



Date: 1 September 2011

Subject: Mandatory CPSIA/Direct Import (DI) Requirements for Direct Import Suppliers (Effective Immediately)

Applicability: Suppliers participating in the Exchange Direct Import Programs where the Exchange is the importer of record

Dear Supplier:

On August 14, 2008, President Bush signed into law the Consumer Product Safety Improvement Act of 2008 (CPSIA), also called HR4040. Though primarily directed at children's products, the new legislation requires that all products federally regulated by the Consumer Product Safety Commission (CPSC) be tested and certified to new safety limits, bans and restrictions.

Based on the new law, the following supplier processes have been developed to insure the safety of our customers and to be compliant with the new regulations. Mandatory supplier testing requirements and the Exchange document submission protocol and procedures are described below and on the following pages.

Suppliers providing children's products to the Exchange must have all finished products tested to CPSIA requirements by an accredited third-party lab. Children's products are defined as any product marketed or designed for children 12 years of age and younger.

To substantiate compliance a valid lab report and a General Certificate of Conformity (GCC) must be submitted to the Exchange electronically 10 days prior to the time of the actual shipment. A web-based document repository has been created to accommodate this function. Separate instructions for the Exchange CPSIA Document Repository are provided with this correspondence. Documents must also be submitted in hard copy format to our freight forwarder, APL Logistics, at the time of the shipment along with the required customs documentation/invoices.

Products other than children's items require the supplier to certify that a given item meets the applicable CPSIA regulations via a reasonable testing program and submit a GCC both in hard copy format and electronically as described in the paragraph above. The specific ban or regulation must be stipulated on the GCC. The Exchange will provide GCC forms to you.

Please note that the supplier is responsible for all product testing costs and any federally assessed fees or costs incurred by the Exchange due to supplier non-compliance. The supplier will be charged back for any infractions.

The following pages describe the supplier requirements and the Exchange document submission protocol. The CPSIA is extremely complex and if after reading this letter you still have questions, please feel free to contact the Exchange Quality Assurance Team via the following email address: QAQuestions@aafes.com or call 214-312-2790.

Thank you,
Quality Assurance Mgmt

CPSIA TESTING AND DOCUMENT SUBMISSION REQUIREMENTS AND INSTRUCTIONS FOR THE EXCHANGE DIRECT IMPORT SUPPLIERS

The following information describes the requirements and actions suppliers must take to provide direct import merchandise to the Exchange. Please read the following information carefully. Merchandise submitted to our freight forwarder without the proper documentation may result in cancelled orders and merchandise being returned at the suppliers' expense

The requirements are spelled out both in a written and graphical format (see Fig 1 on page 4). For questions contract the Exchange QA Team immediately.

AAFES PROTOCOL/PROCESS

START (EFFECTIVE IMMEDIATELY)

1. The Supplier or Factory receives a PO from the Exchange (AAFES).
2. **For children's products:**
 - The supplier must arrange to have all products tested to CPSIA requirements by an accredited third-party lab. Third-party lab testing is **MANDATORY** for all products marketed to children 12 years of age and younger. Testing costs are the suppliers' responsibility.
3. **For products "other" than children's items:**
 - The supplier is required to certify that a given item meets the applicable standard or regulation via a reasonable testing program and by supplying a GCC. A reasonable testing program is described below.
4. Prepare the required GCC based on test results. GCC forms are provided with this correspondence.
5. Register to utilize the Exchange CPSIA Document Repository at: <https://partners.aafes.com>. Detailed instructions are provided in the attached PowerPoint presentation. Registration is required even if a supplier has already registered. The QA Team must authorize access to the repository.
6. Sign on to the Exchange CPSIA Document Repository to upload GCC's and lab reports along with the other required information. This must be accomplished at least 10 days prior to the PO ship date.
7. Along with the shipment, send hard copies of the GCC, lab reports and the required customs documents to our freight forwarder, APL Logistics.
8. It is mandatory that documents are submitted both in hard copy format and electronically via the Exchange Document Repository.
9. The supplier must also keep copies of the documentation for at least 3 years and are to be made available to the Exchange upon request.
10. If the required documents are not submitted as per this protocol, the merchandise will be delayed, cancelled and/or returned to the supplier, at their expense.
11. Any federally assessed fees or fines incurred by AAFES due to supplier non-compliance will be charged back to the supplier.

