

United States Bankruptcy Court District of Delaware		Voluntary Petition
Name of Debtor (if individual, enter Last, First, Middle): KB Toys, Inc.		Name of Joint Debtor (Spouse) (Last, First, Middle): N/A
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names): See attached Annex A		All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):
Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all): 94-3380658		Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all):
Street Address of Debtor (No. and Street, City, and State): 100 West Street Pittsfield, MA 01201 ZIP CODE 01201		Street Address of Joint Debtor (No. and Street, City, and State): ZIP CODE
County of Residence or of the Principal Place of Business: Berkshire		County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address): ZIP CODE		Mailing Address of Joint Debtor (if different from street address): ZIP CODE
Location of Principal Assets of Business Debtor (if different from street address above): ZIP CODE		
Type of Debtor (Form of Organization) (Check one box.) <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form</i> <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.)	Nature of Business (Check one box.) <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101(51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other Tax-Exempt Entity (Check box, if applicable.) <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).	Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box.) <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13 <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding Nature of Debts (Check one box.) <input type="checkbox"/> Debts are primarily consumer, debts defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts
Filing Fee (Check one box.) <input checked="" type="checkbox"/> Full Filing Fee attached. <input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A. <input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.		Chapter 11 Debtors Check one box: <input type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). <input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). Check if: <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,190,000. Check all applicable boxes: <input type="checkbox"/> A plan is being filed with this petition. <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
Statistical/Administrative Information <input type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input checked="" type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.		THIS SPACE IS FOR COURT USE ONLY
Estimated Number of Creditors <input type="checkbox"/> 1-49 <input type="checkbox"/> 50-99 <input type="checkbox"/> 100-199 <input type="checkbox"/> 200-999 <input type="checkbox"/> 1,000-5,000 <input type="checkbox"/> 5,001-10,000 <input type="checkbox"/> 10,001-25,000 <input checked="" type="checkbox"/> 25,001-50,000 <input type="checkbox"/> 50,001-100,000 <input type="checkbox"/> Over 100,000		
Estimated Assets (reported on a consolidated basis, at book value) <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$10,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input checked="" type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion		
Estimated Liabilities (reported on a consolidated basis) <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$10,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input checked="" type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion		

The statistical information provided herein regarding the number of creditors and estimated assets and debts is based on the consolidated financial information of the debtor and its affiliates as listed on the attached Annex A.

Voluntary Petition <i>(This page must be completed and filed in every case.)</i>		Name of Debtor(s): KB Toys, Inc.	
All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet.)			
Location Where Filed: Delaware		Case Number: 04-10120-KJC	Date Filed: 01/14/04
Location Where Filed:		Case Number:	Date Filed:
Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor (If more than one, attach additional sheet.)			
Name of Debtor: See attached Annex A		Case Number: See attached	Date Filed: See attached
District: District of Delaware		Relationship: Affiliates	Judge: See attached
<p style="text-align: center;">Exhibit A</p> (To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.) N/A		<p style="text-align: center;">Exhibit B</p> (To be completed if debtor is an individual whose debts are primarily consumer debts.) I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I have delivered to the debtor the notice required by 11 U.S.C. § 342(b). X _____ Signature of Attorney for Debtor(s) (Date)	
Exhibit C			
Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?			
<input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition.			
<input checked="" type="checkbox"/> No.			
Exhibit D			
(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)			
<input type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made a part of this petition.			
If this is a joint petition:			
<input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.			
Information Regarding the Debtor - Venue (Check any applicable box.)			
<input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.			
<input checked="" type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.			
<input type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.			
Certification by a Debtor Who Resides as a Tenant of Residential Property (Check all applicable boxes.)			
<input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)			
<div style="text-align: right; margin-right: 100px;"> _____ (Name of landlord that obtained judgment) </div>			
<div style="text-align: right; margin-right: 100px;"> _____ (Address of landlord) </div>			
<input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and			
<input type="checkbox"/> Debtor has included with this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.			
<input type="checkbox"/> Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(1)).			

Voluntary Petition <i>(This page must be completed and filed in every case.)</i>	Name of Debtor(s): KB Toys, Inc.
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Signatures

Signature(s) of Debtor(s) (Individual/Joint)

I declare under penalty of perjury that the information provided in this petition is true and correct.

