

are offset if paid while also in receipt of SSA benefits.

Office of Personnel Management.

**Kay Coles James,**  
*Director.*

### **Report of Computer Matching Program Between the Office of Personnel Management and Social Security Administration**

#### *A. Participating Agencies*

OPM and SSA.

#### *B. Purpose of the Matching Program*

Chapter 84 of title 5, United States Code (U.S.C.), requires OPM to offset specific benefits by a percentage of benefits payable under Title II of the Social Security Act. The matching will enable OPM to compute benefits at the correct rate and determine eligibility for benefits.

#### *C. Authority for Conducting the Matching Program*

Chapter 84, title 5, United States Code.

#### *D. Categories of Records and Individuals Covered by the Match*

The two SSA records systems involved in the match are (1) Master Files of Social Security Number (SSN) Holders and SSN Applications, 60–0058 (SSA/OSR) last published on March 24, 1998 at 63 FR14165 and (2) the Master Beneficiary Record, 60–0090 (SSA/OSR) last published February 21, 2001 at 66 FR 11079. The OPM records consist of annuity data from its system of records entitled OPM/Central 1-Civil Service Retirement and Insurance Records, last published on October 8, 1999 at 64 FR 54930, and as amended at 65 FR 25775, May 3, 2000.

#### *E. Description of Matching Program*

As frequently as daily, OPM will provide SSA with an extract from the annuity master file and from pending claims snapshot records via the File Transfer Management System (FTMS). The extracted file will contain identifying information concerning the disability annuitant, child survivor, or surviving spouse who may be eligible for an annuity under FERS. Each record will be matched to SSA's records and requested information transmitted back to OPM.

#### *F. Privacy Safeguards and Security*

The personal privacy of the individuals whose names are included in the files transmitted are protected by strict adherence to the provisions of the Privacy Act of 1974 and OMB's "Guidance Interpreting the Provisions of

Public Law 100–503, the Computer Matching and Privacy Protection Act of 1988". Access to the records used in the data exchange is restricted to only those authorized employees and officials who need it to perform their official duties. Records matched or created will be stored in an area that is physically safe. Records used during this exchange and any records created by this exchange will be processed under the immediate supervision and control of authorized personnel in a manner which will protect the confidentiality of the records. The records matched and records created by the match will be transported under appropriate safeguards. Both SSA and OPM have the right to make onsite inspection or make other provisions to ensure that adequate safeguards are being maintained by the other agency.

#### *G. Inclusive Dates of the Matching Program*

This computer matching program is subject to review by the Office of Management and Budget and the Congress. OPM's report to these parties must be received at least 40 days prior to the initiation of any matching activity. If no objections are raised by either, and the mandatory 30-day public notice period for comments has expired for this Federal Register notice with no significant adverse public comments in receipt resulting in a contrary determination, then this computer matching program becomes effective on the date specified above. By agreement between OPM and SSA, the matching program will be in effect and continue for 18 months with an option to renew for 12 additional months under the terms set forth in 5 U.S.C. 552a(o)(2)(D).

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## **POSTAL SERVICE**

### **Postage Evidencing Product Submission Procedures**

**AGENCY:** Postal Service.

**ACTION:** Final notice of procedures.

**SUMMARY:** The Postal Service is implementing product submission procedures for postage meters and other postage evidencing systems.

**DATES:** The procedures are effective November 5, 2002.

**FOR FURTHER INFORMATION CONTACT:** Wayne Wilkerson, manager, Postage Technology Management, by fax at 703–292–4050.

**SUPPLEMENTARY INFORMATION:** With the expansion of postage application methods and technologies, it is essential that the product submission procedures for all postage evidencing products be clearly stated and defined while remaining flexible enough to accommodate evolving technologies. The Postal Service evaluation process can be effective and efficient if all suppliers follow these procedures. In this way, secure and convenient technology will be made available to the mailing public with minimal delay and with the complete assurance that all Postal Service technical, quality, and security requirements are met. These procedures apply to all proposed postage evidencing products and systems, whether the provider is new or is currently authorized by the Postal Service.

