UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **June 26, 2006**

Commission File Number	Registrant, State of Incorporation Address and Telephone Number	I.R.S. Employer Identification No.
333-42427	**J. CREW GROUP, INC.** **(Incorporated in Delaware)** **770 Broadway** **New York, New York 10003** **Telephone: (212) 209-2500**	**22-2894486**
333-42423	**J. CREW OPERATING CORP.** **(Incorporated in Delaware)** **770 Broadway** **New York, New York 10003** **Telephone: (212) 209-2500**	**22-3540930**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrants under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into Material Definitive Agreements

On June 26, 2006, J. Crew Group, Inc. (the “Company”), J.Crew Operating Corp. (“Operating”) and certain of their direct and indirect subsidiaries entered into Amendment No. 4 (the “Amendment”) to the Amended and Restated Loan and Security Agreement, dated December 23, 2004 (the “Revolving Credit Agreement”) with Wachovia Bank, National Association, as administrative agent and collateral agent, and the lenders party thereto (the “Revolver Lenders”). The Amendment provides the consent of the Revolver Lenders to the Company’s proposed initial public offering, the redemption of the Company’s outstanding preferred stock and the related transactions described in the Company’s Amendment No. 8 to the Registration Statement on Form S-1 (File No. 333-127628) filed on June 22, 2006. In addition, the Amendment revises the covenant contained the Revolving Credit Agreement that restricts annual capital expenditures by the Company and its subsidiaries to conform to the restrictions contained in the Credit and Guaranty Agreement dated as of May 15, 2006 among Operating, as borrower, the Company and certain of Operating’s direct and indirect subsidiaries, as guarantors, Goldman Sachs Credit Partners L.P, as administrative agent and collateral agent, and the lenders party thereto. A copy of the Amendment is attached hereto as Exhibit 10.1.

Item 5.05 Amendments to the Registrant’s Code of Ethics, or Waiver of a Provision of the Code of Ethics.

The Board of Directors of the Company adopted a new Code of Business Conduct and Ethics (the “Code”). The Code applies to all the Company’s employees, directors and officers, including its principal executive officer, principal financial officer and controller.

The Code provides additional detail with respect to the information it contains, and, among other changes, has been updated to meet the requirements of the New York Stock Exchange, Inc. on which the Company has listed its common stock. A copy of the Code is available upon written request as provided in the Company’s most recently filed Form 10-K and is filed as Exhibit 14 to this Form 8-K.

Item 7.01 Press Release Issued By the Company

On June 27, 2006, the Company issued a press release announcing the pricing of the initial public offering of its Common Stock. The Company is furnishing a copy of the press release hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

10.1 Amendment No. 4 dated June 26, 2006 to the Amended and Restated Loan and Security Agreement dated December 23, 2004 among Operating and certain of Operating’s direct and indirect subsidiaries, as borrowers, the Company and J. Crew International, Inc., as guarantors, Wachovia Bank, National Association, as administrative agent and collateral agent, and the lenders party thereto.

14 J. Crew Group, Inc. Code of Business Conduct and Ethics.

99.1 Press Release issued by J. Crew Group, Inc. on June 27, 2006.

Certain statements herein are “forward-looking statements” made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements reflect the current expectations or beliefs of the Company concerning future events and actual results of operations may differ materially from historical results or current expectations. Any such forward-looking statements are subject to various risks and uncertainties, including the strength of the economy, changes in the overall level of consumer spending or preferences in apparel, the performance of the Company’s products within the prevailing retail environment, trade restrictions, political or financial instability in countries where the Company’s goods are manufactured, postal rate increases, paper and printing costs, availability of suitable store locations at appropriate terms and other factors which are set forth in The Company’s Form 10-K and in all filings with the Securities and Exchange Commission made by the Company subsequent to the filing of the Form 10-K. The Company does not undertake to publicly update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

J. CREW GROUP, INC.

By: /S/ JAMES S. SCULLY
Name: James S. Scully
Title: Executive Vice President and Chief Financial Officer

Date: June 29, 2006

EXHIBIT INDEX

10.1	Amendment No. 4 dated June 26, 2006 to the Amended and Restated Loan and Security Agreement dated December 23, 2004 among J.Crew Operating Corp. and certain of its direct and indirect subsidiaries, as borrowers, J. Crew Group, Inc. and J. Crew International, Inc., as guarantors, Wachovia Bank, National Association, as administrative agent and collateral agent, and the lenders party thereto.
14.	J. Crew Group, Inc. Code of Business Conduct and Ethics.
99.1	Press Release issued by J. Crew Group, Inc. on June 27, 2006.

Exhibit 10.1

[Execution]

AMENDMENT NO. 4 TO
AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT

AMENDMENT NO. 4 TO AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT ("Amendment No. 4"), dated as of June 26, 2006, by and among J. Crew Operating Corp., a Delaware corporation ("Operating"), J. Crew Inc., a New Jersey corporation ("J. Crew"), Grace Holmes, Inc., a Delaware corporation doing business as J. Crew Retail ("Retail"), H.F.D. No. 55, Inc., a Delaware corporation doing business as J. Crew Factory ("Factory", and together with J. Crew, Retail and Operating, each individually a "Borrower" and collectively, "Borrowers"), J. Crew Group, Inc., a Delaware corporation ("Parent"), Madewell Inc., a Delaware corporation ("Madewell") and J. Crew International, Inc., a Delaware corporation ("JCI", and together with Parent and Madewell, each individually a "Guarantor" and collectively, "Guarantors"), the parties from time to time to the Loan Agreement (as hereinafter defined) as lenders (each individually, a "Lender" and collectively, "Lenders") and Wachovia Bank, National Association, successor by merger to Congress Financial Corporation, a national banking association, in its capacity as administrative agent and collateral agent for Lenders pursuant to the Loan Agreement (in such capacity, "Agent").

W I T N E S S E T H:

WHEREAS, Agent, Lenders, Borrowers and Guarantors have entered into financing arrangements pursuant to which Agent and Lenders have made and may make loans and advances and provide other financial accommodations to Borrowers as set forth in the Amended and Restated Loan and Security Agreement, dated December 23, 2004, by and among Agent, Lenders, Borrowers and Guarantors, as amended by Amendment No. 1 to Amended and Restated Loan and Security Agreement dated as of October 10, 2005, Amendment No. 2 to Amended and Restated Loan and Security Agreement dated as of May 15, 2006 and Amendment No. 3 to Amended and Restated Loan and Security Agreement dated as of May 15, 2006 (as the same is amended and supplemented hereby and may hereafter be further amended, modified, supplemented, extended, renewed, restated or replaced, the "Loan Agreement") and the agreements, documents and instruments at any time executed and/or delivered in connection therewith or related thereto (collectively, together with the Loan Agreement, the "Financing Agreements");

WHEREAS, Parent intends to effect a 1.935798 for 1 split of its common stock, in the form of a stock dividend, to each holder of common stock of Parent (the "Parent Stock Split" as hereinafter further defined);

WHEREAS, Parent intends to issue shares of common stock of Parent to the public (the "Public Offering" as hereinafter further defined);

WHEREAS, TPG Partners II, L.P., TPG Parallel II, L.P. and TPG Investors II, L.P. (collectively, "TPG") have agreed to purchase shares of common stock of Parent with an

aggregate purchase price equal to approximately $73,500,000 (the "TPG Stock Purchase" as hereinafter further defined) to be paid for with the Series A Preferred Stock (as hereinafter defined) owned by TPG;

WHEREAS, TPG, TPG 1999 Equity II, L.P. ("TPG 1999") and Parent intend to enter into a Registration Rights Agreement (the "TPG Registration Rights Agreement" as hereinafter further defined);

WHEREAS, Parent intends to pay all accrued dividends and redeem all of the liquidation preference under its Series A Preferred Stock (as hereinafter defined) and its Series B Preferred Stock (as hereinafter defined) for an aggregate purchase price not to exceed $435,000,000, using a portion of the net proceeds of the Public Offering and the Public Offering Over-Allotment, additional loans under the Term Loan Credit Facility ("Incremental Term Loans" as hereinafter further defined), the purchase price for the TPG Stock Purchase and other funds available to Parent or Operating for such purpose to the extent not prohibited under the Financing Agreements;

WHEREAS, TPG-MD Investment, LLC, an entity controlled by TPG or its affiliates and Millard S. Drexler ("TPG-MD" as hereinafter further defined), has agreed to convert the 5.0% Notes (as hereinafter defined) to common stock of Parent in the amount of $3.52 per share, subject to certain dilution adjustments;

WHEREAS, in connection with the transactions described above, Borrowers and Guarantors have requested that Agent and Lenders consent thereto and agree to certain amendments to the Financing Agreements; and

WHEREAS, Agent and Lenders are willing to so consent and agree to such amendments to the extent, and subject to, the terms and conditions set forth herein.