[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.

[If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. § 342(b).

I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X _____
 Signature of Debtor

X _____
 Signature of Joint Debtor

 Telephone Number (if not represented by attorney)

 Date

Signature of a Foreign Representative

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only one box.)

I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. § 1515 are attached.

Pursuant to 11 U.S.C. § 1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

X _____
 (Signature of Foreign Representative)

 (Printed Name of Foreign Representative)

 Date

Signature of Attorney

X _____
 Signature of Attorney for Debtor(s)

Joel A. Waite, Esq. (No. 2925)
 Young Conaway Stargatt & Taylor, LLP
 The Brandywine Building
 1000 West Street, 17th Floor
 Wilmington, DE 19801
 Tel: (302) 571-6600
 Fax: (302) 571-1253

12/11/08

 Date

*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.

Signature of Non-Attorney Bankruptcy Petition Preparer

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.

 Printed Name and title, if any, of Bankruptcy Petition Preparer

 Social-Security number (If the bankruptcy petition preparer is not an individual, state the Social-Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)

 Address

X _____

 Date

Signature of bankruptcy petition preparer or officer, principal, responsible person, or partner whose Social-Security number is provided above.

Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual.

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.

Signature of Debtor (Corporation/Partnership)

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests the relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X _____
 Signature of Authorized Individual

Andrew Bailen
 Printed Name of Authorized Individual

President and CEO
 Title of Authorized Individual

 Date: December 11, 2008

ANNEX A - TO VOLUNTARY PETITION

Affiliated Entities

On the date hereof, each of the affiliated entities listed below (including the debtor in this chapter 11 case) filed in this Court a petition for relief under Chapter 11 of title 11 of the United States Code. Contemporaneously with the filing of these petitions, such entities filed a motion requesting joint administration of their Chapter 11 cases.

KB Toys, Inc.
KB Toys Gift Cards, Inc.
KB Toys Retail, Inc.
KB Toys Puerto Rico, Inc.
KB Toy of Massachusetts, Inc.

KB Toys Merchandising, Inc.
Creative Innovations & Sourcing, LLC
Creative Innovations & Sourcing HK, Inc.
KB Holdings, LLC

Prior Filings and Other Names

On January 14, 2004, KB Toys, Inc. and 69 subsidiaries filed for protection under Chapter 11 of the Bankruptcy Code, which were administratively consolidated under Case No. 04-10120-KJC. The names of the debtor entities that were administratively consolidated as Debtors with KB Toys, Inc. are the following (notwithstanding this extensive list of entities, only two of the 2004 bankruptcy cases remain open – Case Nos. 04-10120 (KB Toys, Inc.) and 04-10128 (KB Toy of Massachusetts, Inc.)):

Aguadilla Kay-Bee Toy, Inc.
Ala Moana Kay-Bee Toy, Inc.
Atocha Street Kay-Bee Toy, Inc.
Bayamon Kay-Bee Toy, Inc.
BrainPlay.com, Inc.
Calle Betances Kay-Bee Toy, Inc.
Carolina Kay-Bee Toy, Inc.
Centro Del Sur Kay-Bee Toy, Inc.
Cordero Ave. (Caguas) Kay-Bee Toy, Inc.
Fajardo State Rd. Kay-Bee Toy, Inc.
Havens Corners Corporation
Kay-Bee Caguas Centrum, Inc.
Kay-Bee Carolina, Inc.
Kay-Bee De Diego Street, Inc.
Kay-Bee Del Norte, Inc.
Kay-Bee Guayama, Inc.
Kay-Bee Isabela, Inc.
Kay-Bee Juncos Plaza, Inc.
Kay-Bee Manati, Inc.
Kay-Bee Palma Real, Inc.
Kay-Bee Playa Del Sol, Inc.
Kay-Bee Plaza Aquarium, Inc.
Kay-Bee Plaza Caribe, Inc.
Kay-Bee Plaza Del Atlantico, Inc.
Kay-Bee Toy & Hobby Shops, Inc.
Kay-Bee Western Plaza, Inc.
Kay-Bee Yabucoa, Inc.
KB Acquisition Corporation
KB Toys (US), Inc.
KB Toys, Inc.
KB Holdings, LLC
KB Online Holdings LLC
K B Toy Distribution South, Inc.
K B Toy of Alaska, Inc.
K B Toy of Arizona, Inc.

