

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

<b>In re:</b>	§	
	§	<b>Chapter 11</b>
<b>THE CONTAINER STORE GROUP, INC.,</b>	§	
<b><i>et al.</i>,<sup>1</sup></b>	§	<b>Case No. 24-90627 (APR)</b>
	§	
<b>Debtors.</b>	§	<b>(Jointly Administered)</b>

**APPELLANT’S STATEMENT OF THE ISSUES AND  
DESIGNATION OF ITEMS FOR RECORD ON APPEAL**

Pursuant to Federal Rule of Bankruptcy Procedure 8009(a)(1), Kevin M. Epstein, United States Trustee for Region 7, by and through undersigned counsel, hereby submits his statement of the issues presented and items to be included in the record on appeal of two orders of the bankruptcy court entered at docket number 81 (the “Solicitation Order”<sup>2</sup>) and docket number 181 (the “Confirmation Order”<sup>3</sup>). *See* Notice of Appeal, ECF No. 209.

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<sup>1</sup> The Debtors in these cases, together with the last four digits of each Debtor’s taxpayer identification number, are: The Container Store Group, Inc. (5401); The Container Store, Inc. (6981); C Studio Manufacturing Inc. (4763); C Studio Manufacturing LLC (5770); and TCS Gift Card Services, LLC (7975). The Debtors’ mailing address is 500 Freeport Parkway, Coppell, TX 75019.

<sup>2</sup> The full title of this Order is *Order (I) Scheduling Combined Hearing To Consider (A) Final Approval of Disclosure Statement, (B) Approval of Solicitation Procedures and Form Of Ballot, and (C) Confirmation of Plan; (II) Establishing an Objection Deadline To Object To Disclosure Statement and Plan; (III) Approving The Form and Manner of Notice of Combined Hearing, Objection Deadline, and Notice of Commencement; (IV) Approving Notice and Objection Procedures for the Assumption or Rejection of Executory Contracts and Unexpired Leases; (V) Conditionally Waiving Requirement of Filing Schedules of Assets and Liabilities, Statements of Financial Affairs, and 2015.3 Reports; (VI) Conditionally Waiving Requirement To Convene the Section 341 Meeting of Creditors; (VII) Conditionally Approving the Disclosure Statement; and (VIII) Granting Related Relief.*

<sup>3</sup> The full title of this Order is *Order (I) Approving Debtors’ Disclosure Statement And (II) Confirming First Amended Prepackaged Joint Plan of Reorganization of The Container Store Group, Inc. and Its Debtor Affiliates Under Chapter 11 of The Bankruptcy Code.*



### **Issues on Appeal**

The issues presented by this appeal are:

1. Did the bankruptcy court err by entering the Confirmation Order because it released claims against non-debtor third parties belonging to holders of claims against the debtors and holders of interests in the debtors without their affirmative consent to those third-party releases.
2. Did the bankruptcy court err by entering an injunction in the Confirmation Order barring anyone from commencing or continuing any proceeding on a released claim.
3. Did the bankruptcy court err by entering an injunction in the Confirmation Order requiring bankruptcy court authorization before anyone can commence or pursue a released claim.
4. Is the Confirmation Order's approval of a chapter 11 plan with these third-party release and injunction provisions impermissible under *Harrington v. Purdue Pharma L.P.*, 603 U.S. 204, 209, 227 (2024)—which held bankruptcy courts cannot confirm a chapter 11 plan that imposes nonconsensual releases of, or injunctions barring, claims between non-debtors—because the failure to opt out does not make them consensual.
5. Did the bankruptcy court err in approving the Solicitation Order that, among other things, approved the dissemination of materials relating to the plan, including the ballots, non-voting notices, and opt-out forms.
6. Did the bankruptcy court err in waiving the automatic stay of the Confirmation Order under Bankruptcy Rule 3020(e)?

**Items to be Included in the Record on Appeal**

<b>Title</b>	<b>Date</b>	<b>Docket No.</b>
Docket Sheet for Case No. 24-90627		
Chapter 11 Voluntary Petition Non-Individual Fee Amount \$1738 Filed by The Container Store Group, Inc.	12/22/20	1
Declaration re: Declaration of Chad E. Coben, Chief Restructuring Officer, in Support of Chapter 11 Petitions and First Day Motion (Attachments #1 Exhibit A #2 Exhibit B)	12/22/24	6
Emergency Motion of Debtors for Entry of Order (I) Scheduling Combined Hearing to Consider (A) Final Approval of Disclosure Statement (B) Approval of Solicitation Procedures and Form of Ballot, and (C) Confirmation of Plan; (II) Establishing an Objection Deadline to Object to Disclosure Statement and Plan; (III) Approving the Form and Manner of Notice of Combined Hearing, Objection Deadlines, and Notice of Commencement; (IV) Approving Notice of Objection Procedures for the Assumption or Rejection of Executory Contracts and Unexpired Leases; (V) Conditionally Waiving Requirement of Filing Schedule of Assets and Liabilities, Statement of Financial Affairs, and 2015.3 Reports; (VI) Conditionally Waiving Requirements to Convene the Section 341 Meeting of Creditors; (VII) Conditionally Approving the Disclosure Statement and (VIII) Granting Related Relief (Attachments: #1 Proposed Order)	12/23/24	17
Disclosure Statement Filed by The Container Store Group, Inc.	12/23/24	18
Chapter 11 Plan of Reorganization Filed by The Container Store Group, Inc.	12/23/24	19
Witness List, Exhibit List (Filed by The Container Store Group, Inc.) (Attachments: Exhibits 1-16)	12/23/24	26
Order of Joint Administration Signed on 12/23/2024.	12/23/24	36
Order Granting Complex Case Treatment Signed on 12/23/2024.	12/23/24	37
Certificate of Service re: Solicitation Materials Served on December 21, 2024	12/23/24	51
SEALED Document with four attachments	12/23/24	58