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

Section 1. Definitions.

1.1 Additional Definitions. As used herein, the following terms shall have the respective meanings given to them below and the Loan Agreement shall be deemed and is hereby amended to include, in addition and not in limitation of, each of the following definitions:

(a) "Amendment No. 4" shall mean this Amendment No. 4 to Amended and Restated Loan and Security Agreement, dated as of June 26, 2006, by and among Agent, Lenders, Borrowers and Guarantors, as the same now exists and may hereafter be further amended, modified, supplemented, extended, renewed, restated or replaced.

(b) "5.0% Note Conversion" shall mean the conversion by TPG-MD of the 5.0% Notes to Capital Stock of Parent in the amount of $3.52 of principal of the Indebtedness evidenced by such notes, subject to certain dilution adjustments, for each share of common stock of Parent pursuant to the 5.0% Note Conversion Documents.

(c) "5.0% Note Conversion Documents" shall mean, collectively, the Credit Agreement, dated as of February 4, 2003, by and among TPG-MD, as lender, Operating, as borrower, and Parent, J. Crew, Retail, Factory and JCI, as guarantors, as amended by Amendment No. 1 to Credit Agreement dated as of November 21, 2004, and all other agreements, documents and instruments related thereto, as the same now exist or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced.

(d) "5.0% Note Conversion Effective Date" shall mean the date on which the 5.0% Note Conversion has been consummated.

(e) "5.0% Notes" shall mean, collectively, the 5.0% Notes Payable due 2008 issued by Operating payable to TPG-MD in the aggregate original principal amount of $20,000,000, as the same now exist or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced.

(f) "Incremental Term Loans" shall mean the term loans made to Operating pursuant to the exercise by Operating of the option to establish new term loan commitments, in an aggregate amount not in excess of $100,000,000, under and in accordance with the provisions of, the Term Loan Agreement.

(g) "Parent Stock Split" shall mean the 1.935798 for 1 split of common stock by Parent, in the form of a stock dividend, to each holder of common stock, consummated on or before the Public Offering Closing Date.

(h) "Preferred Stock" shall mean, collectively, the Series A Preferred Stock and the Series B Preferred Stock.

(i) "Preferred Stock Paying Agent" shall mean the Person acting as paying agent pursuant to the Preferred Stock Redemption Documents.

(j) "Preferred Stock Redemption Date" shall mean the date on which the transactions contemplated by the Preferred Stock Redemption Documents have been consummated, and all outstanding Preferred Stock shall have been redeemed and/or cancelled.

(k) "Preferred Stock Redemption Documents" shall mean, collectively, the notices of redemption to be issued in connection with the payment of accrued dividends and the redemption of the liquidation preference under the Preferred Stock, and all other agreements, documents and instruments related thereto, as the same now exist or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced.

(l) "Public Offering" shall mean the issuance and sale by Parent of shares of its common stock to the public pursuant to the Public Offering Documents.

(m) “Public Offering Closing Date” shall mean the date on which the Public Offering closes, but in no event after July 28, 2006.

(n) “Public Offering Documents” shall mean, collectively, the Form S-1 Registration Statement filed with the Securities and Exchange Commission on August 17, 2005, the Amendment No. 1 to the Form S-1 Registration Statement filed with the Securities and Exchange Commission on September 23, 2005, the Amendment No. 2 to the Form S-1 Registration Statement filed with the Securities and Exchange Commission on October 11, 2005, the Amendment No. 3 to the Form S-1 Registration Statement filed with the Securities and Exchange Commission on October 31, 2005, the Amendment No. 4 to the Form S-1 Registration Statement filed with the Securities and Exchange Commission on December 22, 2005, the Amendment No. 5 to the Form S-1 Registration Statement filed with the Securities and Exchange Commission on May 17, 2006, the Amendment No. 6 to the Form S-1 Registration Statement filed with the Securities and Exchange Commission on June 13, 2006, the Amendment No. 7 to the Form S-1 Registration Statement filed with the Securities and Exchange Commission on June 13, 2006, the Amendment No. 8 to the Form S-1 Registration Statement filed with the Securities and Exchange Commission on June 21, 2006 and the other agreements, documents and instruments executed and delivered in connection therewith.

(o) “Public Offering Over-Allotment” shall mean the issuance and sale by Parent of additional shares of its common stock pursuant to the Public Offering Documents as in effect on the date hereof, within thirty (30) days of the date of the underwriting agreement to be entered into among Parent and the several underwriters named therein in connection with the Public Offering.

(p) “Series A Preferred Stock” shall mean the 14 1/2% Cumulative Preferred Stock issued by Parent with an approximate $92,800,000 liquidation value.

(q) “Series B Preferred Stock” shall mean the 14 1/2% Cumulative Redeemable Preferred Stock issued by Parent with a $32,500,000 liquidation value.

(r) “TPG-MD” shall mean TPG-MD Investment, LLC, a Delaware limited liability company, and its successors and assigns.

(s) “TPG Registration Rights Agreement” shall mean the Registration Rights Agreement, to be dated the Public Offering Closing Date, by and between TPG, TPG 1999 and Parent, as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced.

(t) “TPG Stock Purchase” shall mean the purchase by TPG of common stock of Parent with an aggregate purchase price equal to approximately $73,500,000.

(u) “TPG Stock Purchase Documents” shall mean, collectively, the Purchase Agreement, dated August 16, 2003, by and among Parent and TPG and all other agreements, documents and instruments related thereto, as the same now exist or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced.

(v) “Transactions” shall have the meaning set forth in Section 2.1 hereof.

1.2 Amendment to Definitions.

(a) As of the date hereof, all references to the term “Agreement” in the Loan Agreement and the other Financing Agreements shall be deemed and each such reference is hereby amended to mean the Loan Agreement as such term is defined herein.

(b) As of the date hereof, all references to the term “Financing Agreements” in the Loan Agreement and the other Financing Agreements shall be deemed and each such reference is hereby amended to include, in addition and not in limitation, this Amendment No. 4, and all other agreements documents and instruments at any time executed and/or delivered by any Borrower or Guarantor with, to or in favor of Agent, any Lender or any other person in connection with the Obligations.

(c) As of the date hereof, all references to the term “Term Loan Collateral Account” in the Loan Agreement and the other Financing Agreements shall be deemed and each such reference is hereby amended to mean the investment account which is a restricted account maintained by Operating with Term Loan Agent, an affiliate of Term Loan Agent or at a financial institution otherwise designated by Term Loan Agent into which Parent or Operating shall have deposited (1) proceeds of Incremental Term Loans under the Term Loan Credit Facility and proceeds of the Public Offering and, to the extent that the closing of the Public Offering Over-Allotment is consummated on the Public Offering Closing Date, proceeds of the Public Offering Over-Allotment in an aggregate amount which, together with other funds available to Parent or Operating for such purpose to the extent not prohibited under the Financing Agreements, is not less than the amount necessary to pay all accrued dividends and the redemption of all of the liquidation preference on all Preferred Stock that shall remain outstanding immediately following the Public Offering Closing Date (other than a portion of Series A Preferred Stock to be delivered as the payment for the purchase of common stock of Parent in connection with the TPG Stock Purchase), and (2) such amounts to be utilized for such purposes as expressly permitted under the Term Loan Intercreditor Agreement; and which investment account is established and used solely for the purpose of holding such proceeds and such other amounts and at all times shall be subject to the first priority perfected security interest of Term Loan Agent.

1.3 Interpretation. For purposes of this Amendment No. 4, all terms used herein, including those terms used or defined in the recitals hereto, shall have the respective meanings assigned thereto in the Loan Agreement.

Section 2. Consents.

