



September 29, 2008

Mr. Dan G. Blair  
Chairman  
Postal Regulatory Commission  
901 New York Avenue, NW  
Suite #200  
Washington, DC 20268-0001

**Subject: Docket MC2008-1**

### **The Information Assurance Consortium (IAC) - Who We Are**

The Information Assurance Consortium (IAC) is a member-driven 501(c)(6) organization dedicated to education, promoting awareness, and facilitating the use of standards-based, trusted information architectures, products and services by the public and private sectors. The founding members include leading trusted time stamping companies that provide data authentication solutions to global government organizations as well as to commercial industries including but not limited to manufacturing, healthcare, financial services, life sciences, real estate, semiconductor, electronics, chemical, transportation and legal services.

Established in 2005, the IAC was founded as an out-growth of work done at the Accredited Standards Committee (ASC) X9, specifically the X9F4 Security Protocols and Applications Sub-Committee. Members of this committee included representatives from NIST, NSA, American Bankers Association (ABA), Bank of America, MasterCard International, American Express Company, JP Morgan Chase and other reputable software, technology and government organizations. Most notably, the IAC, in conjunction with the ASC X9 Committee, was instrumental in establishing the *ANSI X9.95 standard* for cryptographic timestamps.

### **The ANSI X9.95 Standard**

The ANSI X9.95 is a comprehensive protocol that:

- Describes the roles, responsibilities and requirements for the participants of trusted time stamps (i.e., time source entities, time stamp authorities, time stamp requestors and time stamp relying parties,...);
- Specifies data objects, processing flows, error handling and message formats;
- Defines technology methods (i.e, hash and sign, message authentication code, linked token, and transient key);
- Offers a comprehensive set of time stamp control objectives to validate a trusted time stamp system, suitable for use by a professional audit practitioner; and
- Provides sample time stamp policy and time stamp practice statements.

## **IAC and EPM: A History of Futility**

On Tuesday, August 29, 2006, the Information Assurance Consortium arranged a joint IAC/ANSI briefing to provide the USPS with an explanation of the American National Standards development process and the related public law directing federal agencies and departments to adopt American National Standards rather than develop their own standards whenever possible (USPS attendee list attached). On this occasion, the IAC members provided an in-depth briefing on the X9.95 standard. The IAC's objectives were clearly stated upfront:

- To make the USPS aware that proving electronic data integrity is indeed a problem in commercial markets and in the public sector and that private industry, including multiple time stamping solutions providers, were providing these solutions;
- To recommend that the USPS either adopt or accept the American National Standard X9.95-2005 Trusted Time Stamp Management and Security protocol in its EPM initiatives; and
- To invite the United States Postal Service to consider become a member of the Information Assurance Consortium.

We are providing as attachments copies of two letters endorsing the use of the X9.95 Trusted Time Stamping standard. These letters were sent by U.S. Congressman Vernon Ehlers and American National Standards Institute President Joseph Bhatia to Chairman of the Securities and Exchange Commission, Christopher Cox pursuant to meetings the IAC held with the SEC regarding trusted time stamp adoption in the financial services industry.

On February 27, 2007, the IAC sent a letter to the USPS addressed to Messrs. Nick Barranca and Dan Lord clearly stating that the IAC did not support the USPS's EPM program. The IAC, having evaluated the program for the EPM as described by the USPS, identified elements which, in the conclusions drawn from our analysis could jeopardize the US market for trusted time stamping for all vendors and could expose individual citizens to significant risk. In a spirit of cooperation, the IAC offered to assist the USPS in addressing these risks to assure a viable market for vendors and a safe marketplace for individual users. A copy of this letter is attached.

In our dealings with the USPS, they made it clear that the USPS did not have in its employment individuals with technical expertise in trusted time stamping methods or solutions. Further, the USPS representatives indicated that there was no intention and were no plans to hire technically qualified personnel. To our knowledge, this condition has not changed.

The USPS acknowledge that they had not achieved their internal goals or objectives for adoption of the EPM and that they did not have the knowledge or expertise to market EPM branded trusted time stamps.

Members of the IAC have been directly involved in a number of industry adoption and market formation activities (including but not limited to: the American Bar Association, the Sedona Conference, the AIIM (the Content Management Association), ARMA International, the Cyber Security Industry Alliance, X9, ISACA, etc.) and the USPS has neither been present nor represented. The USPS has been conspicuously absent from the predominant industry and market forming initiatives.

The end results to date have been disappointing.

First, The USPS seems to ignore that private industry is delivering legally defensible and trusted solutions to prove that electronic documents existed at a point in time and can not be undetectably manipulated. Second, the USPS has never created discernible, secure and independently certifiable guidelines to assure EPM consumers that all EPM providers meet minimum security and service level agreements; in effect, providing EPM consumers with the confidence that EPM tokens are reliable and not susceptible to undetectable alteration. The X9.95 protocol, approved as an ANSI standard, has already accomplished this. Moreover, not a single individual from USPS has approached the consortia of time stamping experts who among them have more than 100+ years of operating history and expertise in building, delivering and innovating trusted data authentication solutions. Because the IAC failed to accomplish any of our objectives with the USPS, it should come as no surprise that not a single member of the Information Assurance Consortium, which is represented by the leading trusted time-stamp companies in the world, responded to the USPS' RFI.

