

July 27, 2007

Via Certified Mail

Debra Fine, CEO
Small World Toys, Inc.
5711 Buckingham Pkwy.
Culver City, California 90230

Small World Toys, Inc.
c/o David Ficksman
Agent for Service of Process
1801 Century Park East, Suite 1600
Los Angeles, California 90067

**60-DAY NOTICE OF INTENT TO SUE
FOR VIOLATIONS OF PROPOSITION 65**

Dear Ms. Fine:

This letter constitutes notice that **Small World Toys, Inc.**, corporate parent of Small World Kids, Inc., has violated and continues to violate California's Safe Drinking Water and Toxic Enforcement Act of 1986 (Health & Safety Code § 25249.5 *et seq.*, commonly known as Proposition 65).

(1) General Information.

For general information regarding Proposition 65, please see the attached Appendix A, entitled, "The California Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary," which was prepared by the Office of Environmental Health Hazard Assessment of the California Environmental Protection Agency. (A copy is not provided to the public enforcement agencies which receive copies of this notice.) 22 California Code of Regulations § 12903(b)(1).

(2) Description of Violations.

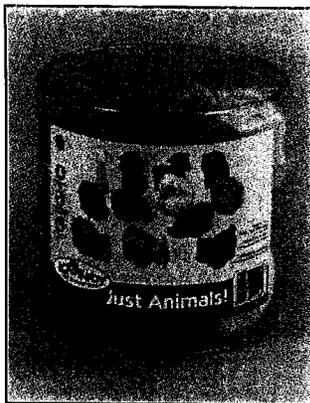


Figure 1.

Alleged Violator: Small World Toys, Inc.

Consumer Product: IQ Baby Just Animals! (See Figure 1.)

Listed Chemicals Involved in Alleged Violations: Di(2-ethylhexyl)phthalate (DEHP), CAS No. 117-81-7, and Di-n-butyl phthalate (DBP), CAS No. 84-74-2.

Time Period of Violations: With respect to DEHP, from at least October 25, 2004 to the present day. For DBP, from December 3, 2006 to the present day.

Route of Exposure: Ingestion and dermal contact.



Figure 2.

Nature of Alleged Violations: IQ Baby is a proprietary brand name of Small World Toys, Inc. On its website Small World Toys, Inc. describes the IQ Baby brand as “Infant toys that invite exploration, encourage discovery and reward development in the critical years from birth through toddlerhood... [f]or ages 0-36 months.”

IQ Baby Just Animals! is a collection of soft plastic toy animals, including a hippo, elephant, pig, lion and other animals. Small World Toys, Inc. suggests on its website: “Fill the tub with animals! All are soft. vanilla-scented. washable. squeezable and squeakable.” Printed on the bottom of the animal toys are the words: “No Phthalate.” (See Figure 2.)

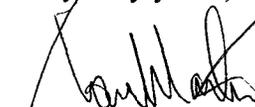
Without receiving clear and reasonable warnings (as required by Proposition 65), California consumers purchase IQ Baby Just Animals! for their children, who, in turn, by mouthing, touching, and playing with the toys, ingest and come into skin contact with DEHP and DBP, chemicals known to the State of California to cause cancer and/or reproductive toxicity.

Noticing Individual: This Notice is provided by Robyn McCool-Lord, who is a California citizen and mother and who has an interest in protecting the public, especially children, from health hazards posed by toxic chemicals. All inquiries about this Notice can be directed to Ms. McCool-Lord at the following address and telephone number:

Robyn McCool-Lord
c/o Thomas G. Martin, Esq.
Law Office of Thomas Glenn Martin
One World Trade Center, Suite 800
Long Beach, California 90831
Telephone: (562) 208-9088
Facsimile: (562) 684-0882

Pursuant to Health and Safety Code § 25249.7(d), the Noticing Individual intends to bring suit in the public interest against the Alleged Violator sixty (60) days hereafter to correct the violations occasioned by the failure to warn of exposures to listed chemicals.

Very truly yours,



Thomas G. Martin

Enclosures

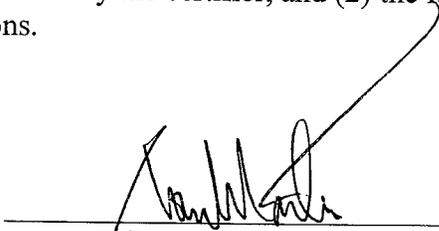
CERTIFICATE OF MERIT

Health and Safety Code Section 25249.7(d)

I, Thomas G. Martin, hereby declare:

1. This Certificate of Merit accompanies the attached sixty-day notice in which it is alleged the parties identified in the notices have violated Health and Safety Code section 25249.6 by failing to provide clear and reasonable warnings.
2. I am an attorney for the noticing party.
3. I have consulted with one or more persons with relevant and appropriate experience or expertise who has reviewed facts, studies, or other data regarding the alleged exposure to the listed chemical that is the subject of the action.
4. Based on the information obtained through those consultations, and on all other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiff's case can be established and the information did not prove that the alleged violator will be able to establish any of the affirmative defenses set forth in the statute.
5. The copy of this Certificate of Merit served on the Attorney General attaches to it factual information sufficient to establish the basis for this certificate, including the information identified in Health and Safety Code section 25249.7(h)(2), i.e., (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.