GENERAL INFORMATION AND DEFINITIONS

- **Children's Products:** Any item designed or marketed to children 12 years old and younger.
- **Plain Children's Clothing** – Plain children's clothing is a garment that does not have any of the following attributes: screen printing, buttons, zippers, snaps, rivets, decorations, adornments, affixed plastics or any attachment requiring a pull test. Such items will only require a GCC to certify the flammability standard 16 CFR 1610. The reason for exemption must be noted on the GCC.
- **Adult Wearing Apparel (Clothing):** Requires a GCC with the "Reasonable Testing Program" block checked and must state that products listed on the GCC complies with or is exempt from 16 CFR 1610, the Flammability of Clothing and Textiles Standard. Also multiple items (colors and sizes) can be certified on one GCC, if items are similar.
- **Other Products:** Products regulated by CPSC other than children's products require a GCC with the "Reasonable Testing Program" block checked and the applicable ban or restriction selected.
- **Lab Reports:** The Exchange PO # and one or more of the following numbers: (1) CRC #, (2) Exchange Style # or (3) the UPC must be printed on the cover page of the lab report for traceability purposes.

- **Reasonable Testing Program:** An item is tested or verified through one of the following methods: an in-house testing program, component testing by sub-contractor or some other verifiable process or guarantee of compliance.
- **All Direct Import Merchandise:** At a minimum, all DI merchandise, excluding products falling under CPSIA must meet any additional/applicable federal regulations and be tested for safety and performance prior to acceptance. The QA Team has the right to pre-purchase such products and review/evaluate all 3rd party test reports. The supplier must provide samples to the QA Team upon request.

PRODUCT EXAMPLES:

CHILDREN'S PRODUCTS (Require GCC's and Lab Reports):

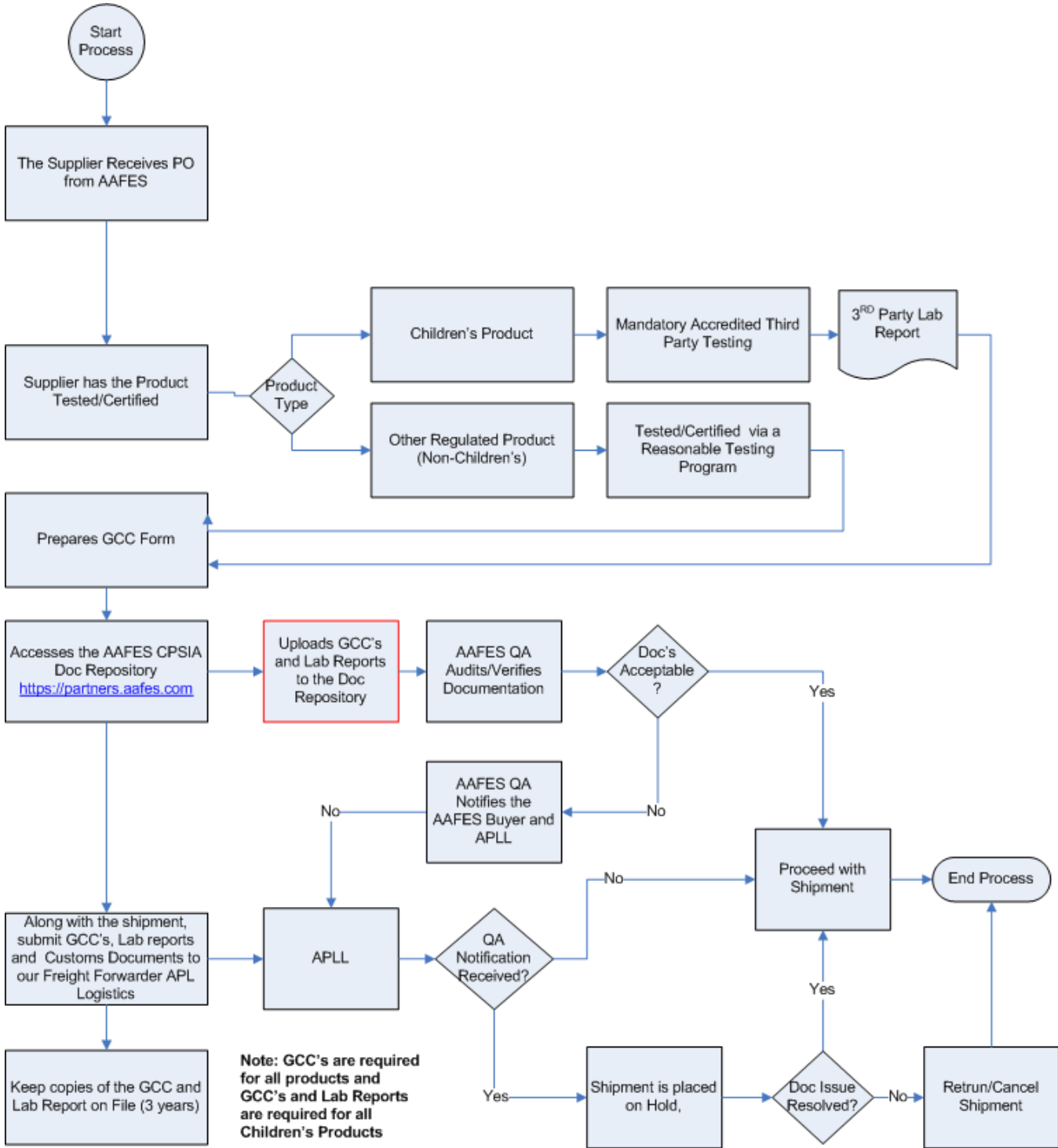
- All toys, art materials, bicycles and bicycle helmets.
- Baby items such as pacifiers, mouthable toys and rattles etc...
- All children's clothing, sleepwear and footwear.
- Juvenile furniture such as cribs, walkers, jumpers, play-yards and strollers etc...
- Costumes (all ages)
- Seasonal Items (Children's Products)