Title 39, Code of Federal Regulations (CFR) section 501.9, Security Testing, states: "The Postal Service reserves the right to require or conduct additional examination and testing at any time, without cause, of any meter submitted to the Postal Service for approval or approved by the Postal Service for manufacture and distribution." For products meeting the performance criteria for postage evidencing systems that generate an information-based indicia (IBI), including PC Postage® products, the equivalent section is 39 CFR section 502.10, Security Testing, published as a proposed rule in the **Federal Register** on October 2, 2000. When the Postal Service elects to retest a previously approved product, the provider will be required to resubmit the product for evaluation according to part or all of the proposed procedures. The Postal Service will determine full or partial compliance with the procedures prior to resubmission by the provider.

The procedures were published as proposed procedures in the **Federal Register** on May 1, 2002 [Vol. 67, No. 84, pages 21780–21785] with a request for submission of comments by May 31, 2002. We received three submissions in response to the solicitation of public comments. These comments were carefully considered, as explained in the discussion of comments. No changes were made to the procedures as a result of these comments. However, a few changes were made to clarify the meaning of the procedures, as explained following the discussion of comments. The procedures, as revised, follow these explanations.

#### **Discussion of Comments**

1. One commenter asked the Postal Service to add maximum time frames for responding to product submissions

to ensure the Postal Service and the independent test laboratory complete their reviews in a timely manner.

The Postal Service understands the commenter's concern and does in fact strive to complete each stage of the product review, test, and evaluation process in a timely manner. However, it is difficult if not impossible for the Postal Service to commit to a set timetable for response, given resource constraints, the unpredictability of product submissions, and the dependence on outside agents. The product providers can help the Postal Service to respond in a timely manner by ensuring that product submissions are complete and meet all requirements specified in the product submission procedures. No revision of the procedures is made in response to this comment.

2. One commenter assumed that the Postal Service will pay for costs associated with "resources under direct contract to the Postal Service" referenced in section 1.3, Additional Security Testing.

At the current time, the Postal Service does assume all costs associated with resources under direct contract to the Postal Service. However, there is no guarantee that the Postal Service will be able to assume all such costs for the future. In particular, the Postal Service might ask for cost recovery from a provider when the provider's submittal is inadequate or incomplete and the direct contract resource must perform additional or repeated reviews. No revision of the procedures is made in response to this comment.

3. One commenter noted that the revised policy on intellectual property is an improvement over prior policy because it removes the Postal Service from involvement in patent disputes among other parties, and places responsibility on the provider for determining and meeting intellectual property requirements for the provider's system. However, the commenter suggested that we delete the requirement for providers "to acquire intellectual property licenses that may be required . . . to allow the Postal Service to process mail bearing the indicia produced by the product." The commenter noted that the providers do not control how the Postal Service elects to process mail. The commenter stated that just as it is the responsibility of providers to determine what intellectual property licenses they may need, it is the responsibility of the Postal Service to determine what intellectual property licenses it needs for its processes.

The provider must demonstrate that the system submitted satisfies all

applicable postal processing and interface requirements in a real-world environment, in accordance with procedures in section 7, Limited-Distribution Field Test. If the ability to satisfy all applicable current Postal Service processing and interface requirements requires property licenses to allow the Postal Service to process mail bearing the indicia produced by the product, it is the provider's responsibility to acquire these licenses. No revision of the procedures is made in response to this comment.

#### **Discussion of Clarifications and Changes**

1. In 1.1, we clarified the requirements for selection of the independent test laboratory. The provider must select an independent testing laboratory accredited by the National Institutes of Standards and Technology (NIST) under the National Voluntary Laboratory Accreditation Program (NVLAP).