K B Toy of Arkansas, Inc.
K B Toy of California, Inc.
K B Toy of Colorado, Inc.
K B Toy of Connecticut, Inc.
K B Toy of Florida, Inc.
K B Toy of Hawaii, Inc.
K B Toy of Idaho, Inc.
K B Toy of Maryland, Inc.
K B Toy of Massachusetts, Inc.
K B Toy of Nebraska, Inc.
K B Toy of Nevada, Inc.
KB Toy of New Jersey, Inc.
K B Toy of North Carolina, Inc.
K B Toy of Ohio, Inc.
K B Toy of Pennsylvania, Inc.
K B Toy of South Dakota, Inc.
K B Toy of Tennessee, Inc.
K B Toy of Texas, Inc.
K B Toy of Utah, Inc.
K B Toy of Virginia, Inc.
K B Toy of Washington, Inc.
K B Toy of Wisconsin, Inc.
K B Toy of Wyoming, Inc.
K B Toys Wholesale, Inc.
Las Americas Kay-Bee Toy, Inc.
Main Street (Yauco) Kay-Bee Toy, Inc.
Mall of America Kay-Bee Toy, Inc.
Mayaguez Kay-Bee Toy, Inc.
Montehiedra Kay-Bee Toy, Inc.
Montgomery Toy LLC
Pheasant Kay-Bee Toy, Inc.
Plaza Del Caribe Kay-Bee Toy, Inc.
Rio Hondo Kay-Bee Toy, Inc.
Southdale Kay-Bee Toy, Inc.
Travel, Inc. of Pittsfield

In connection with the emergence of KB Toys from bankruptcy in August 2005, and the subsequent organizational restructuring, the assets and operations of many of these prior debtors were transferred among then existing debtor entities and consolidated within the KB Toys group. Furthermore, many of the entities involved in the 2004 bankruptcy filing were either dissolved or were merged into surviving entities, and a number of these entities also changed their names. The result of these changes are the nine Debtors and four inactive special purpose subsidiaries which are not debtors.

CERTIFICATE OF RESOLUTIONS

I, Scott Z. Hochfelder, Vice President and Secretary of KB Toys, Inc., a Delaware corporation (the "Corporation"), do hereby certify that: (a) I am the duly elected, qualified and acting Vice President and Secretary; (b) the following resolutions were duly adopted by the Board of Directors of the Corporation at a meeting of said Board of Directors duly called and held in accordance with the requirements of Delaware corporation law; and (c) said resolutions have not been amended, modified or rescinded and are in full force and effect as of the date hereof:

RESOLVED, in the judgment of the Board of Directors, it is desirable and in the best interests of the Corporation, its creditors, stockholders, employees and other interested parties that a voluntary petition (the "Petition") be filed by the Corporation seeking relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330, (the "Bankruptcy Code"), in the United States Bankruptcy Court for the District of Delaware or such other court as the appropriate officer or officers of the Corporation shall determine to be appropriate (the "Bankruptcy Court"); and be it further

RESOLVED, that the Chief Executive Officer, President, Chief Operating Officer, Chief Financial Officer, any Vice President, the Secretary and the Treasurer of the Corporation (each a "Designated Officer" and collectively, the "Designated Officers") shall be, and each of them, acting alone, hereby is, authorized, directed and empowered, in the name and on behalf of the Corporation: (a) to execute and verify the Petition, as well as all other ancillary documents, and cause the Petition to be filed with the Bankruptcy Court and make or cause to be made prior to execution thereof any modifications to the Petition or ancillary documents as any such Designated Officer, in such officer's discretion, deems necessary or desirable to carry out the intent and accomplish the purposes of these resolutions (such approval to be conclusively established by the execution thereof by such Designated Officer); (b) to execute, verify and file or cause to be filed all petitions, schedules, lists, motions, applications and other papers or documents necessary or desirable in connection with the foregoing; (c) to file, or cause to be filed, such motions, adversary proceedings and other pleadings as such Designated Officer deems necessary or desirable to the prosecution of the Corporation's chapter 11 case, including objections to claims and oppositions to motions and other requests for relief filed by other parties in interest in the Corporation's chapter 11 case; and (d) to execute and verify any and all other documents necessary or appropriate in connection therewith in such form or forms as any such Designated Officer may approve; the execution of any document or the doing of any act by a Designated Officer in connection with any of the foregoing to be conclusively presumed to be authorized by this resolution; and be it further