Dated: July 27, 2007


Thomas G. Martin

CERTIFICATE OF SERVICE

I, Thomas G. Martin, declare under penalty of perjury under the laws of the State of California that the following is true and correct:

I am over the age of eighteen years and not a party to this action. My business address is: One World Trade Center, Suite 800, Long Beach, CA 90831.

On July 27, 2007, I served the following documents:

60-DAY NOTICE OF INTENT TO SUE FOR VIOLATIONS OF PROPOSITION 65;

APPENDIX A. THE SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986 (PROPOSITION 65): A SUMMARY (NOT SERVED ON PUBLIC ENFORCERS);

CERTIFICATE OF MERIT; AND

CERTIFICATE OF MERIT ATTACHMENTS (SERVED ONLY ON THE ATTORNEY GENERAL)

on the alleged violator listed below via First Class Certified Mail by placing a true copy thereof, addressed as set forth below, enclosed in a sealed envelope with postage fully prepaid and providing such to a United States Postal Service Representative:

Debra Fine, CEO
Small World Toys, Inc.
5711 Buckingham Pkwy.
Culver City, California 90230

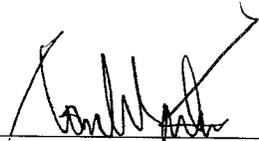
Small World Toys, Inc.
c/o David Ficksman
Agent for Service of Process
1801 Century Park East, Suite 1600
Los Angeles, California 90067

as well as providing copies of the notice to the public enforcers by placing a true and correct copy in a sealed envelope, addressed to each party listed below, and served as follows:

<i>Via First Class Mail by providing such envelope, postage fully prepaid to a U.S Postal Service Representative:</i>	The Attorney General of the State of California
<i>Via First Class Mail by providing each envelope, postage fully prepaid to a U.S Postal Service Representative:</i>	The District Attorney for each of the 58 counties in the State of California, and The City Attorney for Los Angeles, San Diego, San Jose, San Francisco and Sacramento.

A service list of addresses for each of these public enforcer recipients is attached.

Executed on July 27, 2007 in Long Beach, California.



Thomas G. Martin

SERVICE LIST

The Honorable Tom Orloff
Alameda County District Attorney
1225 Fallon Street, Room 900
Oakland, CA 94612

The Honorable William Richmond
Alpine County District Attorney
270 Laramie Street, PO BOX 248
Markleeville, CA 96120

The Honorable Todd Riebe
Amador County District Attorney
708 Court Street, #202
Jackson, CA 95642

The Honorable Michael Rarnsey
Butte County District Attorney
25 County Center Drive,
Administration Building
Oroville, CA 95965

The Honorable Jeffrey Tuttle
Calaveras County District Attorney
891 Mountain Ranch Road
San Andreas, CA 95249

The Honorable John R. Poyner
Colusa County District Attorney
547 Market Street
Colusa, CA 95932

The Honorable Robert J. Kochly
Contra Costa County District Attorney
725 Court Street, 4th Floor, Rm. 402
Martinez, CA 94553

The Honorable Michael Riese
Del Norte County District Attorney
450 H Street
Crescent City, CA 95531

The Honorable Gary Lacy
El Dorado County District Attorney
515 Main Street
Placerville, CA 95667

The Honorable Elizabeth Egan
Fresno County District Attorney
2220 Tulare Street, #1000
Fresno, CA 93721

The Honorable Robert Holzapfel
Glenn County District Attorney
540 West Sycamore
Willows, CA 95988

The Honorable Paul Gallegos
Humboldt County District Attorney
825 5th Street
Eureka, CA 95501

The Honorable Gilbert Otero
Imperial County District Attorney
939 West Main Street
El Centro, CA 92243

The Honorable Arthur Maillet
Inyo County District Attorney
PO Drawer D
Independence, CA 93526

The Honorable Edward R. Jagels
Kern County District Attorney
1215 Truxtun Avenue
Bakersfield, CA 93301

The Honorable Ronald Calhoun
Kings County District Attorney
1400 West Lacey Boulevard
Hanford, CA 93230

The Honorable Gerhard Luck
Lake County District Attorney
255 North Forbes Street
Lakeport, CA 95453

The Honorable Robert Burns
Lassen County District Attorney
220 S. Lassen Street, Ste. 8
Susanville, CA 96130

The Honorable Steve Cooley
Los Angeles County District Attorney
210 West Temple Street
Los Angeles, CA 90012

The Honorable Ernest LiCalsi
Madera County District Attorney
209 West Yosemite Avenue
Madera, CA 93637

The Honorable Edward Berberian
Marin County District Attorney
3501 Civic Center Drive, Room 130
San Rafael, CA 94903

The Honorable Robert Brown
Mariposa County District Attorney
5101 Jones Street, P.O. Box 730
Mariposa, CA 95338

The Honorable Norman Vroman
Mendocino County District Attorney
100 North State Street, G-10
Ukiah, CA 95482