2. In 4.1, we clarified the meaning of the Postal Service response to provider submissions of documentation during the product submission process. When the manager, Postage Technology Management (PTM), acknowledges receipt of the concept of operations or other documentation, the acknowledgement does not imply acceptance or approval of the concept of operation, of the documentation itself, or of the product. Approval of the product is granted only after the product prototype has been developed and testing has been successfully completed in accordance with all requirements of these procedures.

3. In describing the letter of intent (2.0), we clarified the requirements for identifying those involved in the product development and production. We also added a requirement for providers to submit an updated list with the concept of operations documentation (4.2). The list must be resubmitted to ensure that the Postal Service has current information about all entities involved in product development and production.

4. In the table of Required Documentation, we added a requirement for providers to submit the "Indicium Specification for Human Readable Data" directly to the Postal Service. We also indicated that the Postal Service may require submission of additional documentation, if deemed necessary for any product approval.

The submission procedures will be referenced in 39 CFR part 501 and will be published as a separate document titled "Postage Technology

Management, Postage Evidencing Product Submission Procedures."

#### **Product Submission Procedures for Postage Meters (Postage Evidencing Systems)**

##### *1. General Information*

###### *1.1 Independent Testing Laboratory*

To receive authorization from the Postal Service to manufacture, produce, or distribute a postage meter (postage evidencing system) under 39 CFR part 501, Authorization to Manufacture and Distribute Postage Meters, the provider must obtain approval under these product submission procedures. These procedures also apply to providers requesting approval to manufacture, produce, or distribute a product under proposed 39 CFR part 502, Authority to Produce and Distribute Postage-Evidencing Systems that Generate Information-Based Indicia (IBI) (65 FR 58689).

The provider must select an independent testing laboratory accredited by the National Institutes of Standards and Technology (NIST) under the National Voluntary Laboratory Accreditation Program (NVLAP) to conduct the detailed product review and testing required by these procedures. When the product contains a postal security device (PSD) or cryptographic module, the laboratory must be an NVLAP-accredited cryptographic module testing laboratory.

Technical documentation (section 4) and production systems (section 5) must be provided to the selected test laboratory in sufficient detail to support testing. The testing laboratory will submit an executive summary containing the information referenced in the Required Documentation table set forth in paragraph 4.2 and the results of the product evaluation directly to the Postal Service. All supporting documentation, products, PSDs and cryptographic modules, and other materials used or generated during testing will be maintained by the testing laboratory for the life of the test. At the time of product approval, the manager, Postage Technology Management (PTM), will determine the ongoing disposition of all supporting documentation, products, PSDs and cryptographic modules, and other materials used or generated during testing.

During the product's life cycle, the provider may choose to use a different laboratory. In that event, all materials used or generated during testing and product evaluation must be transferred to the new laboratory.

Upon completion of the testing, the Postal Service may require that any or all of the following categories of information be forwarded directly from the accredited laboratory to the manager, PTM:

(a) A copy of all information that the provider gives to the laboratory, including a summary of all information transmitted orally.

(b) A copy of all instructions from the provider to the testing laboratory with respect to what is and what is not to be tested.

(c) Copies of all proprietary and nonproprietary reports and recommendations generated during the test process.

(d) Written full disclosure identifying any contribution by the test laboratory to the design, development, or ongoing maintenance of the system.

## 1.2 Product Submission Procedures

To submit a postage meter (postage evidencing system) for Postal Service approval, the provider will complete the following steps:

(a) Submit a letter of intent (section 2).

(b) Complete and sign the nondisclosure agreements (section 3).

(c) Submit the required documentation (section 4).

(d) Submit the postage evidencing system for evaluation (section 5).

(e) Enable the Postal Service to review the provider's system infrastructure (section 6).

(f) Place the product into limited distribution for field testing (section 7), after completing any additional security testing that the Postal Service requires.

## 1.3 Additional Security Testing

The Postal Service may choose to use resources under direct contract to the Postal Service to support the product review for additional security testing. The activities of these resources are independent of the testing laboratory selected by the provider and must be covered by nondisclosure agreements (section 3).