RESOLVED, that the Designated Officers of the Corporation shall be, and each of them, acting alone, hereby is, authorized, directed and empowered in the name and on behalf of the Corporation, (i) to obtain debtor-in-possession financing and/or enter into a stipulation regarding the use of cash collateral according to the terms presented to the Board of Directors with such changes thereto as may be negotiated by the Designated Officer or Designated Officers in their sole discretion; (ii) to grant any guarantees, pledges, mortgages, and other security interests as necessary to obtain debtor-in-possession financing or obtain use of cash collateral; and (iii) to execute and deliver for

and on behalf of the Corporation all agreements, instruments and related documents necessary or appropriate in connection with obtaining debtor-in-possession financing and/or use of cash collateral; and be it further

RESOLVED, that the Designated Officers of the Corporation shall be, and each of them, acting alone, hereby is, authorized, directed and empowered to employ the law firm of Young Conaway Stargatt & Taylor, LLP as co-bankruptcy counsel for the Corporation for the purpose of, among other things, representing the Corporation in all proceedings commenced under or resulting from these resolutions; and in connection therewith, the Designated Officers are hereby authorized, directed and empowered, in the name and on behalf of the Corporation, to execute appropriate retention agreements, pay appropriate retainers prior to and immediately upon the filing of the chapter 11 case, and to cause to be filed an appropriate application for authority to retain the services of Young Conaway Stargatt & Taylor, LLP; and be it further

RESOLVED, that the Designated Officers of the Corporation shall be, and each of them, acting alone, hereby is, authorized, directed and empowered to employ the law firm of Wilmer Cutler Pickering Hale and Dorr LLP, as co-bankruptcy counsel for the Corporation for the purpose of, among other things, representing the Corporation in all proceedings commenced under or resulting from these resolutions; and in connection therewith, the Designated Officers are hereby authorized, directed and empowered, in the name and on behalf of the Corporation, to execute appropriate retention agreements, pay appropriate retainers prior to and immediately upon the filing of the chapter 11 case, and to cause to be filed an appropriate application for authority to retain the services of Wilmer Cutler Pickering Hale and Dorr LLP; and be it further

RESOLVED, that the Designated Officers of the Corporation shall be, and each of them, acting alone, hereby is, authorized, directed and empowered to employ FTI Consulting, Inc. as financial and restructuring advisor to the Corporation for the purpose of, among other things, representing and assisting the Corporation in carrying out its duties under the Bankruptcy Code; and in connection therewith, the Designated Officers are hereby authorized, directed and empowered, in the name and on behalf of the Corporation, to execute appropriate retention agreements, pay appropriate retainers prior to and immediately upon the filing of the chapter 11 case, and to cause to be filed an appropriate application for authority to retain the services of FTI Consulting, Inc.; and be it further

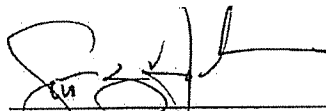
RESOLVED, that the Designated Officers of the Corporation shall be, and each of them, acting alone, hereby is, authorized, directed and empowered to employ Epiq Bankruptcy Solutions, LLC as claims and noticing agent for the Bankruptcy Court and the Corporation, to assist the Corporation in carrying out its duties under the Bankruptcy Code; and in connection therewith, the Designated Officers are hereby authorized, directed and empowered, in the name and on behalf of the Corporation, to execute appropriate retention agreements, pay appropriate retainers prior to and immediately upon the filing of the chapter 11 case, and to cause to be filed an appropriate application for authority to retain the services of Epiq Bankruptcy Solutions, LLC ; and be it further

RESOLVED, that the Designated Officers of the Corporation shall be, and each of them, acting alone, hereby is, authorized, directed and empowered to employ such additional professionals, including, without limitation, attorneys, accountants, financial advisors, investment bankers, consultants or brokers, in each case as in such Designated Officer's or Designated Officers' judgment may be necessary in connection with the Corporation's chapter 11 case and other related matters, on such terms as such Designated Officer or Designated Officers shall approve; and in connection therewith, the Designated Officers are hereby authorized, directed and empowered, in the name and on behalf of the Corporation, to execute appropriate retention agreements, pay appropriate retainers prior to and immediately upon the filing of the chapter 11 case, and to cause to be filed an appropriate application for authority to retain the services of such professionals; and be it further

