and hereafter due and/or payable under and with respect to any of the foregoing, including, without limitation, payments under all Licenses entered into in connection therewith and damages and payments for past or future infringements, misappropriations or dilutions thereof;
- (h) The right to sue for past, present and future infringements, misappropriations, and dilutions of any of the foregoing; and

(i) All of the Grantors' rights corresponding to any of the foregoing throughout the world.

SECTION 3. Protection of Intellectual Property By Grantors. Except as set forth below in this Section 3, each of the Grantors shall undertake the following with respect to each of the items respectively described in Sections 2(a), (b), (c), (d), (e), (f) and (g):

(a) Pay all renewal fees and other fees and costs associated with maintaining and prosecuting any Patent, Trademark, or Copyright applied for or registered with the PTO or Copyright Office and owned by such Grantor, except, in each case, (i) to the extent that such Grantor determines, in its reasonable business judgment, that any such Patent, Trademark, or Copyright is no longer material to the conduct of its business, and (ii) no Material Adverse Effect would result therefrom.

(b) Take all actions reasonably necessary to prevent any Intellectual Property owned by such Grantor from becoming forfeited, abandoned, dedicated to the public, invalidated or impaired in any way, except, in each case, (i) to the extent that such Grantor determines, in its reasonable business judgment, that any such Intellectual Property is no longer material to the conduct of its business, and (ii) no Material Adverse Effect would result therefrom.

(c) At the Grantors' sole cost and expense, pursue the processing and prosecution of each application for registration of any Patent, Trademark, or Copyright which is the subject of the security interest created herein and not abandon or delay any such efforts, except, in each case, to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(d) At the Grantors' sole cost and expense, take any and all action that such Grantors reasonably deem necessary or desirable under the circumstances to protect any Intellectual Property owned by such Grantors from infringement, misappropriation or dilution, including, without limitation, the prosecution and defense of infringement actions, except, in each case, to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

SECTION 4. Grantors' Representations and Warranties. In addition to any representations and warranties contained in any of the other Loan Documents, each Grantor represents and warrants that:

(a) **EXHIBIT A** sets forth a true, correct, and complete list of all United States Copyrights owned by such Grantor and all Copyright Licenses to which such Grantor is a party as of the date hereof.

(b) **EXHIBIT B** sets forth a true, correct, and complete list of all United States Patents owned by such Grantor and all Patent Licenses to which such Grantor is a party as of the date hereof.

(c) **EXHIBIT C** sets forth a true, correct, and complete list of all United States Trademarks owned by such Grantor and all Trademark Licenses to which such Grantor is a party as of the date hereof.

(d) Except as set forth in **EXHIBITS A, B and C**, none of the material Intellectual Property owned by such Grantor is the subject of any licensing or franchise agreement pursuant to which such Grantor is the licensor or franchisor as of the date hereof.

(e) All Intellectual Property owned by any Grantor is, and shall remain, free and clear of all Liens, encumbrances, or security interests in favor of any Person, other than Permitted Liens.

(f) Such Grantor owns, or is licensed to use, all Intellectual Property reasonably necessary for the conduct of its business as currently conducted. No claim has been asserted and is pending by any Person challenging the ownership or right to use by such Grantor of any of its Intellectual Property, or the validity or enforceability of any of its Intellectual Property, that could reasonably be expected to have a Material Adverse Effect. The use by such Grantor of any Intellectual Property does not infringe the intellectual property rights of any Person in any material respect. No holding, decision or judgment has been rendered by any Governmental Authority which would limit, cancel or question the validity of, or such Grantor's rights in, any Intellectual Property in any respect that could reasonably be expected to have a Material Adverse Effect.

(g) [Reserved.]

(h) Such Grantor shall give the Collateral Agent prompt written notice, with reasonable detail, following the occurrence of any of the following:

(i) Such Grantor's obtaining rights to, and filing applications for registration of, or being issued a registration in or receiving an issuance of, any new Patent, Copyright or Trademark (other than the acquisition by such Grantor of the right to sell products containing the trademarks of others in the ordinary course of such Grantor's business).