2.1 Consent to Transactions. Subject to the terms and conditions contained herein, Agent and Lenders hereby consent to the following (collectively, the "Transactions" and individually a "Transaction"):

(a) the 5.0% Note Conversion;

(b) the Parent Stock Split;

(c) the execution and delivery by Parent of the TPG Registration Rights Agreement and the performance by Parent of its obligations thereunder;

(d) the issuance and sale by Parent of its Capital Stock in the Public Offering and Public Offering Over-Allotment pursuant to the Public Offering Documents;

(e) the payment of all accrued dividends and the redemption of all of the liquidation preference under the Preferred Stock by Parent on the Preferred Stock Redemption Date (other than a portion of Series A Preferred Stock to be delivered as the payment for the purchase of common stock of Parent in connection with the TPG Stock Purchase) pursuant to the Preferred Stock Redemption Documents, using a portion of the Net Cash Proceeds of the Public Offering and the Public Offering Over-Allotment, Incremental Term Loans under the Term Loan Credit Facility and other funds available to Parent or Operating for such purpose;

(f) the TPG Stock Purchase on the Preferred Stock Redemption Date pursuant to the TPG Stock Purchase Documents with payment for the purchase of common stock of Parent made by TPG by delivery of Series A Preferred Stock having an aggregate liquidation value equal to the purchase price of the common stock so purchased; and

(g) as of the Public Offering Closing Date, the deposit in the Term Loan Collateral Account by Parent or Operating of the Net Cash Proceeds from (1) the Public Offering, (2) to the extent that the closing of the Public Offering Over-Allotment is consummated on the Public Offering Closing Date, the Public Offering Over-Allotment, (3) Incremental Term Loans under the Term Loan Credit Facility and (4) other funds available to Parent or Operating for redemption of any Preferred Stock (other than a portion of Series A Preferred Stock to be delivered as the payment for the purchase of common stock of Parent in connection with the TPG Stock Purchase) to the extent not prohibited hereunder or under the other Financing Agreements, provided, that, the aggregate amount deposited into the Term Loan Collateral Account on the Public Offering Closing Date shall be equal to the amount necessary to prepay or redeem any Preferred Stock that shall remain outstanding immediately following the Public Offering Closing Date (after giving effect to the TPG Stock Purchase); and

(h) in the event that any funds remain in the Term Loan Collateral Account on the date that is forty-five (45) days after the Public Offering Closing Date that have not been transferred to the Preferred Stock Paying Agent to prepay or redeem such Preferred Stock, the

prepayment of principal of the Indebtedness under the Term Loan Documents with such funds or the payment of such funds to Operating.

2.2 Limitations. Nothing contained in Section 2.1 shall be construed to waive, modify or limit any of the representations, warranties and covenants with respect to any of the Transactions to the extent set forth in this Amendment No. 4.

Section 3. Amendments to Loan Agreement.

3.1 Indebtedness. As of the Public Offering Closing Date, Section 9.9(w)(i) of the Loan Agreement is hereby amended by substituting the phrase "three (3) Business Days'" in clause (A) of the proviso therein with "one (1) Business Day's".

3.2 Loans, Investments, Etc. As of the Public Offering Closing Date, Section 9.10 of the Loan Agreement is hereby amended by adding the following new subsection (n) at the end thereof:

> "(n) an intercompany loan by Operating to Parent on the Public Offering Closing Date with all or a portion of the Net Cash Proceeds of the Incremental Term Loans received by Operating under the Term Loan Credit Facility on the Public Offering Date;" provided, that, the Indebtedness arising pursuant to such loan shall be evidenced by a promissory note or other instrument, which shall, to the extent required under the terms of the Term Loan Agreement be promptly delivered to Term Loan Agent to hold on behalf of Agent subject to the terms of the Intercreditor Agreement or to Agent, and which note shall be unsecured and subordinated in right of payment to the payment in full in cash of the Obligations pursuant to the terms of such promissory note or an intercompany subordinated agreement that, in any such case, is satisfactory to Agent."

3.3 Restricted Payments. As of the Public Offering Closing Date, Section 9.11 of the Loan Agreement is hereby amended by adding the following new subsection (k) at the end thereof:

> "(k) Operating may, on the Public Offering Closing Date, declare and pay a dividend to Parent using all or a portion of the Net Cash Proceeds received by Operating in respect of the Incremental Term Loans under the Term Loan Credit Facility; provided, that, all of the proceeds thereof shall be used by Parent (i) for the payment of accrued dividends and the redemption of the Preferred Stock pursuant to the Preferred Stock Redemption Documents to the extent permitted hereunder, (ii) for payment of fees, premiums and expenses incurred in connection with the Transactions and/or (iii) to prepay Indebtedness under the Term Loan Documents after the transfer of proceeds to the Preferred Stock Paying Agent by Parent in an amount sufficient to redeem all of the outstanding Preferred Stock (other than a portion of Series A Preferred Stock to be delivered as the payment for the purchase of common stock of Parent in connection with the TPG Stock Purchase) pursuant to the Preferred Stock Redemption Documents."

3.4 Capital Expenditures. As of the consummation of the 5.0% Note Conversion, the transfer of proceeds to the Preferred Stock Paying Agent by Parent in an amount sufficient to redeem all of the outstanding Preferred Stock (other than a portion of Series A Preferred Stock to be delivered as the payment for the purchase of common stock of Parent in connection with the TPG Stock Purchase) pursuant to the Preferred Stock Redemption Documents, Section 9.19 of the Loan Agreement is hereby deleted in its entirety and the following substituted therefor:

"9.19 Capital Expenditures.

(a) Subject to the terms of Section 9.19(b) below, Borrowers and Guarantors shall not permit the aggregate amount of all Capital Expenditures of Borrowers and Guarantors during each period set forth on Schedule 9.19 hereto to exceed the amounts set forth on Schedule 9.19 hereto with respect to such period.

(b) To the extent that the actual amount of Capital Expenditures in any period set forth on Schedule 9.19 hereto shall be less than the amount otherwise permitted hereunder for such period, Capital Expenditures may be made in the immediately subsequent period in the amount of such excess (but in no event more than 50% of the amount for such previous period), in addition to the amount otherwise permitted hereunder for such subsequent period."

3.5 Schedule. As of the consummation of the 5.0% Note Conversion, the Public Offering and the transfer of proceeds to the Preferred Stock Paying Agent by Parent in an amount sufficient to redeem all of the outstanding Preferred Stock (other than a portion of Series A Preferred Stock to be delivered as the payment for the purchase of common stock of Parent in connection with the TPG Stock Purchase) pursuant to the Preferred Stock Redemption Documents, the Loan Agreement is hereby amended by adding a new Schedule 9.19, in the form of Exhibit A hereto.

Section 4. Additional Representations, Warranties and Covenants. In addition to the continuing representations, warranties and covenants heretofore or hereafter made by Borrowers and Guarantors to Agent and Lenders pursuant to the other Financing Agreements, each of Borrowers and Guarantors, jointly and severally, hereby represents, warrants and covenants with and to Agent and Lenders as follows (which representations, warranties and covenants are continuing and shall survive the execution and delivery hereof and shall be incorporated into and made a part of the Financing Agreements):

4.1 Due Execution; Non-Contravention.

(a) As of the date hereof, this Amendment No. 4 has been duly executed and delivered by all necessary action on the part of Borrowers and Guarantors and, if necessary, their respective stockholders, and is in full force and effect as of the date hereof and the agreements and obligations of Borrowers and Guarantors contained herein constitute legal, valid and binding obligations of Borrowers and Guarantors enforceable against Borrowers and Guarantors in accordance with their respective terms.

(b) As of the Public Offering Closing Date, the execution, delivery and performance of the Public Offering Documents, the 5% Note Conversion Documents, the TPG Registration Rights Agreement and all other agreements in connection with the Transactions and all of the Transactions (i) are all within each Borrower's and Guarantor's corporate or limited liability company powers, (ii) have been duly authorized, (iii) to Borrowers' and Guarantors' knowledge, are not in contravention of law or the terms of any Borrower's or Guarantor's certificate of incorporation, certificate of formation, by-laws, membership agreement or other organizational documentation, or any indenture, agreement or undertaking to which any Borrower or Guarantor is a party or by which any Borrower or Guarantor or its property are bound and (iv) will not result in the creation or imposition of, or require or give rise to any obligation to grant, any lien, security interest, charge or other encumbrance upon any property of any Borrower or Guarantor.

4.2 Public Offering. As of the Public Offering Closing Date, Borrowers shall deliver, or cause to be delivered to Agent, true, correct and complete copies of the agreements and documents issued or entered into by Borrowers and Guarantors in connection with the Public Offering (other than agreements and documents in connection with the Public Offering Over-Allotment). As of the closing date of the Public Offering Over-Allotment, Borrowers shall deliver, or cause to be delivered to Agent, true, correct and complete copies of the agreements and documents issued or entered into by Borrowers and Guarantors in connection with the Public Offering Over-Allotment. The Net Cash Proceeds of the Public Offering shall first be used for the redemption of the Preferred Stock pursuant to the Preferred Stock Redemption Documents on the Preferred Stock Redemption Date. Any Net Cash Proceeds of the Public Offering or the Public Offering Over-Allotment in excess of the amounts required for the foregoing shall be paid to Operating or applied to a mandatory prepayment of principal of the Indebtedness under the Term Loan Agreement.