### **IAC Position On EPM**

Members of the Information Assurance Consortium are opposed to having the USPS EPM initiative compete with private industry unless there is a true spirit of partnership with the IAC to make ANSI X 9.95 compliance the common underpinning behind the EPM offering. This common effort will also serve to spur innovation and benefit public and private enterprises still waiting for a standards based and reliable product. If the USPS is unwilling to comply with an American national industry standard, developed by the cooperation and collaboration of some of the best and brightest in the financial and technology worlds, it will also have to explain to both domestic and global consumers why it chose to operate in a non-standards based, proprietary, and opaque manner. Given today's demands that government and business deliver transparency with their services, we believe that the USPS should move quickly to adhere to what has become not only a United States but a global standard, or else face the unenviable task explaining why it operates behind a curtain of secrecy, and further explain why standards compliance is not necessary --- for the USPS. If any effort at cooperation had been made during the past few years, the EPM would not be at such risk. Should the USPS wish to compete globally against its other postal competitors, then why not include the pioneers and innovators who are making the data authentication industry happen today?

The IAC formally extends an invitation to the PRC to meet if additional input is desired.

Respectfully submitted,

Jeff Stapleton  
President

Paul F. Doyle  
Vice President

Tom Klaff  
Board Member

Steven Teppler  
Secretary

**Doyle, Paul**

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**From:** Fabrizio, Philip J - Washington, DC [philip.j.fabrizio@usps.gov]  
**Sent:** Monday, August 28, 2006 9:46 AM  
**To:** Paul F. Doyle; jschweik@ansi.org; tklauff@surety.com  
**Cc:** Reck, Bradley A - Washington, DC; Lord, Dan J - Rosslyn, VA  
**Subject:** Presentations for Tomorrow

Paul:

Just checking back to see if you have a version of tomorrow's presentation that you can share in advance with us. If you'd like we can prepare copies as handouts. At the moment we anticipate an audience of between 12 and 16.

Below for your information are the known attendees:

Mark Stepponzi - IT Manager  
Mary Portko - Alliances and Partnerships  
Steve Moe - Strategic Planning  
Pete Stark - IT - Security  
Ray Van Iterson - Finance, Business Evaluation  
Roy Gordon - Postage Technologies  
Dan Lord - Same as above  
Brad Reck - Integration and Planning (Product Development)  
Ron Garey - Same as above  
Dave Hamilton - International Business  
Linda Paine-Powell - Legal, Intellectual Property  
Joe Wackerman - Legal, Business Law  
Deborah Kendall - Privacy Office  
myself

Tentative

Elizabeth Richardson - Finance, Business Evaluation  
Richard Cooper, Business Law

Phil Fabrizio  
Strategic Planning

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Congress of the United States of America  
House of Representatives

RECEIVED  
ES 116045  
2006 APR 10 AM 11:02  
CHAIRMAN'S  
CORRESPONDENCE UNIT

Vernon J. Ehlers

Michigan

April 3, 2006

Chairman Christopher Cox  
Securities and Exchange Commission  
100 F. Street NE  
Washington, D.C. 20549

RECEIVED  
JUN 13 2006  
OFFICE OF THE SECRETARY

Dear Chairman Cox,

It has come to my attention that on December 1, 2005, members of the Information Assurance Consortium provided a briefing to the Securities and Exchange Commission's Division of Investment Management, on the American National Standard X9.95-2005 Trusted Time Stamp Management and Security. The X9.95-2005 Trusted Time Stamp is a mathematical tamper seal for electronic records that uses time as an immutable reference.

The tamper seal's reliability is based on a complex mathematical method involving cryptography. Records with a Trusted Time Stamp can later be verified by anyone who matches the mathematical elements in the tamper seal against the reliable and readily available reference.

As you are undoubtedly aware, there is a growing problem of securing and validating electronic records, especially in Mutual Fund late trading and market timing. The X9.95-2005 solves this problem by electronically time stamping digital documents, confirming the time and existence of that document, while also providing an evidentiary trail of authenticity for that document. The key to determining data integrity hinges upon the ability to prove time.

If time is a factor of control in mutual fund order entry and processing, our National Time Authority is an essential reference. The X9.95-2005 was developed in cooperation with the National Institute of Standards and Technology (NIST), with the help of Dr. Judah Levine, who runs the Time Synchronization Lab for NIST, our civilian National Time Authority.

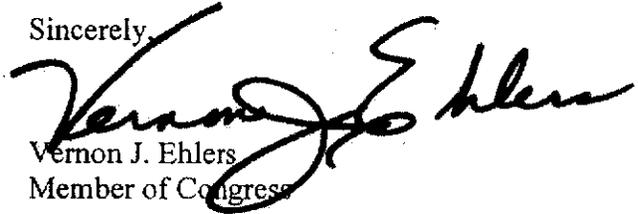
As Chairman of the Science Subcommittee on Environment, Technology and Standards, I ask you and the SEC to give strong consideration to the issued technical standards published by the American National Standards Institute and developed in cooperation with the National Institute of Standards and Technology.