RESOLVED, that in addition to the specific authorizations heretofore conferred upon the Designated Officers of the Corporation, each of the officers of the Corporation or their designees shall be, and each of them, acting alone, hereby is, authorized, directed and empowered, in the name and on behalf of the Corporation, to take or cause to be taken any and all such further actions, to execute, deliver and file any and all such agreements, certificates, instruments and other documents and to pay all expenses, including filing fees, in each case as in such officer's or officers' judgment shall be necessary or desirable in order to fully carry out the intent and accomplish the purposes of the resolutions adopted herein; that without limiting the foregoing, each of the Designated Officers or their designees shall be, and each of them, acting alone, hereby is, authorized, directed and empowered, in the name and on behalf of the Corporation, to take any action as stockholder of any subsidiary of the Corporation in connection with such subsidiary filing a voluntary petition seeking relief under the provisions of chapter 11 or otherwise taking actions consistent with the resolutions adopted hereby; and be it further

RESOLVED, that all acts lawfully done or actions lawfully heretofore taken or to be taken by any officer or officers of the Corporation in connection with the implementation of these resolutions are hereby in all respects ratified, confirmed and approved.

IN WITNESS WHEREOF, the undersigned has caused this certificate to be executed as of
December 11, 2008.



Scott Z. Hochfelder
Vice President and Secretary
KB Toys, Inc.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

----- X
 In re: : Chapter 11
 :
 KB TOYS, INC. : Case No. 08-[] ()
 :
 a Delaware corporation, et al., :
 : Joint Administration Pending
 Debtors. :
 ----- X

**CONSOLIDATED LIST OF CREDITORS HOLDING THE FORTY LARGEST
UNSECURED CLAIMS AGAINST THE DEBTORS**

Following is the consolidated list of the creditors holding the 40 largest unsecured claims against the Debtor and its affiliates (collectively, the "Debtors") identified on Annex A to the Debtor's petition filed contemporaneously herewith. The list is prepared in accordance with Rule 1007(d) of the Federal Rules of Bankruptcy Procedure for filing in this chapter 11 case. The list has been prepared on a consolidated basis, based upon the books and records of the Debtors, all of which have contemporaneously commenced chapter 11 cases in this Court. The information presented in the list shall not constitute an admission by, nor is it binding on, the Debtors.¹

This list does not include (1) persons who come within the definition of an "insider" set forth in 11 U.S.C. § 101(31), or (2) secured creditors, unless the value of the collateral is such that the unsecured deficiency places the creditor among the holder of the consolidated 40 largest unsecured claims.²

	(1)	(2)	(3)	(4)	(5)
	<i>Name of creditor and complete mailing address, including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	<i>Amount of claim (if secured also state value of security)</i>
1	Li & Fung Toy Island Manufact 1/F. Hong Kong Spinners Inc. 800 Cheung Sha Wan Road Kowloon, Hong Kong CHINA Tel: 011-852-2300-5555 Fax: 011-852-2300-5786	Eddie Chan	Trade-Foreign Consolidation		27,204,977

¹ The Debtors will file the schedules of assets and liabilities (the "Schedules") in accordance with 11 U.S.C. § 521 and Fed. R. Bankr. P. 1007. The information contained in the Schedules may differ from the information set forth below.

² The Debtors have not yet identified all of the 40 largest unsecured claims, if any, that are contingent, unliquidated, disputed and/or subject to setoff. The Debtors reserve the right to identify any of the 40 largest unsecured claims in their Schedules as contingent, unliquidated, disputed and/or subject to setoff, as appropriate.