4.3 Redemption of Preferred Stock. As of the Public Offering Closing Date, Parent has executed and delivered, or caused to be executed and delivered, a notice of redemption and any other documents that may be required under the terms of the Preferred Stock and taken such other actions as may be required thereunder in order for the Preferred Stock to be redeemed on the Preferred Stock Redemption Date pursuant to the Preferred Stock Redemption Documents. As of the Preferred Stock Redemption Date:

(a) The Preferred Stock Redemption Documents and the transactions contemplated thereunder shall have been duly executed, delivered and performed in accordance with their terms by the respective parties thereto on or prior to the Preferred Stock Redemption Date, using a portion of the Net Cash Proceeds of the Public Offering and the Public Offering Over-Allotment, Incremental Term Loans under the Term Loan Credit Facility, the purchase price for the TPG Stock Purchase and other funds available to Parent or Operating for such purpose, which shall not exceed $435,000,000 in the aggregate, including the fulfillment of all conditions precedent set forth therein and after giving effect thereto, Parent shall have redeemed all of the liquidation preference under the outstanding Preferred Stock, having an approximate liquidation value of $125,300,000 (before giving effect to the TPG Stock Purchase), and shall have

previously paid all accrued and unpaid dividends thereon, and all obligations and liabilities of Parent or any of the other Borrowers and Guarantors in respect thereof shall have been satisfied and performed and all of the Preferred Stock has been cancelled.

(b) All actions and proceedings required by the Preferred Stock Redemption Documents, applicable law and regulation shall have been taken and the transactions required thereunder had been duly and validly taken and consummated.

(c) No court of competent jurisdiction shall have issued any injunction, restraining order or other order which prohibits consummation of the transactions described in the Preferred Stock Redemption Documents and no governmental action or proceeding shall have been threatened or commenced seeking any injunction, restraining order or other order which seeks to void or otherwise modify the transactions described in the Preferred Stock Redemption Documents.

(d) Borrowers shall have delivered, or caused to be delivered, to Agent, true, correct and complete copies of the Preferred Stock Redemption Documents, and Agent shall have received evidence, in form and substance satisfactory to Agent, that all of the shares of the Preferred Stock have been redeemed and cancelled.

4.4 5.0% Note Conversion. As of the 5.0% Note Conversion Effective Date:

(a) The 5.0% Note Conversion Documents and the transactions contemplated thereunder shall have been duly executed, delivered and performed in accordance with their terms by the respective parties thereto, including the fulfillment of all conditions precedent set forth therein and after giving effect thereto, all of the outstanding 5.0% Notes shall have been exchanged for common stock of Parent and the Indebtedness and other obligations and liabilities of Operating or any of the other Borrowers and Guarantors in respect thereof shall have been satisfied and performed and all of the 5.0% Notes shall have been cancelled. No amounts shall have been paid by Operating or any of the other Borrowers or Guarantors in exchange for the 5.0% Notes.

(b) All actions and proceedings required by the 5.0% Note Conversion Documents, applicable law and regulation shall have been taken and the transactions required thereunder shall have been duly and validly taken and consummated.

(c) No court of competent jurisdiction shall have issued any injunction, restraining order or other order which prohibits consummation of the transactions described in the 5.0% Note Conversion Documents and no governmental action or proceeding shall have been threatened or commenced seeking any injunction, restraining order or other order which seeks to void or otherwise modify the transactions described in the 5.0% Note Conversion Documents.

(d) Borrowers shall have delivered, or caused to be delivered, to Agent, true, correct and complete copies of the 5.0% Note Conversion Documents.

4.5 TPG Stock Purchase. As of the date on which funds sufficient to redeem all of the then outstanding Preferred Stock (other than a portion of Series A Preferred Stock to be delivered as the payment for the purchase of common stock of Parent in connection with the TPG Stock Purchase) are transferred to the Preferred Stock Paying Agent by Parent:

(a) The TPG Stock Purchase Documents and the transactions contemplated thereunder shall have been duly executed, delivered and performed in accordance with their terms by the respective parties thereto, including the fulfillment of all conditions precedent set forth therein and after giving effect thereto, TPG shall have acquired common stock of Parent having an aggregate purchase price equal to approximately $73,500,000 in exchange for the delivery of Series A Preferred Stock of TPG having an aggregate liquidation value equal to the purchase price of such shares of common stock.

(b) All actions and proceedings required by the TPG Stock Purchase Documents, applicable law and regulation shall have been taken and the transactions required thereunder shall have been duly and validly taken and consummated.

(c) No court of competent jurisdiction shall have issued any injunction, restraining order or other order which prohibits consummation of the transactions described in the TPG Stock Purchase Documents and no governmental action or proceeding shall have been threatened or commenced seeking any injunction, restraining order or other order which seeks to void or otherwise modify the transactions described in the TPG Stock Purchase Documents.

(d) Borrowers shall have delivered, or caused to be delivered, to Agent, true, correct and complete copies of the TPG Stock Purchase Documents.

4.6 9¾% Notes. All of the 9¾% of Notes have been redeemed and there are no obligations (contingent or otherwise) outstanding in connection therewith.

4.7 Control Agreement. Each Borrower and Guarantor shall use its best efforts to provide Agent as soon as practicable Deposit Account Control Agreements and Investment Property Control Agreements for each of the deposit accounts and investment accounts of such Borrower and Guarantor, duly authorized, executed and delivered by the applicable Borrower or Guarantor and depository bank, securities intermediary or other institution.

Section 5. Conditions.

5.1 General. Subject to Sections 5.2, 5.3, 5.4 and 5.5 hereof, the effectiveness of each of the consents and amendments set forth in this Amendment No. 4 shall be subject to the satisfaction of each of the following conditions:

(a) Agent shall have received an original of this Amendment No. 4, duly authorized, executed and delivered by Borrowers and Guarantors;

(b) Agent shall have received all consents of Lenders required for the consents and amendments provided for herein;

(c) Agent shall have received evidence, in form and substance satisfactory to Agent, that Borrowers and Guarantors have obtained all necessary consents and approvals to the execution, delivery and performance of this Amendment No. 4 and to the Transactions, which are and shall remain in full force and effect; and

(d) after giving effect to each of the consents and amendments set forth herein, no Default or Event of Default shall exist or have occurred.

5.2 5.0% Note Conversion. The effectiveness of the consent set forth in Section 2.1(a) hereof shall be subject to the satisfaction of each of the following conditions:

(a) each of the conditions set forth in Section 5.1 hereof shall have been and shall be satisfied;

(b) Agent shall have received, in form and substance satisfactory to Agent, evidence that the 5.0% Note Conversion Documents have been duly authorized, executed and delivered by the parties thereto in accordance with their terms and the 5.0% Notes have been converted to common stock of Parent and cancelled;

(c) Agent shall have received the 5.0% Note Conversion Documents, which shall be in form and substance satisfactory to Agent; and

(d) each of the conditions set forth in this Section 5.2 hereof shall have been satisfied on or before July 28, 2006.

5.3 Parent Stock Split. The effectiveness of the consent set forth in Section 2.1(b) shall be subject to the satisfaction of each of the following conditions:

(a) each of the conditions set forth in Section 5.1 hereof shall have been and shall be satisfied;

(b) Agent shall have received, in form and substance satisfactory to Agent, evidence that the Parent Stock Split has been consummated;

(c) each of the conditions set forth in this Section 5.3 hereof shall have been satisfied on or before July 28, 2006.

5.4 TPG Registration Rights Agreement. The effectiveness of the consent set forth in Section 2.1(c) shall be subject to the satisfaction of each of the following conditions:

(a) each of the conditions set forth in Section 5.1 hereof shall have been and shall be satisfied;

(b) Agent shall have received the TPG Registration Rights Agreement, which shall be in form and substance satisfactory to Agent, duly authorized, executed and delivered by the parties thereto; and

(c) each of the conditions set forth in this Section 5.4 hereof shall have been satisfied on or before July 28, 2006.

5.5 Public Offering; Term Loan Collateral Account; Public Offering Over-Allotment. The effectiveness of the consents set forth in Sections 2.1(d), 2.1(g) and 2.1(h) shall be subject to the satisfaction of each of the following conditions:

(a) each of the conditions set forth in Sections 5.1, 5.2, 5.3 and 5.4 hereof shall have been and shall be satisfied;

(b) the aggregate Excess Availability of Borrowers as determined by Agent, as of the consummation of the 5.0% Note Conversion, the Public Offering and the transfer of proceeds to the Preferred Stock Paying Agent by Parent in an amount sufficient to redeem all of the outstanding Preferred Stock (other than a portion of Series A Preferred Stock to be delivered as the payment for the purchase of common stock of Parent in connection with the TPG Stock Purchase) pursuant to the Preferred Stock Redemption Documents, shall be not less than $35,000,000 after giving effect to each of the 5.0% Note Conversion, the Public Offering and the transactions contemplated by the Preferred Stock Redemption Documents;

(c) Agent shall have received, in form and substance satisfactory to Agent, evidence that proceeds of the Public Offering and, to the extent that the closing of the Public Offering Over-Allotment is consummated on the Public Offering Closing Date, the Public Offering Over-Allotment, Incremental Term Loans under the Term Loan Credit Facility and other funds available to Parent or Operating for such purpose to the extent not prohibited hereunder or under the Financing Agreement in an amount not less than the amount necessary to redeem any Preferred Stock that shall remain outstanding immediately following the Public Offering Closing Date (after giving effect to the TPG Stock Purchase), shall have been deposited into the Term Loan Collateral Account or otherwise directed to redeem the Preferred Stock;

(d) Agent shall have received, in form and substance satisfactory to Agent, evidence that the Public Offering has been consummated and that Parent has received Net Cash Proceeds from the issuance and sale of share of its common stock pursuant to the Public Offering;

(e) Agent shall have received each of the Public Offering Documents, which shall each be in form and substance satisfactory to Agent;

(f) each of the conditions set forth in this Section 5.5 shall have been satisfied by no later than July 28, 2006.

