AFSL GENERAL MEMBERSHIP MEETING

New Orleans, LA September 22, 2016



AGENDA FOR MEETING

I. Report from the Board of Directors

– Michael Ingram, President

- II. Election of Directors John D. Rogers, Exec. Director
- III. Financial Report Tad Trout, Treasurer
- IV. Update on CPSC's Proposal Interpretive Rule

– Quin D. Dodd, General Counsel

- V. Report on Consumer Fireworks Testing Program
 John D. Rogers
 BREAK
- VI. Election Results
- VII. Closing Remarks Michael Ingram, President

I. Report from the Board of Directors

- Michael Ingram, President

II. Election of Directors

A. New Board of Directors Officers

- President: Mike Ingram Fireworks Over America
- Vice President: Alan Zoldan B.J. Alan Company
- Secretary: Mick Marietta Jake's Fireworks
- Treasurer: Tad Trout TNT Fireworks
- Member-at-Large: Mike Collar Winco Fireworks

B. Candidates for the Board

a. Consumer Importer/Distributor/Retailer Category: Michael Collar – Winco Fireworks International, Inc.

b. Consumer Shipper Category:Thomas Chan – United Pyrotechnics USA Inc.

Eddie He – Jiangxi Panda Fireworks Co., Ltd.

c. Display Company Category: Phil Grucci – Fireworks by Grucci

III. Financial Report

- Tad Trout, Treasurer

IV. Update on CPSC's Proposal Interpretive Rule

- Quin D. Dodd

Interpretive Rule

For the foregoing reasons, the Commission proposes to interpret the phrase "Fireworks devices intended to produce audible effects" in a manner consistent with the APA voluntary standard and DOT regulations. Under this interpretation, the Commission will consider the presence in the burst (or break) charge of a fireworks device of metallic powder less than 100 mesh in particle size to mean that the device is intended to produce an audible effect. Likewise, if the device lacks such metallic powder, staff will consider it as not intended to produce an audible effect. This change, as noted above, will not alter the rule or any party's obligations under it in any way, but it will allow the Commission to enforce that rule more efficiently.

Request for Comments

Comments Due: October 6, 2016.

https://www.gpo.gov/fdsys/pkg/FR-2016-09-06/pdf/2016-21014.pdf AFSL will begin screening break charges for metal powder by using an X-ray Fluorescence (XRF) Scanner.

Effective date: Pending.