(ii) Such Grantor's entering into any new Licenses with respect to the Intellectual Property (other than commercially available off the shelf computer programs, products or applications and such Grantor's right to sell products containing the trademarks of others in the ordinary course of such Grantor's business).

(iii) Such Grantor's knowing, or having reason to know, that any application or registration relating to any Patent, Copyright or Trademark may, other than as provided in Section 3 above, become forfeited, abandoned or dedicated to the public, or of any adverse determination or development regarding such Grantor's use or ownership of, or the validity or enforceability of, any Patent, Copyright or Trademark or such Grantor's right to register the same or to own and

maintain the same (except for office actions routine to the prosecution of Patents, Copyrights or Trademarks).

SECTION 5. Agreement Applies to Future Intellectual Property.

(a) The provisions of this Agreement shall automatically apply to any such additional Intellectual Property acquired by any Grantor, all of which shall be deemed to be and treated as "Intellectual Property" within the meaning of this Agreement. Upon the acquisition by any Grantor of any additional Intellectual Property, such Grantor shall promptly deliver to the Collateral Agent an updated EXHIBIT A, B, and/or C (as applicable) to this Agreement and hereby authorizes the Collateral Agent to file, at such Grantor's expense, such updated Exhibit as set forth in Section 5.

(b) Each of the Grantors shall execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as the Collateral Agent may reasonably request to evidence the Collateral Agent's security interest in any Intellectual Property (including, without limitation, filings with the PTO, the Copyright Office or any similar office), and each of the Grantors hereby constitutes the Collateral Agent as its attorney-in-fact to execute and file all such writings for the foregoing purposes, all such acts of such attorney being hereby ratified and confirmed; provided, however, that the Collateral Agent's taking of such action shall not be a condition to the creation or perfection of the security interest created hereby.

(c) Prior to the satisfaction of the Discharge of the ABL Obligations, with respect to any obligation under this Section 5 or any Collateral Document to deliver possession or control of any Collateral on which there is a Second Priority Lien by the Collateral Agent, such obligation shall be deemed satisfied by the delivery of possession or control of such Collateral to the "Collateral Agent" for the ABL Facility (holding for the benefit of the Collateral Agent for the Credit Parties).

SECTION 6. Grantors' Rights To Enforce Intellectual Property. Prior to the occurrence of an Event of Default, the Grantors shall have the exclusive right to sue for past, present and future infringement of the Intellectual Property, including the right to seek injunctions and/or money damages in an effort by the Grantors to protect the Intellectual Property against encroachment by third parties, provided, however, that:

(a) The Grantors provide the Collateral Agent with written notice of the Grantors' institution of any legal proceedings for enforcement of any Intellectual Property, the infringement of which could reasonably be expected to have a Material Adverse Effect.

(b) Any money damages awarded or received by the Grantors on account of such suit (or the threat of such suit) shall constitute IP Collateral.

(c) Upon the occurrence and during the continuance of any Event of Default, the Collateral Agent, by notice to the Grantors, may terminate or limit the Grantor's rights under this Section 6.

SECTION 7. Collateral Agent's Actions To Protect Intellectual Property. In the event of

(a) any Grantor's failure, within fifteen (15) days of written notice from the Collateral Agent, to cure any failure by such Grantor to observe or perform any of such Grantor's covenants, agreements or other obligations hereunder; and/or

(b) the occurrence and continuance of any other Event of Default;

the Collateral Agent, acting in its own name or in that of any Grantor, may (but shall not be required to) act in any Grantor's place and stead and/or in the Collateral Agent's own right in connection therewith.