5.6 Preferred Stock Redemption; TPG Stock Purchase. The effectiveness of the consents set forth in Section 2.1(e) and 2.1(f) shall be subject to the satisfaction of each of the following conditions:

(a) each of the conditions set forth in Sections 5.1, 5.2, 5.3, 5.4 and 5.5 hereof shall have been and shall be satisfied;

(b) Agent shall have received, in form and substance satisfactory to Agent, evidence that the Preferred Stock Redemption Documents (other than correspondence with holders of Preferred Stock commencing after the date hereof) have been duly authorized, executed and delivered by the parties thereto in accordance with their terms;

(c) Agent shall have received each of the Preferred Stock Redemption Documents and the TPG Stock Purchase Documents, which shall each be in form and substance satisfactory to Agent; and

(d) each of the conditions set forth in this Section 5.6 shall have been satisfied by no later than July 28, 2006.

Section 6. Miscellaneous.

6.1 Effect of this Amendment. Except as modified pursuant hereto, no other changes or modifications to the Financing Agreements are intended or implied, and in all other respects, the Financing Agreements are hereby specifically ratified, restated and confirmed by all parties hereto as of effective date hereof. The Loan Agreement and this Amendment No. 4 shall be read and construed as one agreement. To the extent of conflict between the terms of this Amendment and the other Financing Agreements, the terms of this Amendment No. 4 shall control.

6.2 Further Assurances. The parties hereto shall execute and deliver such additional documents and take such additional actions as may be necessary, in the reasonable discretion of Agent, to effectuate the provisions and purposes of this Amendment No. 4.

6.3 Governing Law. The rights and obligations hereunder of each of the parties hereto shall be governed by and interpreted and determined in accordance with the laws of the State of New York without regard to principles of conflicts of law or other rule of law that would result in the application of the law of any jurisdiction other than the laws of the State of New York.

6.4 Binding Effect. This Amendment No. 4 shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and assigns.

6.5 Counterparts. This Amendment No. 4 may be executed in any number of counterparts, but all of such counterparts shall together constitute but one and the same agreement. In making proof of this Amendment No. 4, it shall not be necessary to produce or account for more than one counterpart thereof signed by each of the parties thereto. Delivery of an executed counterpart of this Amendment No. 4 by telefacsimile or other electronic means shall have the same force and effect as delivery of an original executed counterpart of this Amendment No. 4. Any party delivering an executed counterpart of this Amendment No. 4 by

telefacsimile or other electronic means also shall deliver an original executed counterpart of this Amendment No. 4, but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Amendment No. 4 as to such party or any other party.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 4 to be duly executed and delivered by their authorized officers as of the date and year first above written.

J. CREW OPERATING CORP.
J. CREW INC.
GRACE HOLMES, INC. d/b/a J. CREW RETAIL
H.F.D. NO. 55, INC. d/b/a J. CREW FACTORY
J. CREW GROUP, INC.
MADEWELL INC.

By: /s/ James S. Scully
Name: James S. Scully
Title: Executive Vice President
and Chief Financial Officer

J. CREW INTERNATIONAL, INC.

By: /s/ Nicholas P. Lamberti
Name: Nicholas P. Lamberti
Title: Vice President and Controller

[Signature Page to Amendment No. 4 to Amended and Restated Loan and Security Agreement]

[SIGNATURES CONTINUED FROM PRIOR PAGE]

WACHOVIA BANK, NATIONAL ASSOCIATION,
successor by merger to Congress Financial Corporation, as Agent and as Lender

By: /s/ Jason Searle

Title: Vice President

[Signature Page to Amendment No. 4 to Amended and Restated Loan and Security Agreement]

BANK OF AMERICA N.A.

By: /s/ Kathleen Dimock

Title: Managing Director

[Signature Page to Amendment No. 4 to Amended and Restated Loan and Security Agreement]

SIEMEN’S FINANCIAL SERVICES, INC.

By: /s/ Joseph Gerardi

Title: Vice President

[Signature Page to Amendment No. 4 to Amended and Restated Loan and Security Agreement]

THE CIT GROUP/BUSINESS CREDIT, INC.

By: /s/ Steve Schuitt

Title: Vice President

[Signature Page to Amendment No. 4 to Amended and Restated Loan and Security Agreement]

LASALLE RETAIL FINANCE, a division of Lasalle Business Credit, as agent for Standard Federal Bank National Association

By: /s/ Dan O'Rourke

[Signature Page to Amendment No. 4 to Amended and Restated Loan and Security Agreement]

EXHIBIT A TO
AMENDMENT NO.4 TO
AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT

Schedule 9.19

Capital Expenditures

Applicable Period	Capital Expenditures
Fiscal Year ending January 31, 2007	$70,000,000
Fiscal Year ending January 31, 2008	$80,000,000
Fiscal Year ending January 31, 2009	$90,000,000
Fiscal Year ending January 31, 2010	$100,000,000

Exhibit 14

Dated June 28, 2006

J. CREW GROUP, INC.

CODE OF ETHICS AND BUSINESS PRACTICES

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Introduction

Our Code of Ethics and Business Practices is intended to facilitate positive and productive interactions in every place we do business and, in general, it is the responsibility of all associates and Directors to always:

- Act professionally
- Treat customers, business partners and each other with respect and consideration
- Behave in an honest and ethical manner and act in good faith, responsibly and with due care, competence and diligence
- Ensure the accuracy and integrity of the Company's disclosures
- Comply with all applicable laws where we do business
- Refrain from disclosing or discussing confidential information
- Protect Company property and assets

Each of us here at J.Crew is responsible, both to ourselves and to each other, for ensuring that the highest standards of business conduct are upheld and encouraged. Negative issues typically can be avoided by exercising good judgment. All supervisory and management personnel, including all officers and Directors of the Company, have a special responsibility to lead according to the standards in this Code of Ethics and Business Practices, in both words and action.

If you are uncertain about what to do in a situation, stop and seek help by referring to the relevant section of this Code or speak with your manager or Human Resources. Compliance with the provisions of this Code is a condition of each associate's employment and any failure to follow these provisions could lead to corrective action, up to and including termination and possible civil and criminal charges.

All associates are required to sign the attached acknowledgement that they have read this Code, understand it and agree to observe it. In addition, the Chief Executive Officer, Chief Financial Officer and Controllers will be required at least annually to affirm, to the best of their knowledge, that they have complied with this Code, have no knowledge of any violation of this Code not previously reported and have not been requested to engage in any activity that would violate this Code.

Reporting Concerns

As part of our commitment to ethical and legal conduct, the Company expects all associates to report information regarding violations of this Code, Company policy or any federal, state or local laws or regulations, or any questionable accounting, auditing, financial reporting or internal controls matter. It is your responsibility to report any known or suspected violation promptly to any of the following:

- Your manager

- Human Resources
- Legal Department
- Loss Prevention Department or your RLPM

All reports will be treated confidentially to the extent reasonable and possible under the circumstances. Retaliation against associates reporting concerns in good faith is prohibited. If you feel uncomfortable doing so or believe that your concern has not been adequately addressed, you should report information to the Company's toll-free ethics hotline (888.388.8666) where you have the option to remain anonymous. Failure to report knowledge of wrongdoing may result in disciplinary action, including termination.

Waivers

The provisions of this Code may be waived only by the Chief Financial Officer, General Counsel or Senior Vice President of Human Resources or, where an executive officer or a Director is involved, by the Board of Directors or a Board Committee. The Company will disclose such waiver to the extent required by law or regulation. Among other things, all waivers granted to executive officers and Directors will be disclosed to the Company's stockholders.

Conduct in the Workplace

Associates are expected to uphold the highest standards of professionalism and integrity at all times. Conduct should be governed by sound judgment, consideration of others and respect for the Company and its property. We expect a respectful workplace with associates who are considerate of each other and who always act professionally. We have zero tolerance for any form of workplace violence or harassing, discriminatory or disrespectful behavior. These policies apply to our associates, Directors, applicants, customers, vendors and business partners.