## 1.4 Product Approval Process

When the field testing (section 7) is completed successfully, the Postal Service performs an administrative review of the test and evaluation results and, when appropriate, grants authorization to distribute the product, as described in section 8.

At each stage of the product submission process, the manager, PTM, reserves the right to terminate testing if a review shows that the system as proposed will adversely impact Postal Service processes. The provider may

resubmit the product after the problems have been resolved.

The provider can avoid unnecessary delays in the review and evaluation process by testing the product thoroughly prior to submitting it to the independent testing laboratory and to the Postal Service. If the Postal Service determines that there are significant deficiencies in the product or in the required supporting materials, then the Postal Service will return the submission to the provider without reviewing it further.

## 2. Letter of Intent

The provider must submit a letter of intent to Manager, Postage Technology Management (PTM), United States Postal Service, 1735 N. Lynn Street, Room 5011, Arlington, VA 22209-6050. The manager, PTM, will assign a point of contact to coordinate the submission and review process. The letter of intent must be dated and must include the following:

(a) Identification (name, mailing address, e-mail address, and telephone number) of all parties involved in the proposed product, including the provider, those responsible for the product's assembly, product management, hardware/firmware/software development and testing, and any other party involved (or expected to be involved) with the design or construction of the product, including all suppliers of product components which could affect the security of Postal Service revenues.

(b) Provider's business qualifications, including proof of financial viability and proof of the provider's ability to be responsive and responsible.

(c) System concept narrative, including the provider's infrastructure that will support the product.

(d) Target Postal Service market segment the proposed system is envisioned to serve.

When there is a significant change to any aspect of the product described in the letter of intent, or of the parties involved in developing or producing the product, prior to submission of the concept of operations (section 4), the provider must revise the letter of intent and resubmit it.

## 3. Nondisclosure Agreements

When the Postal Service uses resources under direct contract to the Postal Service to support the product review, the provider must establish a nondisclosure agreement with these resources. These nondisclosure agreements may require extension to third-party suppliers or others identified in the letter of intent (section 2).

Providers are encouraged to share copies of nondisclosure agreements provided by the Postal Service with all parties identified in the letter of intent, to ensure that these parties will execute the agreement if needed to support Postal Service review of the product. Failure to sign nondisclosure agreements, provided by the Postal Service to support review activities, might adversely affect a product submission. Questions regarding this process should be directed to the manager, PTM.

## 4. Technical Documentation

### 4.1 Introduction

The provider must submit the materials listed in the Required Documentation table. If the provider considers that a given requirement is not applicable to the product, the provider should note this in the document submission. The table is not meant to be an exhaustive list of all possible areas that need to be documented to support the evaluation of a postage meter (postage evidencing system). Ongoing advances and changes in technology and new approaches to providing postage evidencing can add other components that must be considered. The provider should submit any additional information that it considers necessary or desirable to describe the product fully. The independent testing laboratory may determine the level of detail that must be submitted to meet its test and evaluation requirements. The laboratory or the Postal Service may request additional information if needed for a complete evaluation.

Documentation must be submitted to the independent laboratory and the Postal Service as indicated in the Required Documentation table. The laboratory will prepare an executive summary and submit it to the Postal Service when required. Documentation must be in English and must be formatted for standard letter size (8.5" x 11") paper, except for engineering drawings, which must be folded to letter size. Where appropriate, documentation must be marked as "Confidential." The document recipient will determine the number of paper copies and the format of electronic copies of each document at the time of submission based on current technology and review requirements.

The provider should schedule a meeting with PTM staff shortly after or simultaneously with the submission of technical data and the concept of operations to permit full discussion and understanding of the technical concepts being presented for evaluation. The

manager, PTM, will indicate Postal Service agreement or concerns relevant to the concept, as appropriate. However, no Postal Service communication or acknowledgement of receipt of documentation or other submission is meant to imply acceptance or approval of the concept of operation, of any documentation, or of the product.