	(1)	(2)	(3)	(4)	(5)
	<i>Name of creditor and complete mailing address, including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	<i>Amount of claim (if secured also state value of security)</i>
2	Mattel Toys MI-1204 333 Continental Boulevard El Segundo, CA 90245 Tel: 310-252-4223 Fax: 310-252-2860	Kathleen Simpson-Taylor	Trade		1,292,351
3	Energizer Battery 533 Maryville University Dr. St. Louis, MO 63141 Fax: 856-772-0884	Jody McMackin			728,127
4	WorkflowOne PO Box 644108 Pittsburgh, PA 15264 Fax: 920-661-4010	Theresa	Non Trade		672,060
5	Legends LP 1220 Lee Rd Rochester, NY 14606 Fax: 585-254-7977	Jason Walsh	Trade		435,521
6	Hasbro Inc. (Milton Bradley) Claims Resolution Dept. 443 Shaker Rd. East Longmeadow, MA 01028 Fax: 401-431-8586	Frada Salo	Trade		424,625
7	HBG New Jersey LLC 123 Prospect Street Ridgewood, NJ 07451 Fax: 201-951-2009	Nanette Jerlet	Rent Warehouse		414,311
8	Lego Systems, Inc. 555 Taylor Road Enfield, CT 06082 Fax: 860-763-7739	Sharon Diberardino or Susan Herson	Trade		374,702
9	JA-RU Inc. PO Box 5970 Jacksonville, FL 32247 Fax: 904-730-0113	Jordan Sadoff	Trade		336,414
10	TMP International 15 Hamburg Tpke, Tempe, AZ 85284-0038 Fax: (973) 838-8202		Trade		334,508

	(1)	(2)	(3)	(4)	(5)
	<i>Name of creditor and complete mailing address, including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	<i>Amount of claim (if secured also state value of security)</i>
11	SVG Distribution Inc. (Star Video Games) 5000 Birch Ave., Suite 6500 Newport Beach, CA 92660 Fax: 949-219-1192	Jackie Farley	Trade		333,499
12	Publications International Lt 7373 North Cicero Avenue Lincolnwood, IL 60646 Fax: 262-884-3695	Lynn Dolan	Trade		313,355
13	JJ Bean Inc. 1546 Bourbon Pkwy Streamwood, IL 60107 Fax: 866-861-2895	Judy and Jordan Sadoff	Trade		226,456
14	Mattel Brands (Mattel Latin America) 333 Continental Boulevard El Segundo, CA 90245 Fax: 310-252-2860	Kathleen Simpson-Taylor	Trade		200,769
15	Hasbro Inc. (Kenner) Claims Resolution Dept. 443 Shaker Rd. East Longmeadow, MA 1028 Fax: 401-431-8586	Frada Salo	Trade		186,550
16	Gamers Factory Inc. 10957 McCormick Rd Hunt Valley, MD 21031 Fax: 410-316-9901	Mac Connor	Trade		177,625
17	Goffa International Corporation 930 Flushing Avenue Brooklyn, NY 11206 Fax: 718-361-0506	Garrett Engels	Trade		153,347
18	Cokem International 865 Xenium Lane North Plymouth, MN 55441 Fax: 763-544-4100	Dave Stark	Trade		146,964
19	Windsor Marketing Group 2 Industrial Road Windsor Locks, CT 06096 Fax: 860-623-4378	Richard Landry	Non-Trade Advertising		126,262
20	United States Playing Cards Beech Street at Park Avenue Norwood, OH 45212 Fax: 513-396-5762	Jean Jestus	Trade		123,839
21	Croy & Associates 4485 Canterbury Drive Emmaus, PA 18049 Fax: 610-966-0701	Rick Croy	Trade		123,270

	(1)	(2)	(3)	(4)	(5)
	<i>Name of creditor and complete mailing address, including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	<i>Amount of claim (if secured also state value of security)</i>
22	Crayola LLC Accounts Receivable 1100 Church Lane Easton, PA 18044 Fax: 978-927-4975	Jean F Rasler	Trade		122,193
23	Mega Brands America (Mega Bloks Inc.) 4505 Hickmore St. Laurent, Quebec Canada H4T 1K4 Fax: 978-927-4975	Sherry Georgy	Trade		115,472
24	Skullduggery Inc. 5433 E La Palma Ave Anaheim, CA 92807 Fax: 714-777-4475	Steve Cole	Trade		111,381
25	C&F Worldwide Agency Corp PO Box 9020737 San Juan, Puerto Rico 902 Fax: 787-750-3450	Johana	Non Trade		109,021
26	Mattel Sales (Radica) 333 Continental Boulevard El Segundo, CA 90245 Fax: 310-252-2860	Kathleen Simpson-Taylor	Trade		108,118
27	Kids Only Inc. 11A Walkup Dr Westborough, MA 01581 Fax: 508-836-3324	Patty Fairbanks-Dubis	Trade		100,927
28	Lisa Frank Inc. 6760 S. Lisa Frank Avenue Tucson, AZ 85706 Fax: 978-697-9346	John Gordon	Trade		99,548
29	Metro Tech Metro Tech Service Corp. 1355 Remington Road, Suite C Schaumburg, IL 60173 Fax: 847-519-9709	Dan Malloy	Non Trade		98,670

