FCOs will be exempt from the new proposed procedures, OCC may be required to run two separate processing cycles, one in the morning and one in the evening. OCC has represented to the Commission that running two separate processing cycles will not adversely affect OCC. Additionally, OCC believes that the change in assignment processing is merely a change in OCC's procedures and does not affect the methodologies of either the random or pro rata assignment process.

OCC is proposing to amend certain definitions in its by-laws to accommodate PHLX's request.[5] The proposed changes to Section 1 of Articles I, XV, and XX of the by-laws should more accurately define the distinction between standard foreign currency options and flexibly structured foreign currency options with respect to expiration dates and times and should clarify that, but for flexibly structured FCOs established on or before January 14, 1997, all flexibly structured FCOs, whether standard flex FCOs or custom dated flex FCOs, will expire at 10:15 a.m. on the expiration date and be subject to a pro rata assignment process. In addition, Section 1.E(4)(iii) is being added to Articles XV and XX of OCC's by-laws as a transitional rule to govern the expiration time and assignment process to be used for existing standard flex FCO contracts and to exempt such standard flex FCO contracts from the proposed rule change. OCC believes that these proposed changes will create uniformity in the expiration time and assignment processing procedure for all flexibly structured FCOs.

OCC believes the proposed rule change is consistent with the requirements of Section 17A of the Act[6] because it is designed to promote the prompt and accurate clearance and settlement of securities transactions.

(B) Self-Regulatory Organization's Statement on Burden on Competition

OCC does not believe that the proposed rule change will impose any burden on competition.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments were not and are not intended to be solicited with respect to the proposed rule change, and none have been received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within thirty-five days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to ninety days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which OCC consents, the Commission will:

(A) By order approve such proposed rule change or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street NW., Washington, DC 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room, 450 Fifth Street NW., Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of OCC. All submissions should refer to the file number SR–OCC–96–19 and should be submitted by January 21, 1997.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.[7]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 96–33059 Filed 12–27–96; 8:45 am]

BILLING CODE 8010–01–M

contracts will expire at 10:15 a.m. ET with pro rata assignment. If the holders and the writers direct OCC to make these adjustments, OCC will act accordingly provided that OCC receives the proper authorizations from all parties involved.

[5] The specific changes to OCC's by-laws are set forth in OCC's proposed rule change, which is unavailable for review through OCC and the Commission's Public Reference Room.

[6] 15 U.S.C. 78q–1(b)(3)(F).

[7] 17 CFR 200.30–3(a)(12).

SOCIAL SECURITY ADMINISTRATION

Social Security Ruling SSR 96–10p

Electronic Service Delivery

AGENCY: Social Security Administration.

ACTION: Notice of Social Security Ruling.

SUMMARY: In accordance with 20 CFR 422.406(b)(1), the Commissioner of Social Security gives notice of Social Security Ruling SSR 96–10p. This Policy Interpretation Ruling represents the Social Security Administration's (SSA) policy for allowing our customers to communicate with us electronically by our acceptance of reports, requests, applications, and other information through access methods such as the Internet, video conferencing, and dial-up phone systems. By such methods, we will be able to accept reports, requests, applications, and other information. The Ruling also sets out our policy making electronic and digital signatures the functional equivalent of traditional handwritten signatures in certain situations which will be separately specified by SSA. We call these efforts to provide electronic service options to our customers electronic service delivery (ESD).

This Ruling facilitates our attempts to better serve our customers through the use of electronic service delivery technologies. It is not our intention that customers must conduct business with us electronically. Rather, we are providing our customers with an optional way of doing business while ensuring that the information communicated through ESD methods is as secure and reliable as it is technologically possible and feasible to make it for SSA's activities.

EFFECTIVE DATE: December 30, 1996.

FOR FURTHER INFORMATION CONTACT: Joanne K. Castello, Division of Regulations and Rulings, Social Security Administration, 6401 Security Boulevard, Baltimore, MD 21235, (410) 965–1711.