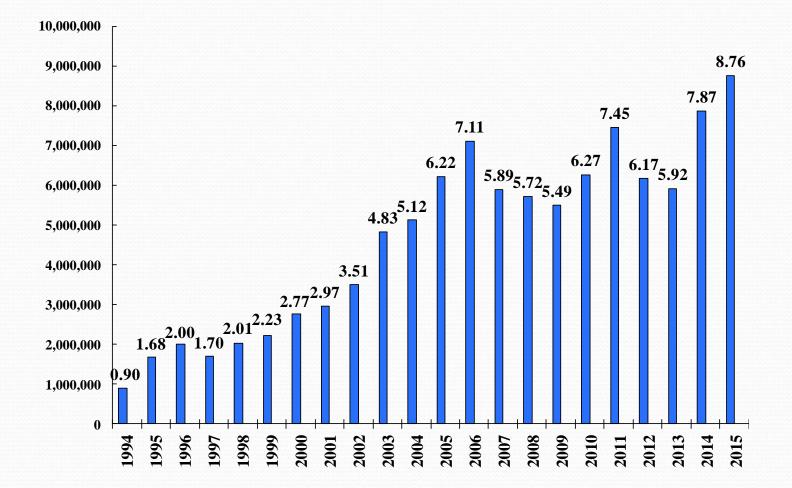


V. Report on Consumer Fireworks Testing Program

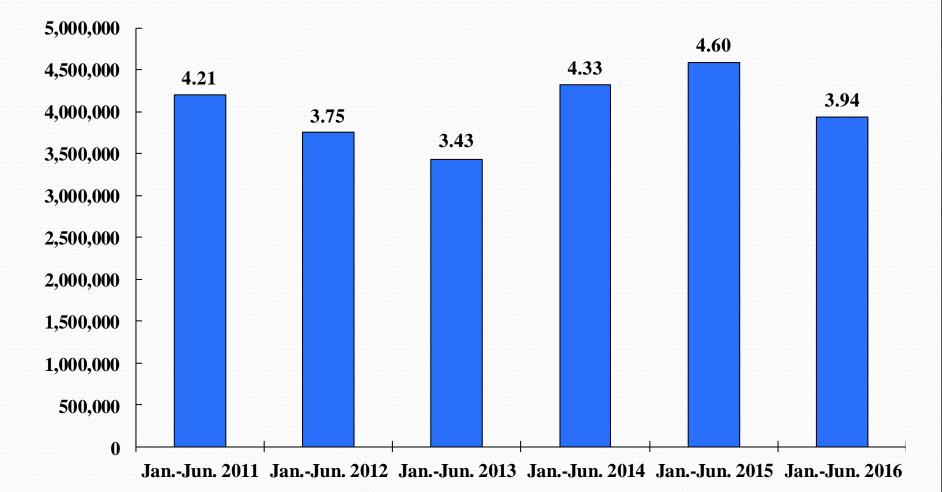
- John D. Rogers, Executive Director

A. Summary of Test Results

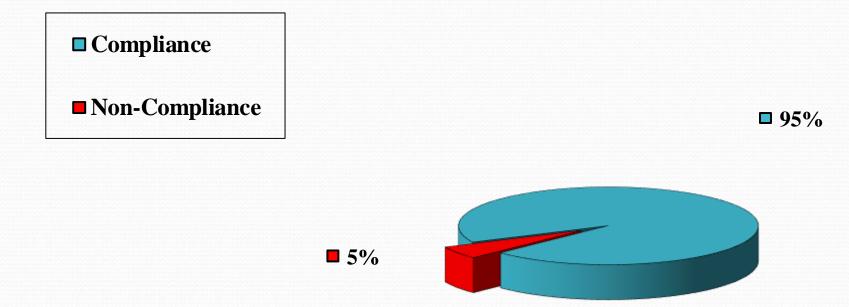
CASES TESTED BY YEAR 1994-2016 Quality Improvement Program