Approval of the product is granted only after the product prototype has been developed and testing has been successfully completed in accordance with all requirements of these procedures.

#### 4.2 Required Documentation

The following table details the documents that the provider must

prepare. Providers are responsible for submitting any additional documentation the Postal Service may require during the product submission process. The table shows which documents must be submitted directly to the Postal Service and which must be submitted to the independent testing laboratory.

#### REQUIRED DOCUMENTATION

Document/section	Submit to test laboratory?	Postal Service requirement
<b>Concept of Operations (CONOPS)</b>		
System overview, including: <ul style="list-style-type: none"> <li>• Concept overview and business model</li> <li>• Postal security device (PSD) implementation, features, and components, including the digital signature algorithm</li> <li>• System life cycle overview</li> <li>• Adherence to industry standards, such as FIPS PUB 140-1 or 140-2 (after May 25, 2002), as required by Postal Service</li> </ul>	Yes	Provider submits in full. Executive summary prepared by laboratory.
System design details, including: <ul style="list-style-type: none"> <li>• PSD features and functions</li> <li>• All aspects of key management</li> <li>• Client (host) system features and functions</li> <li>• Other components required for system use including, but not limited to, the proposed indicia design and label stock</li> </ul>	Yes	Executive summary prepared by laboratory. Laboratory report on indicium compliance with Postal Service requirements as given in the performance criteria.
Indicium Specification for Human Readable Data	No	Provider submits in full.
System life cycle, including: <ul style="list-style-type: none"> <li>• Manufacturing</li> <li>• Postal Service certification of the system</li> <li>• Production</li> <li>• Distribution</li> <li>• Meter licensing</li> <li>• Initialization</li> <li>• System authorization and installation</li> <li>• Postage value download or resetting process</li> <li>• System and support system audits</li> <li>• Inspections</li> <li>• Procedures for system withdrawal and replacement, including procedures for system malfunctions</li> <li>• Procedures to destroy scrapped systems</li> </ul>	Yes	Provider submits in full. Executive summary prepared by laboratory.
Finance overview, including: <ul style="list-style-type: none"> <li>• Customer account management (payment methods, statements, and refunds)</li> <li>• Individual product finance account management (resetting or postage value download, refunds)</li> <li>• Daily account reconciliation (provider reconciliation, Postal Service detailed transaction reporting)</li> <li>• Periodic summaries (monthly reconciliation, other reporting as required by the Postal Service)</li> </ul>	Yes	Provider submits in full. Executive summary prepared by laboratory.
Interfaces, including: <ul style="list-style-type: none"> <li>• Communications and message interfaces with the Postal Service infrastructure for resetting or postage value downloads, refunds, inspections, product audits, and lost or stolen product procedures</li> <li>• Communications and message interfaces with Postal Service financial functions for resetting or postage value downloads, daily account reconciliation, and refunds</li> <li>• Communications and message interfaces with customer infrastructure for cryptographic key management, product audits, and inspections</li> <li>• Message error detection and handling</li> </ul>	Yes	Provider submits in full. Executive summary prepared by laboratory.
Configuration management and detailed change control procedures for all components, including, but not limited to: <ul style="list-style-type: none"> <li>• Software</li> <li>• Hardware and firmware</li> <li>• Indicia</li> <li>• Provider infrastructure</li> <li>• Postal rate change procedures</li> <li>• Interfaces</li> </ul>	Yes	Executive summary prepared by laboratory.
Physical security	Yes	Executive summary prepared by laboratory.