SUPPLEMENTARY INFORMATION: Although we are not required to do so pursuant to 5 U.S.C. 552(a)(1) and (a)(2), we are publishing this Social Security Ruling in accordance with 20 CFR 422.406(b)(1).

Social Security Rulings make available to the public precedential orders, opinions, and statements of policy and interpretations adopted by SSA relating to the Federal old-age, survivors, disability, supplemental security income, and black lung benefits programs. Social Security Rulings may be based on case decisions made at all administrative levels of adjudication,

Federal court decisions, Commissioner's decisions, opinions of the Office of the General Counsel, and other policy interpretations of the law and regulations.

Although Social Security Rulings do not have the force and effect of the law or regulations, they are binding on all components of the Social Security Administration, in accordance with 20 CFR 422.406(b)(1), and are to be relied upon as precedents in adjudicating cases.

If this Social Security Ruling is later superseded, modified, or rescinded, we will publish a notice in the Federal Register to that effect.

(Catalog of Federal Domestic Assistance, Program Nos. 96.001 Social Security—Disability Insurance; 96.002 Social Security—Retirement Insurance; 96.003 Social Security—Special Benefits for Persons Aged 72 and Over; 96.004 Social Security—Survivors Insurance; 96.005 Special Benefits for Disabled Coal Miners; 96.006 Supplemental Security Income)

Dated: December 19, 1996.

Shirley S. Chater,

Commissioner of Social Security.

Policy Interpretation Ruling Electronic Service Delivery

Purpose: This Policy Interpretation Ruling represents the Social Security Administration's (SSA) policy for allowing our customers to communicate with us electronically through access methods such as the Internet, video conferencing, and dial-up phone systems. By such methods, we will be able to accept reports, requests, applications, and other information. The Ruling also sets out our policy making electronic and digital signatures the functional equivalent of traditional handwritten signatures in certain situations which will be separately specified by SSA. We call these efforts to provide electronic service options to our customers electronic service delivery (ESD).

ESD includes the use of the specific technologies noted above, other current technologies, and future and as yet unidentified technologies which allow SSA's customers to transact business with us via Agency-approved methods. By expanding our service delivery options, we are continuing our efforts to provide world class service to our customers.

Information submitted by our customers using ESD technologies which are consistent with the principles described below and meet:

- Accepted industry standards; and
- SSA privacy, security, fraud detection and prevention, and authentication standards will be considered by SSA to be the functional equivalent of information submitted using traditional paper-based methods.

Determination of the appropriate ESD technologies for a given service will be based upon our evaluation of the sensitivity of the information, potential service impacts on our customers, and the risk factors including fraud detection, prevention, and prosecution, and cost/benefit considerations.

Authority: This Ruling is published under the authority of the Commissioner of Social Security in accordance with 20 CFR 422.406.

Part I

Introduction: As noted in the Agency's Strategic Plan [1] and described in more detail in our Business Plan,[2], SSA is expanding the service options available to our customers in new and innovative ways as technological advances allow. Agency ESD initiatives, based on proven secure technology, will provide our customers with access to SSA to conduct their business in new ways which are convenient for them and efficient for both them and SSA.

SSA has historically relied upon paper-based systems of information collection. Technological advances have reached the point where the use of electronic information collection is efficient, cost-effective, and frequently our customers' preferred method of doing business.