SECTION 8. Rights Upon Default. Upon the occurrence and during the continuance of an Event of Default, in addition to all other rights and remedies, the Collateral Agent may exercise all rights and remedies of a secured party under the Uniform Commercial Code as adopted in the State of New York, with respect to the Intellectual Property, in addition to which the Collateral Agent may sell, license, assign, transfer, or otherwise dispose of the Intellectual Property, subject to those restrictions to which such Grantor is subject under applicable Law and by contract. Any person may conclusively rely upon an affidavit of an officer of the Collateral Agent that an Event of Default has occurred and that the Collateral Agent is authorized to exercise such rights and remedies.

SECTION 9. Collateral Agent As Attorney-In-Fact.

(a) Each of the Grantors hereby irrevocably makes, constitutes and appoints the Collateral Agent (and all officers, employees or agents designated by the Collateral Agent) as and for such Grantor's true and lawful agent and attorney-in-fact, effective following the occurrence and during the continuance of any Event of Default, and in such capacity the Collateral Agent shall have the right, with power of substitution for each Grantor and in each Grantor's name or otherwise, for the use and benefit of the Collateral Agent and the other Credit Parties:

(i) To supplement and amend from time to time **EXHIBITS A, B and C** of this Agreement to include any newly developed, applied for, registered, or acquired Intellectual Property of such Grantor and any intent-to-use Trademark applications for which a statement of use or an amendment to allege use has been filed and accepted by the PTO.

(ii) To exercise any of the rights and powers referenced herein.

(iii) To execute all such instruments, documents, and papers as the Collateral Agent reasonably determines to be necessary or desirable in connection with the exercise of such rights and remedies and to cause the sale, license, assignment, transfer, or other disposition of the Intellectual Property, subject to those restrictions to which such Grantor is subject under applicable Law and by contract.

(b) The power of attorney granted herein, being coupled with an interest, shall be irrevocable until this Agreement is terminated in writing by a duly authorized officer of the Collateral Agent.

(c) The Collateral Agent shall not be obligated to do any of the acts or to exercise any of the powers authorized by Section 9, but if the Collateral Agent elects to do any such act or to exercise any of such powers, it shall not be accountable for more than it actually receives as a result of such exercise of power, and shall not be responsible to any Grantor for any act or omission to act, except where a court of competent jurisdiction determines by final and nonappealable judgment that the subject act or omission to act has resulted from the gross negligence or willful misconduct of the Collateral Agent.

SECTION 10. Collateral Agent's Rights. Any use by the Collateral Agent of the Intellectual Property, as authorized hereunder in connection with the exercise of the Collateral Agent's rights and remedies under this Agreement, the Credit Agreement and the Security Agreement shall be coextensive with the Grantor's rights thereunder and with respect thereto and without any liability for royalties or other related charges.

SECTION 11. Intent. This Agreement is being executed and delivered by the Grantors for the purpose of registering and confirming the grant of the security interest of the Collateral Agent in the IP Collateral with the PTO and the Copyright Office. It is intended that the security interest granted pursuant to this Agreement is granted as a supplement to, and not in limitation of, the Security Interest (as defined in the Security Agreement) granted to the Collateral Agent, for its own benefit and the benefit of the other Credit Parties, under the Security Agreement. All provisions of the Security Agreement (including, without limitation, the rights, remedies, powers, privileges and discretions of the Collateral Agent thereunder) shall apply to the IP Collateral. In the event of a conflict between this Agreement and the Security Agreement, the terms of this Agreement shall control with respect to the IP Collateral and the terms of the Security Agreement shall control with respect to all other Collateral.

SECTION 12. Further Assurances. Each Grantor agrees, at its own expense, to execute, acknowledge, deliver and cause to be duly filed all such further documents, financing statements, agreements and instruments and take all such further actions as the Collateral Agent may from time to time reasonably request to better assure, preserve, protect and perfect the security interest in the IP Collateral granted pursuant to this Agreement and the rights and remedies created hereby or the validity or priority of such security interest, including the payment of any fees and taxes required in connection with the execution and delivery of this Agreement, the granting of the security interest and the filing of any financing statements or other documents in connection herewith or therewith.