Chairman Christopher Cox  
April 3, 2006  
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Thank you for your consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Vernon J. Ehlers". The signature is written in a cursive style with a large, sweeping initial "V".

Vernon J. Ehlers  
Member of Congress

VJE: bg

August 4, 2006

Chairman Christopher Cox  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

Dear Chairman Cox:

This letter is to encourage you and the Securities and Exchange Commission to utilize American National Standard X9.95-2005, the Trusted Time Stamp Management and Security standard ©, as a key tool in your efforts to overcome the growing problems of securing and validating electronic records, especially in mutual fund late trading, market timing and option back-dating.

As President of the American National Standards Institute, I ask you to give serious consideration to relying upon American National Standard X9.95-2005 for the following reasons:

- Over the past twenty years, Congress enacted numerous laws<sup>1</sup> that encourage federal agencies to participate in the development of private sector consensus standards and to rely upon them whenever feasible. This reliance upon consensus standards is further encouraged by OMB Circular A-119. The advantages to government of this public-private partnership are many, including cost savings, access to state-of-the-art technology, and improved regulatory compliance.
- Accredited Standards Committee X9, Financial Services<sup>2</sup>, the committee responsible for developing the X9.95 Trusted Time Stamp standard, is accredited by ANSI as a standards developing organization. (ANSI is the only organization in the United States that accredits standards developing organizations.) Organizations accredited by ANSI develop standards in an open, balanced process with an established appeals process and public review. American National Standard, X9.95-2005 was *unanimously* approved.
- X9.95 met all ANSI requirements for designation as an American National Standard. That means that the document itself (ANS X9.95-2005) met ANSI's procedural requirements for openness, balance, due process, and public review. It also means that the standard was developed in conformance with all internationally accepted principles of standards development.

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<sup>1</sup> National Technology Transfer and Advancement Act (PL104-113); Telecommunications Reform Act of 1996; FDA Reform Act of 1996; Consumer Product Safety Act.

<sup>2</sup> ASC X9 standards are widely used and recognized. Many X9 standards are either cited or required by the Federal government for use in financial procedures and transactions. In addition, X9 standards are the basis for many international standards used in facilitating global commerce. Additional information, as well as a list of ASC X9 members, is available on their website, [www.x9.org](http://www.x9.org).

As electronic records have increasingly become the authoritative business and legal means of transacting, recording and controlling activity, the integrity of these records emerges as being of critical importance. Essential to the determination of data integrity is the ability to prove time for digital or electronic records. An X9.95 Trusted Time Stamp which is based on advanced mathematics known as cryptography creates a tamper seal for electronic records by using time as an immutable reference. A Trusted Time Stamp eliminates any question of manipulation or change to electronic records or documents. An X9.95-based Trusted Time Stamp and its corresponding electronic record or document can later be checked for validity by anyone who encounters them.

We believe that ANS X9.95 provides a way for the SEC to take a significant step toward addressing some of the major problems faced by the securities and financial services industries.

Sincerely,

A handwritten signature in blue ink that reads "S. Bhatia". The signature is written in a cursive style with a large initial "S" and a horizontal line extending from the end.

S. Joseph Bhatia  
President

February 27, 2007

Mr. Nick Barranca  
Vice President, Product Development  
United States Postal Service  
475 L'Enfant Plaza SW, Suite 4200  
Washington, DC 20260-4200

Mr. Dan Lord  
United States Postal Service  
475 L'Enfant Plaza SW, Suite 4200  
Washington, DC 20260-4200

Dear Nick and Dan:

On behalf of the membership of the Information Assurance Consortium and the undersigned, we'd like to thank the United States Postal Service Electronic Postmark team for their recent release of performance criteria for EPM vendors.

As an organization dedicated to the advocacy and adoption of American National Standards for trusted time-stamp technology, the IAC has reviewed the document released to potential vendors for the next generation of electronic postmark solutions. Our analysis has yielded a number of concerns regarding fundamental flaws that would need to be addressed before going live with the proposed licensing program and thereby averting irreparable damage to the trust associated with the USPS EPM. Just one of these concerns relates to the transparency, auditability, and inherent risk of USPS EPM vendors who would be licensed to enter the market through a process of self-certification.

We strongly urge the United States Postal Service to reconsider its current process and engage in a dialogue with the Information Assurance Consortium to formulate a path forward that will simultaneously achieve the full potential of the market, protect the USPS EPM® brand and protect the end-consumers of an EPM® solution.

We'd be more than happy to meet with you. Please contact Paul Doyle at (616) 292-8350 to arrange a time for meeting. We look forward to the discussion.

Sincerely,

Jeff Stapleton, President

Paul Doyle, Vice President

Brad Morrison, Treasury

Steven Teppler, Secretary

Cc: Thomas Foti  
Trent Ensley  
Joseph Wackerman  
Roy Gordon  
Phillip Fabrizio  
Bradley Reck