The Honorable Gordon Spencer
Merced County District Attorney
2222 M Street
Merced, CA 95340

The Honorable Jordan Funk
Modoc County District Attorney
204 S. Court Street, Room 202
Alturas, CA 96101

The Honorable George Booth
Mono County District Attorney
Old Court House, Main Street
Bridgeport, CA 93517

The Honorable Dean Flippo
Monterey County District Attorney
240 Church Street, #101
Salinas, CA 93901

The Honorable Gary Lieberstein
Napa County District Attorney
931 Parkway Mall
Napa, CA 94559

The Honorable Michael Ferguson
Nevada County District Attorney
201 Church Street, Suite 8
Nevada City, CA 95959

The Honorable Tony Rackauckas
Orange County District Attorney
401 Civic Center Drive West
Santa Ana, CA 92701

The Honorable Bradford Fenocchio
Placer County District Attorney
11562 B Avenue
Auburn, CA 95603

The Honorable Jeff Cunan
Plumas County District Attorney
520 Main Street, Room 404
Quincy, CA 95971

The Honorable Grover Trask II
Riverside County District Attorney
4075 Main Street
Riverside, CA 92501

The Honorable Jan Scully
Sacramento County District Attorney
901 G Street
Sacramento, CA 95814

The Honorable John Sarsfield
San Benito County District Attorney
419 4th Street, Second Floor
Hollister, CA 95203

The Honorable Michael Ramos
San Bernardino County District Attorney
316 N. Mountain View Avenue
San Bernardino, CA 92415

The Honorable Bonnie Dumanis
San Diego County District Attorney
330 W. Broadway Street, Suite 1320
San Diego, CA 92101

The Honorable Kamala Harris
San Francisco County District Attorney
850 Bryant Street, Room 325
San Francisco, CA 94103

The Honorable James Willett
San Joaquin County District Attorney
222 E. Weber Avenue
2nd Floor, Room 202
Stockton, CA 95201

The Honorable Gerald Shea
San Luis Obispo County District Attorney
1050 Monterey Street, Room 450
San Luis Obispo, CA 93408

The Honorable James Fox
San Mateo County District Attorney
400 County Center, Third Floor
Redwood City, CA 94063

The Honorable Thomas Sneddon, Jr.
Santa Barbara County District Attorney
1112 Santa Barbara Street
Santa Barbara, CA 93101

The Honorable George Kennedy
Santa Clara County District Attorney
70 West Hedding Street, West Wing
San Jose, CA 95110

The Honorable Bob Lee
Santa Cruz County District Attorney
701 Ocean Street, Room 200
Santa Cruz, CA 95060

The Honorable Gerald Benito
Shasta County District Attorney
1525 Court Street, Third Floor
Redding, CA 96001

The Honorable Lawrence Allen
Sierra County District Attorney
100 Courthouse Square, Second Floor
Downieville, CA 95936

The Honorable James Andrus
Siskiyou County District Attorney
311 4th Street
Yreka, CA 96097

The Honorable David Paulson
Solano County District Attorney
675 Texas Street, Suite 4500
Fairfield, CA 94533

The Honorable Stephan Passalacqua
Sonoma County District Attorney
600 Administration Drive, Room 212J
Santa Rosa, CA 95403

The Honorable Carol Shipley
Stanislaus County District Attorney
800 11th Street, Room 200
Modesto, CA 95353

The Honorable Carl Adams
Sutter County District Attorney
446 Second Street
Yuba City, CA 95991

The Honorable Gregg Cohen
Tehama County District Attorney
PO Box 519
Red Bluff, CA 96080

The Honorable Michael B. Harper
Trinity County District Attorney
PO Box 310
Weaverville, CA 96093

The Honorable Phillip Cline
Tulare County District Attorney
221 South Mooney Boulevard, Suite 224
Visalia, CA 93291

The Honorable Donald Segerstrom, Jr
Tuolumne County District Attorney
2 South Green Street
Sonora, CA 95370

The Honorable Gregory Totten
Ventura County District Attorney
800 South Victoria Avenue
Ventura, CA 93009

The Honorable David C. Henderson
Yolo County District Attorney
301 Second Street
Woodland, CA 95695

The Honorable Patrick McGrath
Yuba County District Attorney
215 Fifth Street
Marysville, CA 95901

The Honorable Rockard Delgadillo
City Attorney, Los Angeles
200 North Main Street
Los Angeles, CA 90012

The Honorable Michael Aguirre
City Attorney, San Diego
1200 Third Avenue, Suite 1620
San Diego, CA 92101

The Honorable Samuel Jackson
City Attorney, Sacramento
915 I Street, 4th Floor
Sacramento, CA 95814

The Honorable Dennis J. Herrera
City Attorney, San Francisco
City Hall, Room 234
San Francisco, CA 94102

The Honorable Richard Doyle
City Attorney, San Jose
200 East Santa Clara Street
San Jose, CA 95113

Office of the California Attorney General
Proposition 65 Enforcement Reporting
ATTN: Prop 65 Coordinator
1515 Clay Street, Suite 2000
Oakland, CA 94612-0550