	(1)	(2)	(3)	(4)	(5)
	<i>Name of creditor and complete mailing address, including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	<i>Amount of claim (if secured also state value of security)</i>
30	Sakar International 195 Carter Drive Edison, NJ 8817 Fax: 732-248-1911	Cipi Cebula	Trade		93,535
31	Toy Invest/Toy Smith 5110 Frontage Road Auburn, WA 98001 Fax: 253-859-2774	Bill Smith	Trade		91,877
32	Imperial Toy Corporation 16641 Roscoe Place North Hills, CA 91343 Fax: 818-923-5904	Jack Williams	Trade		89,811
33	Finn Dixon & Herling LP 77 Broad Street, 15 th Floor Stamford, CT 06901 Fax: 203-325-5001	Charles Downey	Legal		89,419
34	Moore Wallace AN RR Donnelley Co PO BOX 13663 Newark, NJ 07118 Fax: 630-332-6619	Christopher Garrabrant	Non Trade		88,726
35	Spin Masters Inc. PMB 10053 300 International Dr. Suite 100 Williamsville, NY 14221 Fax: 416-364-8005	David Peterson	Trade		87,970
36	Mattel Sales Corp. (Arco) MI-1109 333 Continental Boulevard El Segundo, CA 90245 Fax: 310-252-2860	Kathleen Simpson-Taylor	Trade		87,177
37	Trends International Inc. (consignment) [PO Box 3253] Buffalo, NY 14240 Fax: 905-569-8507	Casilda Lopes	Trade		83,589
38	K'Nex Limited Partnership Group 2990 Bergey Rd. PO Box 700 Hatfield, PA 19440 Fax: 215-996-4224	Bob Hanes	Trade		83,121

	(1)	(2)	(3)	(4)	(5)
	<i>Name of creditor and complete mailing address, including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent or department of creditor familiar with claim who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	<i>Amount of claim (if secured also state value of security)</i>
39	Tru Company Inc. 704 Main Street, Ste 200 Oregon City, OR 97045 Fax: 818-337-7244	Hugh Lynch	Trade		80,058
40	Bang Zoom 23150 Alpine Place Cincinnati, OH 45206 Attn: Steven Fink Fax: 513-221-8697	Steven Fink	Non Trade		75,000

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

----- X
In re: : Chapter 11
: :
KB TOYS, INC. : Case No. 08-[] ()
a Delaware corporation, et al. : :
: Joint Administration Pending
Debtors. : :
----- X

**DECLARATION REGARDING CONSOLIDATED LIST OF
CREDITORS HOLDING LARGEST UNSECURED CLAIMS**

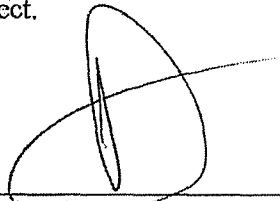
The Debtor in this Chapter 11 case and certain affiliated entities (collectively, the "Debtors") each filed a petition in this court on or about the date hereof for relief under Chapter 11 of the United States Bankruptcy Code. The consolidated list of creditors holding largest unsecured claims, submitted herewith, is complete and to the best of my knowledge correct and consistent with the Debtors' books and records.

The information contained herein is based upon a review of the Debtors' books and records. However, no comprehensive legal or factual investigation with regard to the accuracy of the information or possible defenses to the claims has been pursued. Therefore, this listing does not stand and should not be deemed to constitute: (1) an acknowledgement of the accuracy of the identity of any such creditor or the amount of such claim of any particular claim holder; (2) an acknowledgement of the allowability of any listed claim; or (3) waiver of any right or legal position of the Debtors.

I declare under penalty of perjury that the foregoing is true and correct.