## REQUIRED DOCUMENTATION—Continued

Document/section	Submit to test laboratory?	Postal Service requirement
Personnel/site security	Yes	Executive summary prepared by laboratory.
Executable code	Yes	On request.
Source code.	Yes	On request.
Operations manuals	Yes	Executive summary prepared by laboratory.
Communications interfaces	Yes	Executive summary prepared by laboratory.
Maintenance manuals	Yes	Executive summary prepared by laboratory.
Schematics	Yes	Executive summary prepared by laboratory.
Product initialization procedures	Yes	Executive summary prepared by laboratory.
Finite state machine models/diagrams	Yes	Executive summary prepared by laboratory.
Block diagrams	Yes	Executive summary prepared by laboratory.
Details of security features	Yes	Executive summary prepared by laboratory.
Description of cryptographic operations, as required by FIPS PUB 140–1 or 140–2 (after May 25, 2002), Appendix A	Yes	Executive summary prepared by laboratory.
<b>Test Plan</b>		
Postal Service requirements	Yes	Executive summary prepared by laboratory.
FIPS PUB 140–1 or 140–2 (after May 25, 2002) requirements	Yes	Executive summary prepared by laboratory.
Physical security of provider's Internet server, administrative site, and firewall	Yes	Executive summary prepared by laboratory.
Security for remote administrative access and configuration control	Yes	Executive summary prepared by laboratory.
Secure distribution or transmission of software and cryptographic keys	Yes	Executive summary prepared by laboratory.
Test plan for system infrastructure: <ul style="list-style-type: none"> <li>• Test parameters</li> <li>• Infrastructure systems</li> <li>• Interfaces</li> <li>• Reporting requirements</li> </ul>	Yes	Executive summary prepared by laboratory.
Test plan for limited-distribution field tests: <ul style="list-style-type: none"> <li>• Test parameters</li> <li>• System quantities</li> <li>• Geographic location</li> <li>• Test participants</li> <li>• Test duration</li> <li>• Test milestones</li> <li>• System recall plan</li> </ul>	Yes	Executive summary prepared by laboratory.
<b>Provider Infrastructure Plan</b>		
Public key infrastructure	Yes	Executive summary prepared by laboratory.
Procedures for enforcement of all provider-related, customer-related, and Postal Service-related processes, procedures, and interfaces discussed in CONOPS or required by Postal Service regulations	Yes	Executive summary prepared by laboratory.

*5. Product Submission and Testing***5.1 General Submission Requirements**

The provider must submit complete production systems to the independent testing laboratory for evaluation. The laboratory will determine how many systems are needed for a complete evaluation. The provider must also provide any equipment and consumables required to use the

submitted systems in the manner described in the CONOPS. The provider must also submit complete production systems, supporting equipment, and consumables directly to the Postal Service, if requested. The Postal Service may test these for compliance with Postal Service regulations and processes under section 6, System Infrastructure Testing.

**5.2 Submission Requirements for Products Containing a Postal Security Device or Cryptographic Module**

The NVLAP-accredited cryptographic modules testing (CMT) laboratory must evaluate all PSDs and cryptographic modules for FIPS PUB 140–1 or 140–2 certification, or equivalent, as authorized by the Postal Service. After May 25, 2002, FIPS PUB 140–2

certification will be required. The Postal Service requires that the PSD or cryptographic module receive FIPS PUB 140-1 or 140-2 certification as it is implemented. That is, the PSD or cryptographic module and the installed application must be considered as a whole in determining whether or not it receives FIPS certification. The FIPS certification of the PSD or cryptographic module is dependent on the application. Since any certification could be in question once any noncertified or untested software is installed, the PSD or cryptographic module must be certified as it will be implemented, and the accredited CMT lab must reevaluate any changes that would risk the certification.

Upon completing FIPS PUB 140-1 or 140-2 certification, or equivalent, the CMT laboratory must forward the following documentation directly to the manager, PTM:

(a) A copy of the letter of recommendation for certification of the PSD or cryptographic module that the laboratory submitted to NIST.

(b) A copy of the certificate, if any, issued by NIST for the PSD or cryptographic module.