SECTION 13. Termination; Release of IP Collateral. Except for those provisions which expressly survive the termination thereof, this Agreement and the security interest granted herein shall terminate when (i) the Commitments have expired or been terminated and (ii) all of the Secured Obligations have been indefeasibly paid in full in cash or otherwise satisfied (other than any indemnity obligation for unasserted claims that by its terms survives the termination of this Agreement or the Credit Agreement), at which time the Collateral Agent shall execute and deliver to the Grantors, at the Grantors' expense, all UCC termination statements, releases and

similar documents that the Grantors shall reasonably request to evidence such termination; provided, however, that the Credit Agreement, this Agreement, and the security interest granted herein shall be reinstated if at any time payment, or any part thereof, of any Secured Obligation is rescinded or must otherwise be restored by any Credit Party upon the bankruptcy or reorganization of any Grantor. Any execution and delivery of termination statements, releases or other documents pursuant to this Section 13 shall be without recourse to, or warranty by, the Collateral Agent or any other Credit Party.

SECTION 14. Choice of Laws. It is intended that all rights and obligations under this Agreement, including matters of construction, validity, and performance, shall be governed by the laws of the State of New York.

SECTION 15. Intercreditor Agreement. Notwithstanding anything herein to the contrary, the lien and security interest granted to the Collateral Agent pursuant to this Agreement and the exercise of any right or remedy by the Collateral Agent hereunder are subject to the provisions of the Intercreditor Agreement. In the event of any conflict between the terms of the Intercreditor Agreement and the terms of this Agreement, the terms of the Intercreditor Agreement shall govern and control, provided that nothing contained in the Intercreditor Agreement shall be deemed to modify any of the provisions of this Agreement as among the Grantors and the Collateral Agent, which shall remain in full force and effect.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Grantors and the Collateral Agent have caused this Agreement to be executed by their duly authorized officers as of the date first above written.

GRANTORS:

TCS MERGER CORP.

By: 

Name: Melissa Reiff

Title: President

The undersigned hereby acknowledges and agrees that, as a result of the Merger, it has succeeded by operation of law to all of the rights and obligations of the Borrower set forth herein and that all references herein to the "Borrower" shall be deemed to be references to the undersigned.

THE CONTAINER STORE, INC

By: 

Name: Melissa Reiff

Title: President

[Intellectual Property Security Agreement - Term Loan]

COLLATERAL AGENT:

JPMORGAN CHASE BANK, N.A.

By: _____

Name:

BARRY BERGMAN

Title:

MANAGING DIRECTOR

[Intellectual Property Security Agreement - Term Loan]

**TRADEMARK
REEL: 003606 FRAME: 0475**

EXHIBIT A

List of Copyrights

Copyright Registrations and Applications

| Owner | Title of Work | Registration # | Filing Jurisdiction | Status |
|---------------------------|---|-----------------------|--------------------------------|---------------|
| The Container Store, Inc. | A parent's guide to back to school | TX-4-003-610 | United States Copyright Office | Registered |
| The Container Store, Inc. | Annual 30% off Elfa sale: the Container store closet planning guide | TX-2-800-400 | United States Copyright Office | Registered |
| The Container Store, Inc. | The Container store closet planning guide | TX-2-802-414 | United States Copyright Office | Registered |
| The Container Store, Inc. | Book box | TX-3-816-401 | United States Copyright Office | Registered |
| The Container Store, Inc. | Camptime: a guide to the basics | TX-4-279-313 | United States Copyright Office | Registered |
| The Container Store, Inc. | Christmas giving ideas from the Container Store | TX-4-315-063 | United States Copyright Office | Registered |
| The Container Store, Inc. | Christmas 1993 | TX-3-834-375 | United States Copyright Office | Registered |
| The Container Store, Inc. | Developing independence in your child-the container store | TX-4-284-282 | United States Copyright Office | Registered |
| The Container Store, Inc. | Elfa Easy Hang Shelving | TX-4-003-611 | United States Copyright Office | Registered |
| The Container Store, Inc. | Elfa Easy Hang Shelving | TX-4-279-310 | United States Copyright Office | Registered |