Date: December 11, 2008

By: _____


Andrew Bailen
President and CEO

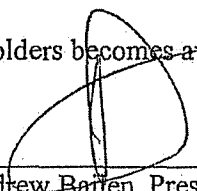
**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

----- X
In re: : Chapter 11
: :
KB TOYS, INC. : Case No. 08-[] ()
a Delaware corporation, et al., : :
: Joint Administration Pending
Debtors. : :
----- X

**DECLARATION REGARDING CORPORATE OWNERSHIP STATEMENT OF
KB TOYS, INC.**

I, Andrew Bailen, President and CEO, of KB Toys, Inc., the corporation named as debtor in this case, declare under penalty of perjury under the laws of the United States of America that I have read the List of Equity Security Holders under Fed.R.Bankr.P. 7007.1 submitted herewith and that it is true and correct to the best of my information and belief and will be supplemented to the extent additional information regarding equity security holders becomes available.

Dated: December 11, 2008



Andrew Bailen, President and CEO

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

----- X
In re: : Chapter 11
: :
KB TOYS, INC. : Case No. 08-[] ()
a Delaware corporation, et al., : :
: Joint Administration Pending
Debtors. :
----- X

LIST OF EQUITY SECURITY HOLDERS UNDER FED. R. BANKR. P. 7007.1

Debtor: KB Toys, Inc.

Equity Holder:

A. PKBT Funding LLC
623 Fifth Avenue, 32nd Floor
New York, New York 10022

100% Senior Preferred Stock (non-voting)
89.38% Common Stock (voting)

B. KBTI Trust, a Delaware statutory trust
c/o Alan Cohen, Residual Trustee
Abacus Advisors Group LLC
745 5th Avenue Suite 1506
New York, NY 10151-0001

10.62% Common Stock (voting)

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

----- X
In re: : Chapter 11
: :
KB TOYS, INC. : Case No. 08-[] ()
a Delaware corporation, et al., : :
: Joint Administration Pending
Debtors. : :
----- X

LIST OF EQUITY SECURITY HOLDERS

PLEASE TAKE NOTICE that KB Toys, Inc., the above-captioned debtor and debtor-in-possession, has filed the attached list of equity security holders. This list is being filed pursuant to Rule 1007(a)(3) of the Federal Rules of Bankruptcy Procedure and Rule 1007-1(a) of the Local Rules for the United States Bankruptcy Court, District of Delaware.

Dated: December 11, 2008
Wilmington, Delaware

**LIST OF EQUITY HOLDERS OF
KB TOYS, INC.**

Equity Holder Name	Address	Number of Interest	Percent Interest	Type of Interest ¹
PKBT Funding LLC	623 Fifth Avenue, 32nd Floor New York, NY 10022	37,875	89.38%	Common Stock (voting)
KBTI Residual Trust	c/o Alan Cohen, Residual Trustee Abacus Advisors Group LLC 745 Fifth Avenue, Suite 1506 New York, NY 10022	4,500	10.62%	Common Stock (voting)
PKBT Funding LLC	623 Fifth Avenue, 32nd Floor New York, NY 10022	17,000	100%	Senior Preferred Stock (non-voting)

¹ (a) Options and warrants to purchase shares that have not been exercised are not included herein. The Debtor has reserved 7,500 shares of common stock to honor such options and warrants. (b) There remains 2,625 shares in the Debtor's treasury which has been authorized but has not been issued.

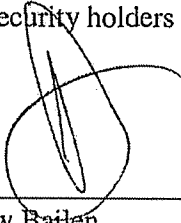
**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

-----	x	
In re:	:	Chapter 11
	:	
KB TOYS, INC.	:	Case No. 08-[____] (____)
a Delaware corporation, <u>et al.</u> ,	:	
	:	Joint Administration Pending
Debtors.	:	
-----	x	

DECLARATION REGARDING LIST OF EQUITY SECURITY HOLDERS

I, Andrew Bailen, President and CEO of KB Toys, Inc., a Delaware corporation, declare under penalty of perjury that I have read the List of Equity Security Holders submitted herewith and that it is true and correct to the best of my information and belief and will be supplemented to the extent additional information regarding equity security holders becomes available.

Dated: December 11, 2008



Andrew Bailen
President and CEO