Diversity

The society we live in is rich with the influences of different cultures. This diverse blending of backgrounds, beliefs and lifestyles is seen in our associates and customers. We place a high value on diversity and are committed to affirmatively providing equal opportunity to all associates and qualified applicants without regard to race, color, ancestry, national origin, religion, sex, marital status, age, sexual orientation, legally protected physical or mental disability or any other basis protected under applicable law. This policy guides all areas of our employment practices, including recruitment, hiring, compensation, training, promotions, transfers and terminations.

Discrimination and Harassment

Discrimination and harassment based on race, religion, gender, national origin, age, citizenship, sexual preference, marital status, disability or any other characteristic protected by federal, state or local laws are unlawful and will not be tolerated. Harassment includes slurs and any other offensive remarks, jokes and other graphic, verbal or physical conduct that could create an intimidating, offensive or hostile work environment or adversely affect employment opportunities. In addition, sexual harassment includes unwelcome sexual advances, requests for

sexual favors, physical, verbal, visual or electronic conduct of a sexual nature, and any other behavior that is not welcome and personally offensive, or creates an intimidating, offensive or hostile work environment or adversely affect employment opportunities.

All associates are responsible for promptly reporting any acts of discrimination or harassment that they become aware of to management or Human Resources so that appropriate steps can be taken to resolve the issue. We will promptly and expeditiously investigate all allegations of discrimination and harassment and will, where appropriate, take corrective action up to and including termination. We will also maintain confidentiality to the extent reasonable and possible under the circumstances. Retaliation against any associate who asserts a good faith discrimination or harassment claim or participates in an investigation is prohibited.

Workplace Violence

One of our primary goals is to provide all associates with a safe, secure workplace with zero tolerance for workplace violence, threats or intimidation against associates by anyone, including customers, vendors or other associates. Any act or threat of violence is serious. Any associate who physically or verbally threatens, harasses someone at or from the workplace, or otherwise puts any individual's safety or productivity at risk, will not be tolerated.

Alcohol and Drugs

We prohibit the possession, use, sale, purchase or transfer of illegal drugs and alcohol on our premises, in our vehicles and during work hours. The use of these substances is inconsistent with associate behavior expectations and undermines the Company's ability to operate effectively. The only exception is that alcohol may be consumed by people of legal drinking age at Company-sponsored functions that are approved by a Senior Vice-President or above.

Relationships at Work

We strongly recommend that each associate strive to keep relationships at work professional and business related. While we recognize that occasionally two associates may become personally involved, we ask you to consider all alternatives, outcomes, and consequences before proceeding. The same caveat applies to relatives (a domestic partner or any one of the following related by blood, marriage, or adoption: spouse, parent, in-law, child, brother, sister, aunt, uncle, nephew, niece, and cousin). Related associates can create situations that may cause unnecessary pressures, charges of favoritism, and difficulties with morale. If behavior becomes unprofessional at any time, corrective action up to and including termination will occur. In order to avoid any conflict of interest, associates who are romantically involved or are related as outlined above cannot be in a reporting relationship. It is the associates' responsibility to promptly inform their management and Human Resources of any such relationship. The Company reserves the right to reassign or terminate one or both of the associates.

Company Investigations

We encourage associates to become actively involved in all aspects of our business. This is one way we can ensure that our partnerships are productive and that team members have the information and resources needed to carry out their responsibilities and exceed expectations.

This is particularly true when we conduct investigations. All associates are required to cooperate with members of the Human Resources, Legal and Loss Prevention Departments so that issues can be investigated and resolved expeditiously. We will maintain confidentiality of the investigation to the extent reasonable and possible under the circumstances. Retaliation against any associate who participates in good faith in an investigation is prohibited. Failure to cooperate in an investigation will result in corrective action up to and including termination.

Company Information and Assets

Accuracy of Company Records and Financial Integrity

Accurate records and financial integrity are essential to our business. All Company records, information and accounts must be accurately maintained at all times and fairly reflect the Company's assets, liabilities and transactions. The Company is required to establish and maintain appropriate accounting procedures and accurate books and records that reflect all corporate assets, liabilities and transactions and that ensure that the Company's funds are used properly. All of the Company's public disclosures and communications should also be full, fair and accurate, timely and understandable, including all reports filed with or furnished to securities regulators, and accurately reflect our financial performance. Associates may not make any false statements, misleading or artificial entries, or material omissions or misrepresentations in any of the Company's books, financial records, or other documents or communications. Associates must accurately disclose all transactions to the Company's internal auditors and independent external auditors. The Company strives for fairness and accuracy with all our records and reports.

The Company is owned by the public and its shares are listed for trading. As a result, the Company is obligated to make various disclosures to the public. The Company is committed to full compliance with all requirements applicable to its public disclosures. The Company has implemented disclosure controls and procedures to assure that its public disclosures are timely, compliant and otherwise full, fair, accurate, and understandable.

All associates responsible for the preparation of the Company's public disclosures, or who provide information as part of that process, have a responsibility to ensure that such disclosures and information are complete, accurate and in compliance with the Company's disclosure controls and procedures.

Associates are expected to cooperate fully with our internal auditors and independent external auditors and management to ensure that the Company fulfills its responsibilities. It is a violation of Company policy to unduly or fraudulently influence, coerce, manipulate or mislead our internal auditors or independent external auditors regarding our financial statements, accounting practices or internal controls.

If you have any concerns relating to the Company's accounting, auditing, financial reporting or internal controls, you must immediately inform the Chief Financial Officer or General Counsel or call the Company's toll-free anonymous ethics hotline (888.388.8666). All reports will be treated confidentially to the extent reasonable and possible under the circumstances. Retaliation against associates reporting concerns in good faith is prohibited.

Confidential Information

Associates are entrusted with valuable confidential information and trade secrets relating to our businesses. Examples of confidential information and materials include financial information; business plans and strategies; sales results; marketing plans and strategies; inventory and pricing information; potential new product lines; future product designs, fabrications and fits; company handbooks and manuals; and personal information regarding associates, vendors and customers. Associates are prohibited from using confidential information other than in the performance of their duties for the Company and are prohibited from disclosing such information to unauthorized individuals in or outside the Company. If you leave the Company for any reason, you must return all confidential information and materials before your last day of employment. Even after your separation, your confidentiality obligations will continue with respect to any confidential information you may have learned during your employment.

No associate should directly talk to or respond to questions from financial analysts, brokers, investors, outside attorneys or the media (e.g., newspapers, newsletters, periodicals, radio, television). If an associate is contacted by any of these persons, he or she should immediately report the contact to the Chief Financial Officer or General Counsel.

Maintaining the confidentiality of personal information relating to our associates customers, vendors and suppliers is important. Access to these records is limited to those associates who need to use the information in performing their job duties and appropriate steps should be taken to safeguard such information against inappropriate use and disclosure both inside and outside the Company. Salary information, performance assessments, disciplinary action, and medical and benefits information are examples of personal confidential information and may be discussed only with management and Human Resources.

Securities Laws and Insider Trading

In the course of their duties, associates and Directors may be exposed to information about the Company or other companies that is not available to the general public. The use of such non-public or “inside” information for securities trading purposes is strictly forbidden, whether by the associate, Director or any of his or her family members or any other person to whom the associate or Director may have communicated the information. It is not only unethical, but also illegal and could expose such individual to civil and criminal penalties.

U.S. law prohibits anyone who possesses “material” non-public information about a company to trade its stock or other securities. “Material” information is usually defined as any information that might influence a reasonable investor to buy, sell or hold stock. Common examples include financial results, financial forecasts, possible mergers, acquisitions or divestitures, significant product developments and major changes in business direction. U.S. law also prohibits anyone who possesses material, non-public information from using it to tip anyone else who might trade on it.

Violation of the law may result in civil and criminal penalties, including fines or jail sentences. Associates or Directors who are uncertain about the legal rules governing purchases and sales of securities they wish to make or whether information constitutes material, non-public information should review the “J. Crew Group, Inc. Insider Trading Policy,” and, if applicable,

the "J. Crew Group, Inc. Trading Manual," and, if questions persist, consult the General Counsel before trading. Any associate who engages in, or is suspected of engaging in, insider trading will be subject to immediate termination as well as possible civil and criminal penalties.

Computers, Other Equipment and Network Security

All computers provided to you or to which you have access are Company property. All communications and information transmitted by, received from, created by or stored in our computers (whether through word processing programs, electronic mail, the Internet or otherwise) are also Company property. In addition, only legitimately purchased "original software," licensed to and/or purchased by us, may be loaded onto our computers.