| Owner | Title of Work | Registration # | Filing Jurisdiction | Status |
|---------------------------|--|----------------|--------------------------------|------------|
| The Container Store, Inc. | Elfa Easy Glider | TX-4-315-058 | United States Copyright Office | Registered |
| The Container Store, Inc. | Gifts for the graduate | TX-4-008-241 | United States Copyright Office | Registered |
| The Container Store, Inc. | Grids and accessories | TX-4-279-312 | United States Copyright Office | Registered |
| The Container Store, Inc. | Home sweet home -- the Container Store | TX-4-315-060 | United States Copyright Office | Registered |
| The Container Store, Inc. | Let it sale, let it sale! : the Container Store | TX-4-003-616 | United States Copyright Office | Registered |
| The Container Store, Inc. | Organize your space: the Container Store | TX-4-003-617 | United States Copyright Office | Registered |
| The Container Store, Inc. | No one offers you more ways to pack it, wrap it, move it, ship it, store it. The Container Store | TX-3-834-372 | United States Copyright Office | Registered |
| The Container Store, Inc. | Organized State – the Container Store guide for college-bound students | TX-4-315-061 | United States Copyright Office | Registered |
| The Container Store, Inc. | Save 30-50% off our most popular items during our spring organization sale | TX-4-003-612 | United States Copyright Office | Registered |
| The Container Store, Inc. | Skandia shelving: the Container Store | TX-4-003-615 | United States Copyright Office | Registered |
| The Container Store, Inc. | 10% off your next purchase – the container store. | TX-4-315-055 | United States Copyright Office | Registered |
| The Container Store, Inc. | The Container Store : the basic six | TX-4-003-609 | United States Copyright Office | Registered |

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| Owner | Title of Work | Registration # | Filing Jurisdiction | Status |
|---------------------------|---|-----------------------|--------------------------------|---------------|
| The Container Store, Inc. | The Container Store tax shelters \$1.19 and up | TX-4-003-613 | United States Copyright Office | Registered |
| The Container Store, Inc. | The Container Store closet planning guide | TX-4-003-614 | United States Copyright Office | Registered |
| The Container Store, Inc. | The Container Store guide for beautiful bows | TX-4-279-311 | United States Copyright Office | Registered |
| The Container Store, Inc. | The Container Store packing & shipping guide | TX-4-315-056 | United States Copyright Office | Registered |
| The Container Store, Inc. | The Container Store -- we'll help you organize your closet for spring -- for free | TX-4-315-057 | United States Copyright Office | Registered |
| The Container Store, Inc. | The Container Store clothing storage and protection guidelines | TX-3-834-371 | United States Copyright Office | Registered |
| The Container Store, Inc. | The Container Store steps to organize space | TX-3-834-373 | United States Copyright Office | Registered |
| The Container Store, Inc. | The Container Store holiday gift ideas | TX-3-834-374 | United States Copyright Office | Registered |
| The Container Store, Inc. | The Container Store, organization university : guide for college-bound students | TX-2-970-414 | United States Copyright Office | Registered |
| The Container Store, Inc. | We've sheared 40 to 50% off our spring closet sale -- the Container Store | TX-4-315-059 | United States Copyright Office | Registered |
| The Container Store, Inc. | Why we're your best source for Christmas gifts! The Container Store | TX-4-315-062 | United States Copyright Office | Registered |