CASES TESTED BY YEAR JANUARY – JUNE 2011-2016



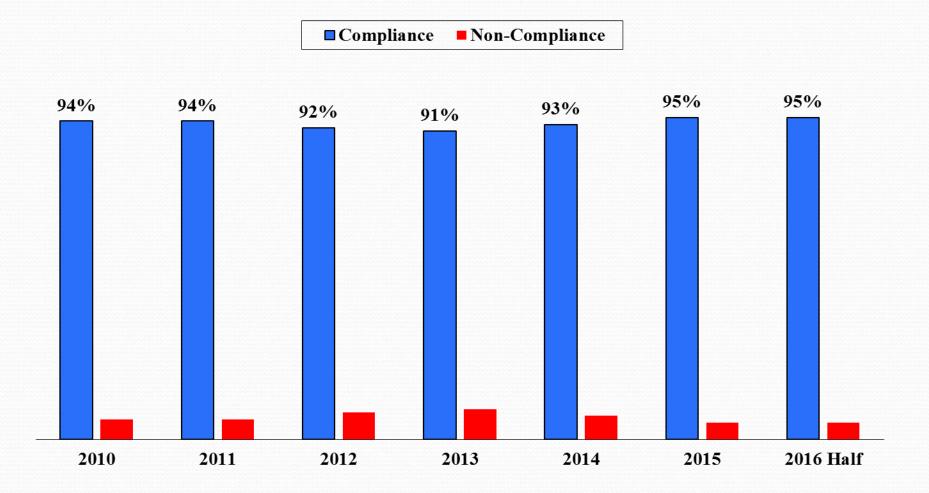
COMPLIANCE RATE HALF YEAR 2016 QUALITY IMPROVEMENT PROGRAM



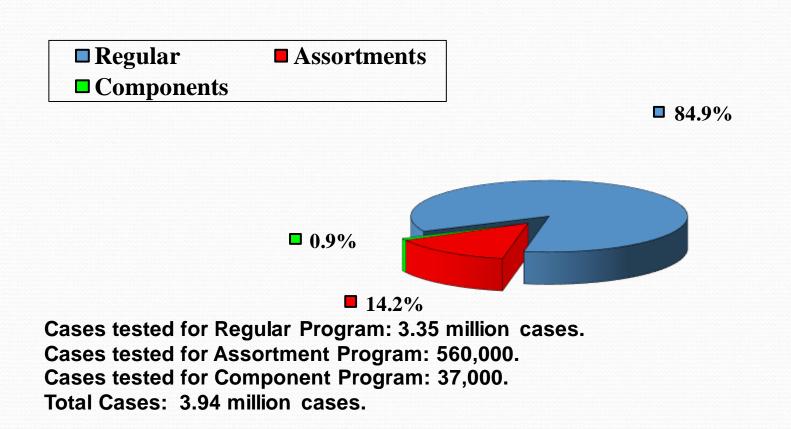
Complying Cases: 3.73 million cases (include 37,000 component cases). Non-Complying Cases: 209,000.

Total Cases: 3.94 million cases (include 37,000 component cases).

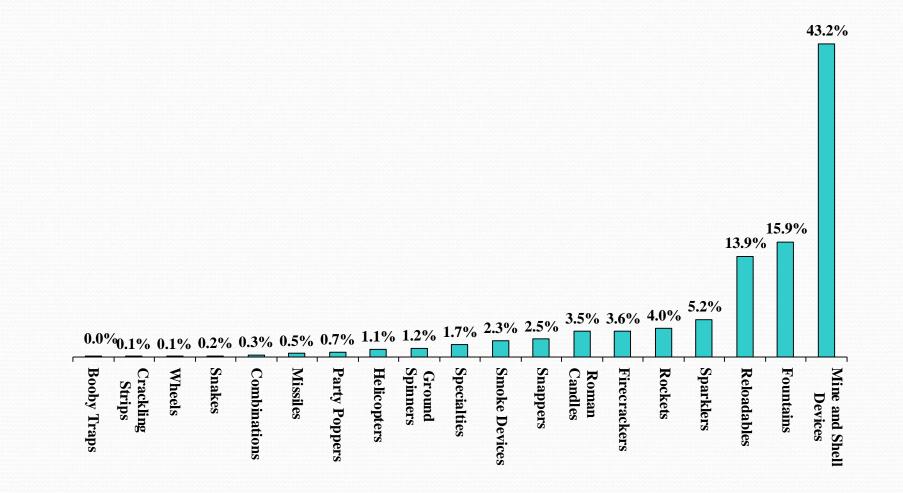
QIP COMPLIANCE PERCENTAGE BY YEAR



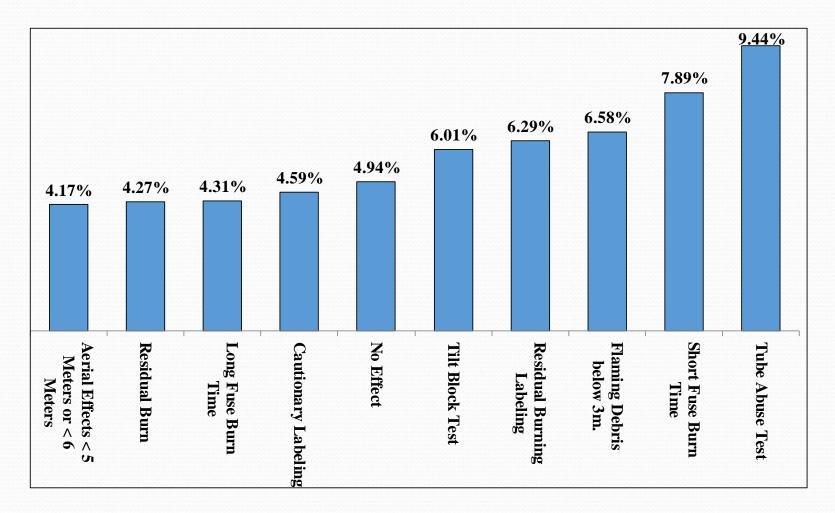
REGULAR, ASSORTMENTS, AND COMPONENTS JANUARY – JUNE 2016