The physical security of our computer network and of our environment is the responsibility of all associates. This includes protecting and securing computers and other equipment, and protecting and maintaining the confidentiality and integrity of information used to access our networks (including IDs, passwords, hand-held authentication devices, pass codes and building access key cards). The same precautions must be taken to protect our electronic data, application software and any reports. You should log off the network or activate a password-protected screensaver whenever you leave you computer terminal or data device unattended or unsecured.

Public electronic networks such as the Internet raise the potential for unauthorized access to email and other files transmitted over such networks. Data security over public networks simply cannot be guaranteed. Therefore, all associates are responsible for ensuring that sensitive information is sufficiently protected before it is routed via the Internet or other public networks. In addition, computer software, email messages and files may contain viruses or other destructive programming that could jeopardize computer and network security. You must use a virus protection software program supplied by us on all computers used to conduct business. Any use of public domain or shareware software must be approved in advance by the IT Department.

Electronic Communications

Whether communicating face-to-face or by means of electronic communication tools, such as the computer, telephone, fax and voice mail, all associates are responsible for meeting the standards of professional behavior and conduct. Consideration must be given to the sensitivity or confidentiality of all communications. Email messages, computer information, fax communications and voice mail are considered Company property and associates should not have any expectation of privacy. Company policies concerning discrimination and harassment apply fully to the use of these communication tools, including the prohibited use of our computers to send or receive email messages or files that are illegal, sexually explicit, abusive, profane, offensive or inappropriate in any way. Unless prohibited by law, we reserve the right to monitor, access and disclose any of this information as necessary or appropriate for our business purposes.

In addition to the general etiquette of electronic communications, the use of these devices is subject to special legal requirements in most jurisdictions. Sending technical data via the Internet to another country or, in some instances, to a national or citizen of another country, involves export/import laws of the transmitting and receiving countries. Similarly, many nations

restrict certain commercial applications of electronic communications. If you have any questions about what the proper course of conduct is, you should contact the Legal Department.

Calls to the (900) area code, 576 exchange or similar caller paid services are prohibited. Personal calls should be minimal and brief. Associates must identify any unusual or excessive calls.

Limited Personal Use of Corporate Resources

Company assets are intended for use in supporting and conducting our business, but associates are permitted limited and reasonable personal use of certain business equipment and systems. When using our corporate resources for personal use, associates are expected to exercise good judgment and keep personal use to a minimum. Personal use of Company resources is limited to basic office services and systems such as telephones, photocopiers, fax machines and personal computers.

Personal use of Company resources must conform to the following guidelines:

- It must be in compliance with all governmental laws and regulations as well as Company policies, standards and guidelines.
- It must not interfere with work responsibilities.
- It must not interfere with required business communications.
- It must not interfere with our ability to compete effectively.
- It must not be used in the support or operation of any other business.
- It must not be used in a manner or for a purpose that would reflect unfavorably upon our reputation, such as use in pursuit of illegal, unethical or otherwise questionable goals

Occasional limited use of the Internet and other public networks for personal reasons is also permissible. However, you must not use these resources in a manner that could bring liability to or damage our reputation or interfere with your work responsibilities or the responsibilities of others. Additionally, you must also abide by all security procedures and controls to protect the integrity and security of our data and networks. If you have any questions about whether something is a permitted personal use, you should contact Human Resources.

Other Company Assets

Every associate and Director is personally responsible for taking all reasonable steps to protect the Company’s assets entrusted to that associate or Director. This obligation to protect the Company’s assets extends to the Company’s property, products and intellectual property, including trademarks, trade secrets, patents and copyrights, as well as business, marketing and service plans, manufacturing ideas, designs, records, and any unpublished data and reports.

Bribes & Improper Payments

What is acceptable in the commercial business environment may be unacceptable in dealings with the government. There are strict laws that govern providing or offering to provide gifts, including meals, entertainment, transportation and lodging, to domestic and foreign government officials and employees for the purpose of achieving certain ends. Since these laws are broadly written and legal penalties for you and the Company are severe, associates, Directors and our agents may not provide gifts or anything of value to any government officials or employees or members of their families in connection with Company business without specific authorization from the Chief Financial Officer or General Counsel. In addition, all associates worldwide must abide by the U.S. Foreign Corrupt Practices Act in addition to local laws.

Conformity with Import/Export, Labeling, Advertising, Credit, and Other Regulations

The Company's business is subject to substantial regulation by various federal and state agencies. For example, merchandise imported from outside the United States is subject to regulation by the U.S. Customs Service. It is the Company's policy to conduct our import and export operations in accordance with applicable laws and regulations. Each associate whose duties relate to the import or export of goods is responsible for informing him or herself of applicable laws and regulations and acting in accordance with and promoting compliance with those laws and regulations. Labeling, packaging, and advertising, including catalogs, must comply with regulations of the U.S. Federal Trade Commission. Federal, state and/or local sales or use taxes are required to be collected and remitted in connection with sales of merchandise.

All associates are required to be aware of the laws and regulations applicable to their area of responsibility, to consult with the associate ultimately responsible for compliance with regulations applicable to their area, and to consult with the Legal Department, as appropriate.

Contacts with Competitors

Laws governing competition ("antitrust laws") exist in most of the countries where the Company does business. Under these laws, companies may not enter into agreements with each other, however informally, that unreasonably restrict the functioning of the competitive market system.

Examples of prohibited agreements include agreements or understandings between competitors concerning prices or other sales terms, such as the timing or amount of price changes, dates of special sales or promotions or store operating hours; agreements to divide markets or customers or to control or limit the type or brand of merchandise sold; agreements to boycott certain vendors, suppliers or customers; or a company's understanding with its suppliers that they will not sell to the company's competitors. In the United States and many other countries, these types of agreements are illegal and can subject the associate and the Company to damage awards, fines and criminal penalties.

In all contacts with competitors, you should avoid discussing prices or pricing practice, terms and conditions of sales, costs, profits or profit margins, inventories, marketing and merchandise plans, market surveys and studies, production plans and capabilities, the selection, quality or termination of suppliers—and, of course, any other proprietary or confidential information. Such discussions can later be used as evidence of illegality. Courts can — and do —

infer illegal agreements based on “loose talk,” informal discussions, or the exchange of information between competitors. If a competitor raises any of these subjects, even lightly or with apparent innocence, inform the competitor that you are not at liberty to discuss such matters. When attending seminars and trade association or similar meetings where competitors are brought together, be mindful of the difference between permitted and prohibited discussions.

Comparison shopping in competitors’ stores to check prices, merchandise or display techniques is helpful to maintaining a competitive retail operation. However, comparative shopping must be treated as sensitively as any other contact with a competitor. When in a competitor’s store, do not enter any area of the store that is not open and accessible to the public. Do not ask for or accept any documents, including price lists, that are not generally available to the public. If you are recognized and greeted by store employees, keep conversation to permissible subjects and be mindful of this Code.

Under no circumstances may any associate or Director engage in prohibited anti-competitive behavior. Associates who are uncertain about how the legal rules in this area might be relevant to their duties should consult the Legal Department. Any associate who is contacted by an outside attorney or a regulator for any reason should immediate report this contact to the Legal Department.

Associate Discount

Associates and their spouses, same sex domestic partners and IRS recognized dependents are entitled to a discount on all J.Crew purchases. Independent members of an associate’s family, such as parents or siblings, are not entitled to the discount. Federal tax law requires that the value of any discount extended to a same sex domestic partner be taxed as wages to the associate, and that the Company must include the value of the discount as wage income to the associate.

Product Integrity

Offering our customers a quality product that we are proud of and will stand behind is central to the Company’s business strategy. In addition to our own standards, each item must be produced, packaged, and labeled in full compliance with applicable legal requirements and our marketing and advertising must be truthful.

Intellectual Property

The Company owns and retains the sole rights to all business-related and merchandise-related designs, concepts, improvements, discoveries, and ideas an associate conceives or makes during the course of his or her employment with the Company.

J.Crew Trademarks

Our trademarks are valuable assets. They represent what we are as a brand and we expect all associates to help protect them at all times. In some instances, individuals or other third parties may attempt to sell counterfeit merchandise using our trademarks. If you find any merchandise bearing any portion of our trademarks on the labels, hang tags, price tags,

packaging or otherwise, it is your responsibility to promptly inform the Legal or Loss Prevention Department.

Respecting Intellectual Property Rights

As much as we consider our intellectual property rights to be important, we also respect the legal intellectual property rights of others in their brands, designs, software and other legally protected materials. Associates are prohibited from making unauthorized copies of material from books, magazines, newspapers, videotapes or software programs. While you may generally make a copy for your own business use, making multiple copies without permission violates copyright laws. For example, copying software may be a copyright violation and must not be done except where specifically permitted by contract or license. Undocumented software and illegal copies of software will not be used, maintained or supported at the Company. It is each associate's responsibility to become familiar with all the restrictions on the use or duplication of software so that any licensing agreement is not violated or compromised. Other types of intellectual property, such as music, literary works, photographs, film, video and other published material, may also have legal protection. Before you distribute or copy such property, check with the Legal Department to be sure that the Company has the legal right to do what you propose.