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EXHIBIT B

List of Patents

Patent Registrations and Patent Applications

| Owner | Patent | Reg. No. / Serial No. | Filing Jurisdiction | Status |
|---------------------------|--|----------------------------------|--------------------------------|---------------|
| The Container Store, Inc. | Computer Supported Retail Shopping Systems and Methods | 11/450,746 | USPTO | Application |

EXHIBIT C

List of Trademarks

Trademark Registrations and Trademark Applications

| Owner | Mark | Registration # | Filing Jurisdiction | Status |
|---------------------------|--|-----------------------|----------------------------|-------------------------|
| The Container Store, Inc. | HOLIDAY GIFT BOX TO GO | 78-659495 | USPTO | Abandoned |
| The Container Store, Inc. | LIFE'S MORE FUN WHEN YOU'RE ORGANIZED | 78-630709 | USPTO | Allowed - Intent to use |
| The Container Store, Inc. | GOSHOP! | 3259305 | USPTO | Registered |
| The Container Store, Inc. | LIFE'S LITTLE PLEASURES ORGANIZED | 3231091 | USPTO | Registered |
| The Container Store, Inc. | WHO SAYS A STORE CAN'T CHANGE YOUR LIFE | 2790892 | USPTO | Registered |
| The Container Store, Inc. | WHO SAYS A TRASH CAN CAN'T MAKE YOU SMILE | 2790891 | USPTO | Registered |
| The Container Store, Inc. | COLLEGE NIGHT EVENT | 76-439764 | USPTO | Abandoned |
| The Container Store, Inc. | BRINGING BEAUTY, EASE AND ORDER TO YOUR HOME | 76-429199 | USPTO | Abandoned |
| The Container Store, Inc. | BRINGING BEAUTY, EASE AND ORDER TO YOUR HOME | 76-429400 | USPTO | Abandoned |
| The Container Store, Inc. | ORGANIZE BEFORE YOU ITEMIZE | 2672077 | USPTO | Registered |
| The Container Store, Inc. | GIFT WRAP WONDERLAND | 2695250 | USPTO | Registered |
| The Container | THE NEATEST SITE | 2517359 | USPTO | Registered |

| Owner | Mark | Registration # | Filing Jurisdiction | Status |
|---------------------------|---|----------------|---------------------|--------------------|
| Store, Inc. | ON THE WEB | | | |
| The Container Store, Inc. | FURNITURE FOR LIVING | 75-761664 | USPTO | Abandoned |
| The Container Store, Inc. | THE ORIGINAL STORAGE AND ORGANIZATION STORE | 2486687 | USPTO | Registered |
| The Container Store, Inc. | THE CONTAINER STORE | 2470015 | USPTO | Registered |
| The Container Store, Inc. | CEDAR SPICE | 75-108056 | USPTO | Abandoned |
| The Container Store, Inc. | HERBAL CUCUMBER | 2077172 | USPTO | Renewed |
| The Container Store, Inc. | THE CONTAINER STORE | 1940914 | USPTO | Renewed |
| The Container Store, Inc. | ORGANIZED STATE | 1920441 | USPTO | Cancelled - Sec 8 |
| The Container Store, Inc. | TIMBERLINE | 74-536652 | USPTO | Abandoned |
| The Container Store, Inc. | CEDAR SPICE | 74-536653 | USPTO | Abandoned |
| The Container Store, Inc. | MEADOW FLOWERS | 2029125 | USPTO | Registered |
| The Container Store, Inc. | EVENING GARDEN | 1930314 | USPTO | Renewed |
| The Container Store, Inc. | BLUE WATERS | 1930313 | USPTO | Renewed |
| The Container Store, Inc. | THE CONTAINER STORE | 1911969 | USPTO | Renewed |
| The Container Store, Inc. | FOR THE NATURAL ORDER OF THINGS | 1843315 | USPTO | Cancelled - Sec. 8 |
| The Container Store, Inc. | SMARTROOM | 1824751 | USPTO | Cancelled - Sec. 8 |
| The Container | THE CONTAINER | 1713572 | USPTO | Renewed |