Paper-based information collection systems are perceived as being secure largely because they are the only information collection systems with which most individuals are familiar. The following excerpt from a law journal article provides a historical perspective of the security features of paper-based information collection:

> Traditional paper-based communications accompanied by handwritten signatures provide three essential security characteristics: message integrity, originator authentication, and non-repudiation. Depending on the nature of the communication, an additional security characteristic, confidentiality, may be desired. The efficacy of the various techniques used to ensure the desired level of security in turn depends on the adequacy of the administrative controls associated with their use.
>
> - Message integrity is the assurance that the content of a communication is complete and has not been changed prior to receipt.
> - Originator authentication provides assurance that the communication originated from the named source. This is most commonly provided by the handwritten signature, or historically, by the seal of the author.
> - Non-repudiation is a stronger form of authentication which relates to the ability of a disinterested third party to reasonably conclude that the identified originator intended to be bound by the substance of the communication. This function is most commonly performed by the original autograph signature affixed to a document having facially adequate message integrity.
> - Confidentiality is the ability to limit access to the information contained in a communication. This has generally been accomplished with some combination of security markings, envelopes, seals, trusted messengers, and by the use of codes and ciphers.[3]

The transfer of information in traditional paper-based systems is known as ''writing.'' ESD technologies allow the transfer of information by other than traditional paper-based methods. SSA is adopting a definition of writing which is consistent with modern legal usage and includes electronic information transfer. For example, the U.S. Code includes a definition of writing which is consistent with SSA's purposes:

> ''[W]riting'' includes printing and typewriting and reproductions of visual symbols by photographing, multigraphing, mimeographing, manifolding, or otherwise.[4]

The Federal Rules of Evidence, which apply to many of the proceedings in the Courts of the United States, define writing as follows:

> ''Writings'' and ''recordings'' consist of letters, words, or numbers, or their equivalent, set down by handwriting, typewriting, printing, photostating, photographing, magnetic impulse, mechanical or electronic recording, or other form of data compilation.[5]

This SSA policy making electronic information collection and distribution the functional equivalent of traditional handwritten information collection and distribution is in accord with U.S. law and the Federal Rules of Evidence as shown in these definitions. Accordingly, as SSA approves the use of specific ESD technologies, the products of those technologies will be considered writings by us.

Policy Interpretation: It is the policy of SSA to treat information received and distributed via Agency-approved ESD technologies as the functional equivalent of information received and

[1] SSA Pub. No. 01–001 (September 1991).

[2] SSA Pub. No. 01–008 (April 1996).

[3] Peter N. Weiss, Security Requirements and Evidentiary Issues in the Interchange of Electronic Documents: Steps Toward Developing a Security Policy, The John Marshall Journal of Computer & Information Law, Vol. XII, No. 3, pp. 431–432 (October 1993).

[4] 1 U.S.C. § 1.

[5] Fed. R. Evid. 1001(1). The Advisory Committee notes to this rule make it clear that writings can be created by mechanical or electronic techniques or other forms of information compilation.

distributed using traditional paper-based methods.

SSA's approval of ESD technologies for use by our customers will mean that the approved technologies provide a sufficient level of security and reliability that they can be an acceptable substitute for traditional paper-based information collection systems as described above, for the purpose of conducting the business of the Agency. Decisions about which ESD technologies are suitable for use with SSA will be made with appropriate input from the SSA components involved in the proposed activity.

Part II

This Policy Interpretation Ruling also addresses the use of electronic and digital signatures. Electronic and digital signatures are an integral factor in many ESD initiatives. Just as technology makes possible the electronic transmission of information for which SSA requires a signature, other technologies provide the means for a document to be ''signed'' without a traditional handwritten signature.

SSA requires a handwritten signature in only a limited number of situations (e.g., applications for benefits). The circumstances where a signature is required is an issue that is beyond the scope of this Ruling. We are expanding the meaning of the term ''signature'' to include electronic and digital methods that serve the purpose of originator identification, authentication, and non-repudiation to the extent that is technologically possible and feasible for SSA's activities.

Policy Interpretation: It is the policy of SSA that information for which SSA requires a signature may be signed using SSA-approved signature methods including handwritten, electronic, or digital methods. Approved signature methods will reasonably ensure, to the extent technologically possible and feasible for SSA's activities, that the signer can be identified and that the signer cannot later repudiate the submission of the information.