PERCENTAGE TESTING BY PRODUCT CATEGORY JAN. – JUN. 2016



TOP 10 VIOLATIONS HALF YEAR 2016 Percentage of Total Violations



B. New Standards Approved by Board

REQUIREMENTS FOR RELOADABLE SHELL DEVICES

Modification #1 – Requirement for Orienting Loop

"Section 2-1.11.6 Each shell must include both an orienting loop that is securely attached to the top of the Shell and a Shell wrapper or other means of securely maintaining correct Shell orientation".

REQUIREMENTS FOR RELOADABLE SHELL DEVICES

Modification #2 – Limit on Shell Length for Canister Shells

"2-1.11.4 Individual Shells that are of cylindrical or other non-spherical shape must not exceed 101.6mm (4 inches) in total length."

REQUIREMENTS FOR RELOADABLE SHELL DEVICES

Modification #3 – Original (June 2016) Cautionary Labeling Requirement for All Tubes



For purposes of determining the correct placement, prominence and conspicuousness of the warning label, AFSL provides the following guidance:

1. The entire top (mouth) surface areas of the tube must be treated as the principal display panel for purposes of determining the appropriate type size. AFSL requests that the label be designed so that is it fully readable from the top of the tube without having to turn the tube in any other orientation to read any part of the label.

2. The "danger" triangle should be printed in yellow with a black border, consistent with the international symbol for "danger", which it represents. The height of the triangle must be a minimum of 16/64" and must be an equilateral triangle. 3. The Signal word "Danger" must be printed in a type size of 8/64".

4. The remainder of the wording must be printed in a type size of 4/64".

5. The background of the label must be white and the wording of the labeling (except for the yellow triangle), must be in bold, black or other similarly dark type.

6. The warning label must not include any other artwork, graphics, logos or other designs so as not to detract from the message being presented.

7. The warning label must be printed on an adhesive label that can be securely attached over the mouth of the launcher tube and that must be removed by the consumer before inserting a shell into the tube.

Effective Date: September 1, 2016



Revised (September 2016) Cautionary Labeling Requirement for All Tubes

DANGER: DO NOT HOLD LUANCH TUBE IN HAND OR PLACE AGINST BODY DURING USE – SERIOUS INJURY OR DEATH COULD RESULT!



For purposes of determining the correct placement, prominence and conspicuousness of the warning label, AFSL provides the following guidance:

1. The new label must be printed on the principal display panel near the rim (top edge) of the tube. For cylindrical shaped devices, 40% of the surface area of the entire tube is treated as the principal display panel. This also is the area where the name of the product is most prominently displayed. The surface area of the entire tube will be treated as the principal display panel for purposes of determining the appropriate type size. AFSL requests that the label be designed so that is it fully readable on the principal display panel of the tube without having to turn the tube in any direction to read any part of the label.

2. The "danger" triangle should be printed in yellow with a black border and must be an equilateral triangle, consistent with the international symbol for "danger", which it represents. The height of the triangle must be equal to the height of the signal word "DANGER".

3. The Signal word "DANGER" must be printed in a minimum type size of 8/64 for a typical tube designed for 1.75 in shells. See Appendix C in AFSL standards. For tubes smaller or larger tubes, follow the type size requirements in Appendix C.

4. The remainder of the wording must be printed in a minimum type size of 6/64 for a typical tube designed for 1.75 inch shells. See Appendix C in AFSL standards. For tubes smaller than the standard size for 1.75 inch shells, follow the type size requirements in Appendix C.

5. The background of the label must be white and the wording of the labeling (except for the yellow triangle), must be in bold, black or other similarly dark type.

6. The warning label must not include any other artwork, graphics, logos or other designs so as not to detract from the message being presented.