#### 6. System Infrastructure Testing and Provider System Security Testing

To achieve Postal Service approval of a postage evidencing system, the provider must demonstrate that the system satisfies all applicable Postal Service regulations and reporting requirements and that it is compatible with Postal Service mail processing functions and all other functions with which the product or its users interface. The tests must involve all entities in the proposed architecture, including the postage evidencing system, the provider infrastructure, the financial institution, and Postal Service infrastructure systems and interfaces. The tests may be conducted in a laboratory environment in accordance with the test plan for system infrastructure testing. Test and approval of system infrastructure functions must be completed before the postage evidencing system can be field tested under section 7. The functions to be tested include, but are not limited to, the following:

(a) Meter licensing, including license application, license update, and license revocation.

(b) System status activity reporting.

(c) System distribution and initialization, including system authorization, system initialization, customer authorization, and system maintenance.

(d) Total system population inventory, including leased and

unleased systems; new system stock; and system installation, withdrawal, and replacement.

(e) Irregularity reporting.

(f) Lost and stolen reporting.

(g) Financial transactions, including cash management, individual system financial accounting, account reconciliation, and refund management.

(h) Financial transaction reporting, including daily summary reports, daily transaction reporting, and monthly summary reports.

(i) System initialization.

(j) Cryptographic key changes and public key management.

(k) Postal rate table changes.

(l) Print quality assurance.

(m) Device authorization.

(n) Postage evidencing system examination and inspection, including physical and remote inspections.

In addition to testing the system infrastructure, the Postal Service must be assured that the provider's support systems and infrastructure are secure and not vulnerable to security breaches. This will require site reviews of provider manufacturing, distribution, and other support facilities, and reviews of network security and system access controls.

#### 7. Limited-Distribution Field Test

To achieve Postal Service approval of a postage evidencing system, the provider must demonstrate that the system satisfies all applicable Postal Service processing and interface requirements in a real-world environment. This is achieved by placing a limited number of systems in distribution for field testing. The Postal Service will determine the number of systems to be tested. The test will be conducted in accordance with the Postal Service-approved test plan for limited-distribution field testing. The purpose of the limited-distribution field test is to demonstrate the product's utility, security, audit and control, functionality, and compatibility with other systems, including mail entry, acceptance, and processing when in use. The field test will employ available communications and will interface with current operational systems to exercise all system functions.

The manager, PTM, will review the executive summary of the provider-proposed test plan for limited-distribution field testing. The review will be based on, but not limited to, the assessed revenue risk of the system, system impact on Postal Service operations, and requirements for Postal Service resources. Approval may be based in whole or in part on the anticipated mail volume, mail

characteristics, and mail origination and destination patterns of the proposed system. For systems designed for use by an individual meter user, product users engaged in field testing must be approved by the Postal Service before they are allowed to participate in the test. These participants must sign a nondisclosure/confidentiality agreement when reporting system security, audit and control issues, deficiencies, or failures to the provider and the Postal Service. This requirement does not apply to users of systems designed for public use.

#### 8. Postage Evidencing System Approval

Postal Service approval of the postage meter (postage evidencing system) is based on the results of an administrative review of the materials and test results generated during the product submission and approval process. In preparation for the administrative review, the provider must update all documentation submitted in compliance with these procedures to ensure accuracy. When approval is granted, the Postal Service will prepare a product approval letter detailing the conditions under which the specific product may be manufactured, distributed, and used. The provider must submit the following materials for the Postal Service administrative review:

(a) Materials prepared for the Postal Service by the independent testing laboratory.

(b) The final certificate of evaluation from the NVLAP laboratory, where required.

(c) The results of system infrastructure testing.

(d) The results of field testing of a limited number of systems.

(e) The results of any other Postal Service testing of the system.

(f) The results of provider site security reviews.

#### 9. Intellectual Property

Providers submitting postage evidencing systems to the Postal Service for approval are responsible for obtaining all intellectual property licenses that may be required to distribute their product in commerce and to allow the Postal Service to process mail bearing the indicia produced by the product.

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