Conclusion: The early paragraphs of this Policy Interpretation Ruling listed the four essential security characteristics of paper-based information collection. These two policy interpretations were developed to ensure that the four security characteristics described earlier are maintained in all ESD technologies approved by SSA. Originator authentication and non-repudiation are addressed as aspects of the electronic and digital signature policy. Message integrity and confidentiality, although not specifically described in the policy statement endorsing ESD, are implicitly contained in the limitation statement that all ESD technologies must be approved by SSA.[6]

SSA approval of a particular ESD technology will require assurance that the technology is consistent with all appropriate laws and directives. Since the appropriate technology and levels of security will vary based upon the sensitivity of the business application, SSA's selection of the appropriate technology or technologies for a given usage will be based upon consideration of the service impacts on our customers, a risk analysis including fraud detection, prevention, and prosecution concerns, and an analysis of the costs and benefits related to the technology.

In summation, it is SSA policy that all information received and distributed via Agency-approved ESD technologies is the functional equivalent of information received and distributed using traditional paper-based methods. It is also the policy of SSA that information for which a signature is required, can be signed using electronic or digital technologies approved by SSA, provided that the electronic or digital signature reasonably ensures that the signer can be identified and that the signer cannot later repudiate the submission of the information.

These two policy interpretations are being issued to facilitate the Agency's attempts to better serve our customers through the use of ESD technologies. It is not intended that our customers always must conduct business with SSA electronically. Rather, we are providing our customers with an optional way of doing business with us while ensuring that the information provided to, or distributed by, SSA through electronic methods is as secure and reliable as it must be for the purpose for which it is used.

Effective Date: This Policy Interpretation Ruling is effective upon publication in the Federal Register.

[FR Doc. 96–33034 Filed 12–27–96; 8:45 am]

BILLING CODE 4190–29–P

[6] For a detailed description of the security features of electronic information transfers in general and digital signatures in particular see generally, M. Baum, Federal Certification Authority Liability and Policy (U.S. Dept. of Commerce, NIST–GCR–94–654 (June 1994)).

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[Docket No. 96–101; Notice No. 1]

Reports, Forms, and Record keeping Requirements

AGENCY: National Highway Traffic Safety Administration (NHTSA), DOT.

ACTION: Request for public comment on proposed collections of information.

SUMMARY: This notice solicits public comments that requires each tire manufacturer to collect and maintain records of the names and addresses of the first purchasers of new tires.

Before a Federal agency can collect certain information from the public, it must receive approval from the Office of Management and Budget (OMB). Under new procedures established by the Paperwork Reduction Act of 1995, before seeking OMB approval, Federal agencies must solicit public comment on proposed collections of information, including extensions and reinstatements of previously approved collections.

This document describes the collection of data used by a tire manufacturer, when it determines that some of its tires either fail to comply with an applicable safety standard or contain a safety-related defect, for which NHTSA intends to seek OMB approval.

DATES: Comments must be received on or before February 28, 1997.

ADDRESSES: Comments must refer to the docket and notice numbers cited at the beginning of this notice and be submitted to Docket Section, Room 5109, NHTSA, 400 Seventh St. S.W., Washington, D.C. 20590. Please identify the proposed collection of information for which a comment is provided, by referencing its OMB Clearance Number. It is requested, but not required, that 1 original plus 2 copies of the comments be provided. The Docket Section is open on weekdays from 9:30 a.m. to 4 p.m.

FOR FURTHER INFORMATION CONTACT: Complete copies of each NHTSA request for collection of information approval may be obtained at no charge from Mr. Ed Kosek, NHTSA Information Collection Clearance Officer, NHTSA, 400 Seventh Street, S.W., Room 6123, Washington, D.C. 20590. Mr. Kosek's telephone number is (202) 366-2589. Please identify the relevant collection of information by referring to its OMB Clearance Number.

SUPPLEMENTARY INFORMATION: Under the Paperwork Reduction Act of 1995, before an agency submits a proposed