OTHER PRODUCTS (Require GCC's and back-up documentation upon request):

- All Adult Wearing Apparel (Clothing)
- Seasonal Items (No Toys)
- Rugs and carpets
- Cigarette lighters
- Lawn Mowers

Note: A graphical representation of the document submission process is located on the following page (4).

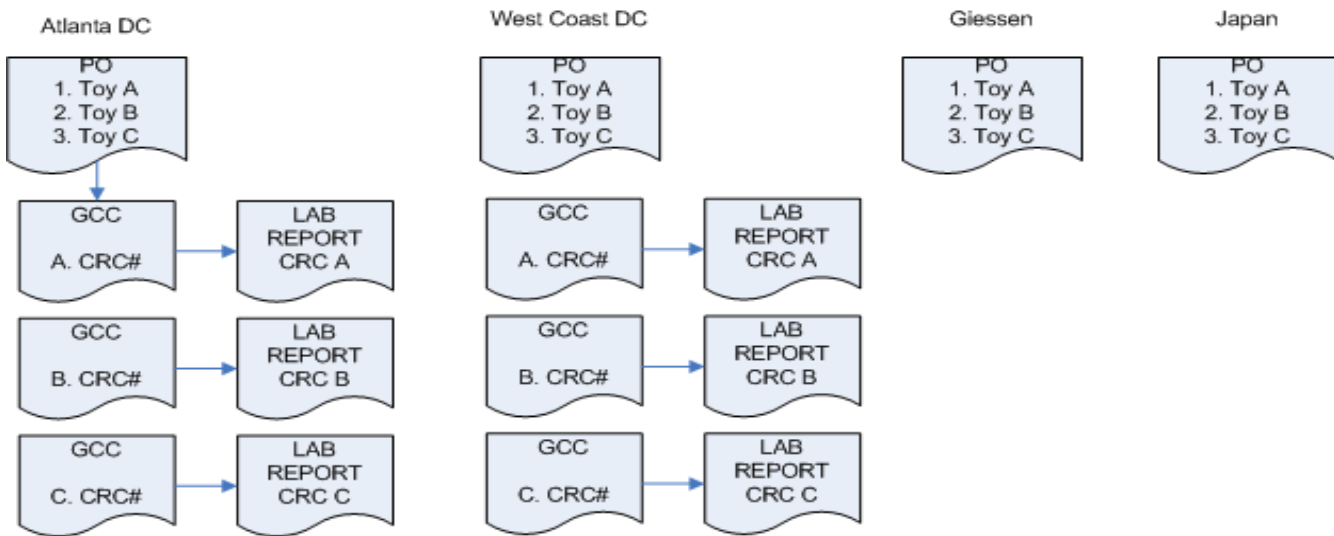
OVERALL DOCUMENT SUBMISSION PROCESS (FIG. 1)



MULTIPLE PO EXAMPLES (FIG. 2)

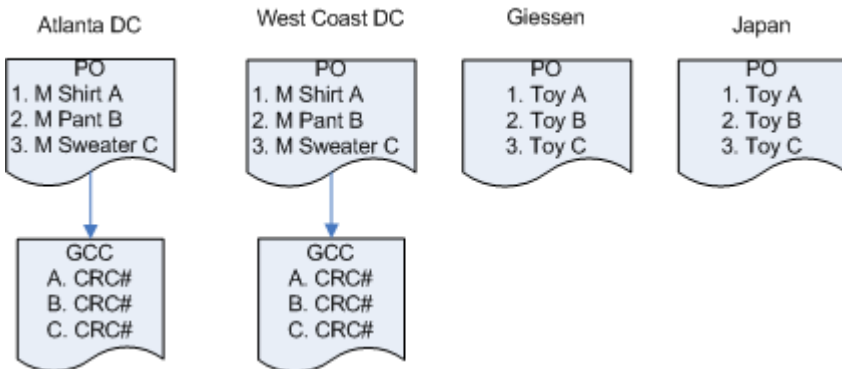
CHILDREN'S PRODUCT EXAMPLE:

Note: Each item (CRC) must have its own GCC and lab report.



Note: Purchase orders for Europe and the Pacific do not require lab reports or GCC's. Items will all ready have been tested for US locations. QA will have the documents on file.

OTHER PRODUCT EXAMPLE:



CPSIA REFERENCES:

[Click here](#) for a CPSIA resource site.