Order (1) Scheduling Combined Hearing to Consider (A) Final Approval of Disclosure Statement, (B) Approval of Solicitation Procedures and Form of Ballot, and (C) Confirmation of Plan; (II) Establishing an Objection Deadline to Object to Disclosure Statement and Plan; (III) Approving the Form and Manner of Notice of Combined Hearing, Objection Deadlines, and Notice of Commencement; (IV) Approving Notice of Objection Procedures for the Assumption or Rejection of Executory Contracts and Unexpired Leases; (V) Conditionally Waiving Requirement of Filing Schedule of Assets and Liabilities, Statement of Financial Affairs, and 2015.3 Reports; (VI) Conditionally Waiving Requirements to Convene the Section 341 Meeting of Creditors; (VII) Conditionally Approving the Disclosure Statement and (VIII) Granting Related Relief, Signed on 12/23/24	12/23/24	81
Transcript RE: First Day Motion Hearings held on December 23, 2024 before Judge Alfredo R. Perez.	12/26/24	94
Certificate of Service of Darlene S. Calderon re: Solicitation Materials Served On or Before December 27, 2024	01/03/25	116
Affidavit Re: Publication of the notice of (1) Commencement of Chapter 11 Cases (II) Combined Hearing on Disclosure Statement, Prepackaged Joint Chapter 11 Plan, and Related Matters, and (III) Objection Deadlines	01/03/25	117
Notice of Filing of Plan Supplement to the Prepackaged Joint Plan of Reorganization of The Container Store Group, Inc. and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code.	01/14/25	132
United States Trustee's Objection of Confirmation of Plan	01/20/25	150
SEC's Objection (Limited) to Confirmation of the Prepackaged Joint Plan of Reorganization.	01/21/25	152
Declaration re: Declaration of Chade E. Coben in Support of (I) Approval of the Disclosure Statement and (II) Confirmation of the First Amended Prepackaged Joint Plan of Reorganization of The Container Store Group, Inc. and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code.	01/23/25	162
Declaration re: Declaration of Adam Dunayer in Support of (I) Approval of the Disclosure Statement and (II) Confirmation of the First Amended Prepackaged Joint Plan of Reorganization of The Container Store Group, Inc. and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code.	01/23/25	163

Declaration re: Declaration of Darlene S. Calderon Regarding the Solicitation and Tabulation of Votes on Prepackaged Joint Plan of Reorganization of The Container Store Group, Inc. and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code.	01/23/25	164
First Amended Chapter 11 Plan Filed by The Container Store Group, Inc.	01/23/25	165
Proposed Order RE: (I) Approving Debtors' Disclosure Statement and (II) Confirming First Amended Prepackaged Joint Plan of Reorganization of The Container Store Group, Inc. and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code.	01/23/25	166
Debtors' Brief in Support of Confirmation	01/23/25	167
Notice of filing of Redlines of First Amended Plan and Proposed Confirmation Order.	01/23/25	168
Notice of Filing of First Amended Plan Supplement to the Prepackaged Joint Plan of Reorganization of The Container Store Group, Inc. and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code.	01/23/25	170
Witness List, Exhibit List (Filed by The Container Store Group, Inc. (Attachments Exhibits 1-21))	01/23/25	171
Proposed Order RE: (I) Approving Debtors' Disclosure Statement and (II) Confirming First Amended Prepackaged Joint Plan of Reorganization of The Container Store Group, Inc. and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code.	01/24/25	177
Notice of Filing Redline of Revised Proposed Confirmation Order	01/24/25	178
Declaration re: Supplemental Declaration of Darlene S. Calderon Regarding the Solicitation and Tabulation of Votes on Prepackaged Joint Plan of Reorganization of The Container Store Group, Inc. and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code.	01/24/25	179
Order (I) Approving Debtors' Disclosure Statement and (II) Confirming First Amended Prepackaged Joint Plan of Reorganization of The Container Store Group, Inc. and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code. Signed on 1/24/2025.	01/24/25	181

Notice of Filing of Second Amended Plan Supplement to the First Amended Prepackaged Joint Plan of Reorganization of The Container Store Group, Inc. and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code.	01/27/25	194
Transcript RE: Confirmation Hearing held on January 24, 2025 before Judge Alfredo R. Perez.	01/28/25	201
United States Trustee's Notice of Appeal	2/3/25	209
United States Trustee's Emergency Motion for a Stay of Confirmation Order Pending Appeal	2/3/25	210

Date: February 3, 2025

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