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| Owner | Mark | Registration # | Filing Jurisdiction | Status |
|---------------------------|--|-----------------------|----------------------------|---------------|
| Store, Inc. | STORE | | | |
| The Container Store, Inc. | THE ORGANIZATION ORGANIZATION | 74-124492 | USPTO | Abandoned |
| The Container Store, Inc. | BIN IT BOX IT RACK IT BAG IT STACK IT TIN IT BOTTLE IT SHELF IT CAN IT SACK IT TRASH IT HANG IT HOOK IT STORE IT | 1699573 | USPTO | Renewed |
| The Container Store, Inc. | CONTAIN IT | 1373124 | USPTO | Registered |
| The Container Store, Inc. | CONTAIN IT | 1373123 | USPTO | Renewed |
| The Container Store, Inc. | CONTAIN YOURSELF! | 1257975 | USPTO | Renewed |
| The Container Store, Inc. | THE CONTAINER STORE | 1164143 | USPTO | Renewed |

Domain Names:

| | |
|------------------------|----------------------------|
| www.containerstore.com | organizedit.net |
| thecontainerstore.us | organizedit.com |
| containerstore.us | organizedit.org |
| containerstore.org | elfanorthamerica.com |
| containerstore.net | elfanorthamerica.net |
| thecontainerstore.com | elfamarketing.org |
| containerstore.biz | elfamarketing.net |
| thecontainerstore.biz | elfanorthamerica.org |
| thecontainerstore.info | elfamarketing.com |
| containorstore.com | containerstore.co.uk |
| contanerstore.com | thecontainerstore.co.uk |
| contianerstore.com | containerstore.ca |
| containerstore.info | thecontainerstore.ca |
| containerstore.cc | 1equals3.net |
| containerstore.com | 1equals3.org |
| container-store.com | 1equals3.us |
| container-stores.com | 1equals3.com |
| containermore.com | storageandorganization.com |
| containerandmore.com | storageandorganization.net |
| containersnmore.com | storageandorganization.org |

License Agreements:

Purchase Agreement, as of April 19, 2006 (effective January 1, 2006), by and among Design Ideas, Limited, The Container Store, Inc. and Elfa International AB with respect to the purchase by The Container Store and Elfa International AB of certain licensed products and intellectual property from Design Ideas, Limited.

Advanced Visual Technology Limited Software License Agreement executed October 13, 2006 between The Container Store, Inc. and Advanced Visual Technology Limited.

Aspect Loss Prevention, LLC Software License Agreement dated May 23, 2006 between Aspect Loss Prevention, LLC and The Container Store, Inc.

Letter Agreement between John Galt Solutions, Inc. and The Container Store, Inc. with respect to software license.

Select License Agreement, effective as of February 6, 2006, between Microsoft Licensing, GP and The Container Store, Inc. with respect to software license.

Tax Service Agreement between Ceridian Corporation and The Container Store, Inc. dated November 18, 2005 in connection with certain proprietary software.

License Agreement, dated as of January 1, 2003, between The Container Store, Inc. and Cheetah Mail.

Performance Marketing Agreement dated as of October 16, 2001 between Performics, Inc. and The Container Store, Inc. with respect to placement of advertisements and other marketing of products at the website www.containerstore.com.

Range Online Media, Inc. Master Service Agreement between Range Online Media, Inc. and The Container Store, Inc.

Kronos Sales, Software License and Services Agreement between Kronos Incorporated and The Container Store, Inc. dated as of June 28, 2007.

SCHEDULE I

Guarantors

TCS Holdings, Inc.
TCS Gift Card Services, LLC

SCHEDULE I

Guarantors

TCS Holdings, Inc.
TCS Gift Card Services, LLC

Schedule I

Guarantors

TCS HOLDINGS, INC.

Schedule I-1

[Intellectual Property Security Agreement]