Effective Date: February 1, 2017.

NOTE: The original label will be accepted until February 1, 2017.

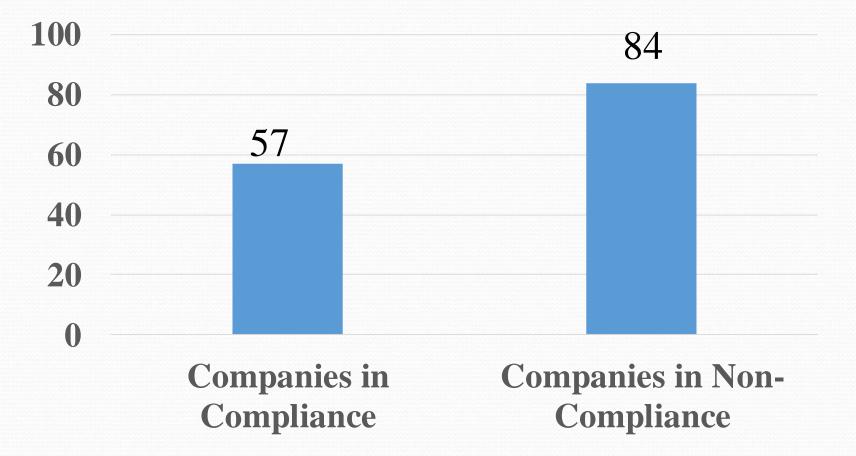
BREAK

C. Summary of Audits Conducted at Importers' Warehouses

- Jerry Wingard, Project Manager

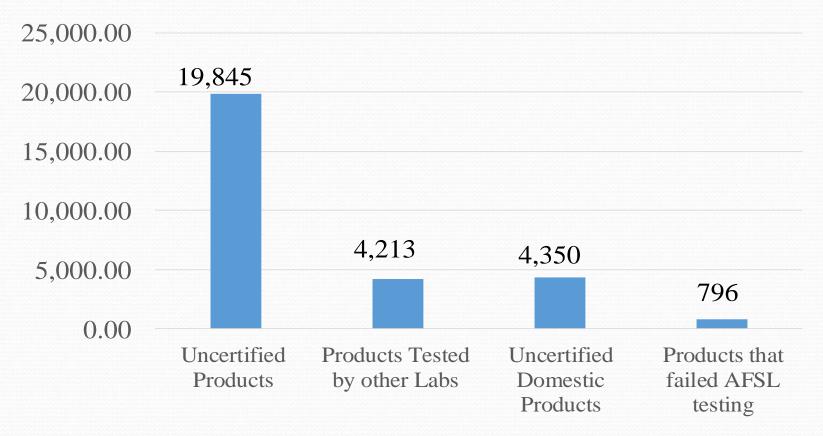
Summary Of Audits

141 companies have been audited in Phase I and II. The chart below shows the audit results:

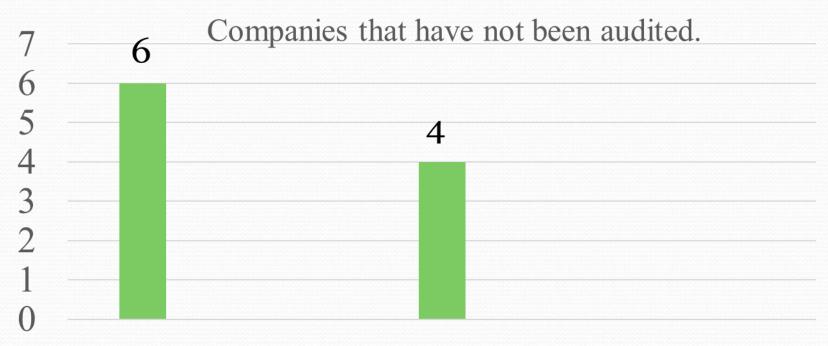


Problems/Issues Found in Phase II Audits

During Phase II of the Audits 1,392,034 cartons were inspected



Companies Remaining – Phase II



New Members Pending Outside 48 States

Domestic Audit Phase III

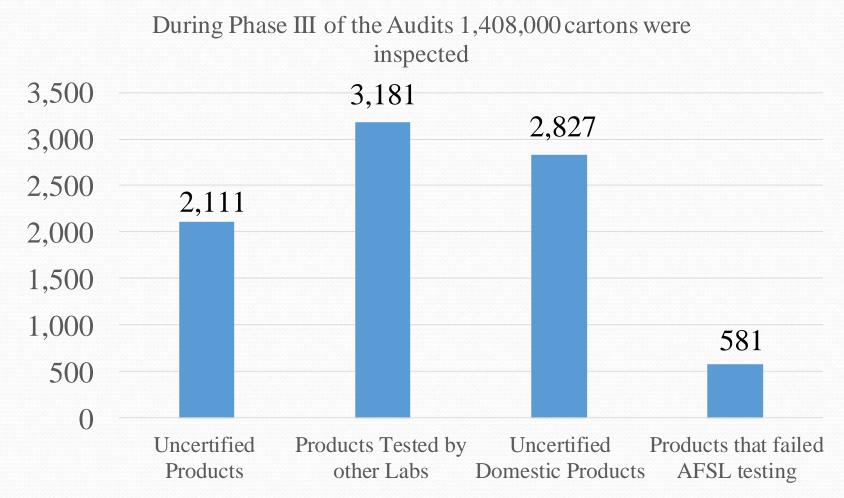
• Phase III started on March 12, 2015 with follow-up audits of companies that were not fully in compliance during Phase I and II.

Domestic Audits Phase III

As of today 21 companies have been re-audited. The results of these audits:

- > 6 Companies had no violations.
- 6 Companies had improved their scores but still had violations.
- 5 Companies' scores have remained the same and still have violations.
- 4 Companies' scores dropped below their last audit scores.
- > 1 Company has not responded to request to re-audit.

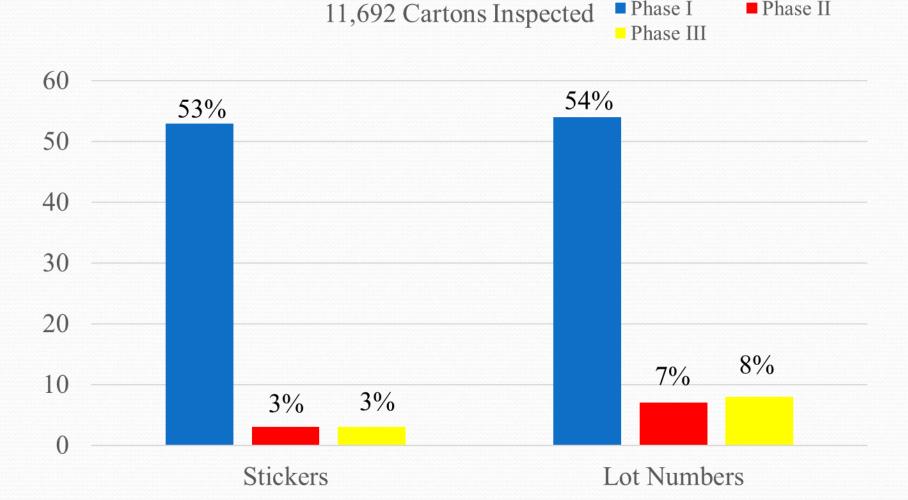
Problems/Issues Found in Phase III Audits



AFSL Certification Process Findings Phase I, II and III

Phase I

Phase II



Phase III Corrective Action

- As a result of these audits corrective actions has been approved on the companies that still had violations. These actions are separated into two groups. One with violations related to importation issues and the second group are related to domestic issues.
- 8 Companies will be issued notices of these issues pertaining to import issues and a recommended corrective action and be re-audited.
- 7 Companies will be issued notices of these domestic issues and a recommended corrective action and also be re-audited.

VI. Election Results

VII. Closing Remarks

- Michael Ingram, President

Questions & Answers



THANK YOU!