It is the Company's policy to compete solely on the merits of our products and services. Accordingly, false or misleading statements or innuendo about our competitors, their products or their services will not be tolerated. All comparisons of our products or services with those of our competitors must be accurate and factually supported.

Associates are strictly forbidden from using any illegal or unethical methods to gather competitive information. This includes stealing proprietary information or trade secret information or attempting to induce disclosure of such information by past or present associates of other companies through misrepresentation or other means. Anyone with even the slightest concern about the legality of information they possess or the means by which it was gathered should consult with the Legal Department. Associates should treat information about our competitors with sensitivity and discretion. This information should be made available only in the proper context and to associates with a legitimate need to know.

Conflicts of Interest

Associates and Directors should avoid any activity that may create an actual or apparent conflict of interest with the Company. A conflict of interest occurs when personal interests interfere with an associate's or Director's ability to exercise judgment objectively in the best interests of the Company. Associates and Directors may not have a financial interest in any organization that does business with the Company, except for insignificant holdings of public companies.

Outside Employment

Associates may not be employed by, or engage in, a business or activity that is in competition with the Company without the prior written approval of Human Resources. Associates who freelance or consult for a company not directly in competition with us may not use our time, facilities, resources or supplies for such work.

Disclosing Actual or Apparent Conflicts of Interest

Associates must promptly disclose all outside employment or business enterprises in which they are involved to Human Resources so that the Company may evaluate the potential impact on the Company. In addition, associates must disclose to Human Resources any financial interests the associate or a member of the associate's family has in any company that competes with or does business with the Company. Generally, the Company will not do business with any entity in which an associate or member of an associate's family has an economic interest, including employment, unless the relationship is disclosed in advance and the transaction is deemed to be in the best interest of the Company. The Company may take any action it determines to be appropriate to avoid, prevent or eliminate an actual or potential conflict of interest. This may include, but is not necessarily limited to a transfer, reassignment, change in responsibilities or termination.

In addition to the disclosures noted above, if you know or have reason to believe that an actual or potential conflict of interest may exist with respect to your interests and the interests of the Company, you are required to disclose the actual or potential conflict, in writing, to Human Resources or the Legal Department for evaluation. Any violation of this policy may result in disciplinary action, up to and including termination. Please note that this policy does not prohibit an associate from engaging in conduct protected by law, including conduct protected by laws and regulations regarding employment discrimination, occupational safety, and health and labor relations.

Corporate Opportunities

Associates may not appropriate to themselves, or to any other person or organization, the benefit of any business venture, opportunity or potential opportunity that they learn about in the course of their employment and that is in the Company's line of business without first obtaining the Company's consent. It is never permissible for associates to compete against the Company, either directly or indirectly. All associates and Directors owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

Fair Dealing

The Company is committed to dealing fairly and honestly with its customers, suppliers, competitors and associates. Associates are expected to conduct business in the best interest of the Company, regardless of personal preference. Associates should not take unfair advantage of anyone through manipulation, concealment, abuse of confidential information, falsification, misrepresentation of material facts or any other intentional unfair dealing practice.

Associates may not directly or indirectly (e.g. through a family member) solicit, accept or retain any gift or personal benefit from any vendor, supplier, landlord, customer or other party with whom the Company has a business relationship or which is seeking to do business with the Company. A "personal benefit" means any type of gift, use of facilities, favor, entertainment, service, loan, compensation or anything of monetary value. The only exceptions to these prohibitions are the following situations, which are circumstances that the Company believes have no reasonable likelihood of improperly influencing its associates:

- Normal business courtesies involving no more than amenities, such as a meal or occasional tickets to sporting or cultural events.
- Personal gifts with a value less than $50 individually or in the aggregate from any single source in a given year.
- Loans from financial institutions made in the ordinary course of business on customary terms and at prevailing rates.
- Paid trips or accommodations in connection with Company business if prior approval of the Chief Financial Officer, General Counsel or Senior Vice-President of Human Resources has been obtained.

Associates may not give any money or any gift to any executive or employee of any vendor, supplier, or any other organization if doing so could reasonably be construed as having any connection with the Company's business relations. In no event may a gift exceeding $50 be given without specific authorization from the Chief Financial Officer, General Counsel or Senior Vice-President of Human Resources. All gifts must be properly documented on an expense report in accordance with Company policy.

Doing business in an honest and fair manner with our vendors and suppliers means that associates responsible for buying or leasing materials and services on behalf of the Company must do so objectively. We choose to deal with our vendors and suppliers on the basis of the price, quality and desirability of their goods and services. Associates must not accept or seek out any benefit from a vendor or supplier or potential vendor or supplier that would even appear to compromise their judgment in any way. In addition, it is against Company policy to require that any vendor or supplier give up trade with our competitors or purchase our products and services in order to continue their relationship with us, unless there is a legitimate business purpose for doing so. Failure to adhere to this policy could also constitute a violation of antitrust laws.

Questions & Clarifications

Please note that the provisions contained in this Code of Ethics and Business Practices are only a summary of the Company's policies and that they may be described in greater detail in the Associate Handbook. In addition, there may be additional important policies contained in the Associate Handbook that are not reflected in this Code. You should refer to the Associate Handbook for further clarification or information and you may also direct questions or requests for clarification or information to Human Resources or the Legal Department.

Acknowledgement

This is to acknowledge that I received, read, and understand the Company's Code of Ethics and Business Practices. I agree to comply fully at all times with the standards and policies contained in this Code and any other legal or compliance standards, policies or procedures of the Company and understand that compliance with such standards, practices and procedures is a condition of my continued employment with the Company.

Signature: ______________________

Name: ______________________

Date: ______________________

Exhibit 99.1

For: J. Crew Group

Contact:
James Scully
Chief Financial Officer
(212) 209-8040

Allison Malkin
Integrated Corporate Relations
(203) 682-8225

FOR IMMEDIATE RELEASE

J. Crew Group, Inc. Announces Pricing of its Initial Public Offering

NEW YORK (June 27, 2006) — J. Crew Group, Inc. (the "Company") today announced the pricing of its initial public offering of 18,800,000 shares of common stock, at a price of $20.00 per share. The shares will be listed on the New York Stock Exchange and will trade under the symbol "JCG" beginning June 28, 2006. The 18,800,000 shares will be sold by the Company. The underwriters have an option to purchase up to an additional 2,820,000 shares from the Company at the initial public offering price less the underwriting discount, to cover over-allotments.

The Company expects to receive net proceeds of approximately $351.6 million from the offering and intends to use the net proceeds, along with $73.5 million in additional proceeds from the private sale of common stock to the Company's largest shareholder, private equity firm Texas Pacific Group, and cash on hand of $8.4 million to redeem the Company's preferred stock. If the underwriters exercise their option to purchase additional shares, the Company intends to use the additional net proceeds of approximately $49.0 million to pay down borrowings under its term loan. Goldman, Sachs & Co. and Bear, Stearns & Co. Inc. have acted as joint book-running managers for the offering.

The offering will be made only by means of the written prospectus forming part of the effective registration statement. A copy of the final prospectus related to the offering, when available, may be obtained by contacting:

Goldman, Sachs & Co.
Attention: Prospectus Department
85 Broad Street
New York, New York 10004
Telephone: (212) 902-1171

Bear, Stearns & Co. Inc.
Attention: Prospectus Department
383 Madison Avenue
New York, New York 10179
Telephone: (631) 254-7129

This press release shall not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

J.Crew Group, Inc. is a fully integrated multi-channel specialty retailer of women's and men's apparel and accessories. J.Crew products are distributed through the Company's 166 retail and 49 factory stores, the J.Crew catalog, and the Company's Internet website at www.jcrew.com.

Certain statements herein are "forward-looking statements". Such forward-looking statements reflect the Company's current expectations or beliefs concerning future events and actual results of operations may differ materially from historical results or current expectations. Any such forward-looking statements are subject to various risks and uncertainties, including competitive pressures in the apparel industry, changes in levels of consumer spending or preferences in apparel and acceptance by customers of the Company's products, overall economic conditions, changes in key personnel, the Company's ability to expand its store base and product offerings, governmental regulations and trade restrictions, acts of war or terrorism in the United States or worldwide, political or financial instability in the countries where the Company's goods are manufactured, postal rate increases, paper and printing costs, availability of suitable store locations at appropriate terms, the level of the Company's indebtedness and

exposure to interest rate fluctuations, and other factors which are set forth in the Company's Form 10-K and in all filings with the SEC made by the Company subsequent to the filing of the Form 10-K. The Company does not undertake to publicly update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.