with the protection of investors and the public interest that the proposed rule change become operative immediately upon the date of filing, February 14, 2000. At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

B. Commission Request for Additional Information

As part of the extension of the Pilot Fee Structure through September 1, 2000, the Commission will continue to examine the permissible fees. To perform an effective review, and assess on an ongoing basis the reasonableness of the Pilot Fee Structure, the Commission requires current information on the costs associated with the proxy distribution process. Because ADP controls nearly 100% of the market for delivery of proxy materials to security holders whose securities are held in street name, the Commission believes that ADP is the most appropriate source of comprehensive and timely information. Therefore, as a condition to the extension of the Pilot Fee Structure through September 1, 2000, ADP shall be required to provide to the Commission, as soon as practicable, copies of ADP's audited financial statements for the fiscal years ended June 30, 1999, and June 30, 2000. The Commission notes that ADP most recently provided such information for its fiscal year ended June 30, 1998.

The Commission also seeks to clarify the scope of each fee that is permissible under the Pilot Fee Structure. For example, it appears that some uncertainty currently exists in identifying the specific coordination services that are encompassed within the nominee coordination fee. Because the Exchange administers the Pilot Fee Structure as part of its rules, the Commission requests that the Exchange provide within 45 calendar days a thorough description of each fee that is permissible under the Pilot Fee Structure. The description should clearly identify the circumstances in which a distribution intermediary may assess a particular fee. Specifically, what conditions must be satisfied and what services must be performed before a fee may be assessed? The Commission also requests that ADP provide within 45 calendar days the same type of description and analysis of each fee permissible under the Pilot Fee Structure.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–0609. Copies of the submissions, 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 persons, 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 Section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of the Exchange. All submissions should refer to File No. SR–NYSE–00–06 and should be submitted by March 17, 2000.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[14]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00–4381 Filed 2–24–00; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–42434; File No. SR–NYSE–00–04]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the New York Stock Exchange, Inc. Relating to the Implementation of the Exchange's Audit Committee Rules

February 16, 2000.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'')[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on February 4, 2000, the New York Stock Exchange, Inc. (''NYSE'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change consists of a clarification of the transition policy for the recently approved rules governing audit committees.[3]

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the NYSE included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The NYSE has prepared summaries, set forth in sections A, B and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to clarify that a listed company that does not have an audit committee member with ''accounting or related financial management expertise'' has eighteen months from December 14, 1999, the date of approval of SR–NYSE–99–39, to recruit an individual with such experience. Thus, regardless of the number of members of a company's audit committee, the company need only ensure that by June 14, 2001, the requisite individual is added to its audit committee. The Exchange intends to disseminate this clarification in a letter that will specifically state that, in pertinent part, ''Companies will also have until June 14, 2001 (eighteen months from the date of Commission approval) to appoint an audit committee member who satisfies the requirement for one member with financial management expertise. [303.01 (B)(2)(c)].'' The foregoing clarification has no effect on the implementation of the ''financial literacy'' requirement set forth in Section 303.01(B)(2)(b), as described in SR–NYSE–99–39.

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[14] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Rel. No. 42233 (Dec. 14, 1999), 64 FR 71529 (Dec. 21, 1999) (approving SR–NYSE—99–39).

Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act [4] in general, and furthers the objectives of Section 6(b)(5) [5] in particular, in that it is designed to promote just and equitable principles of trade, remove impediments to a free and open market and a national market system, and protect investors and the public interest.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

The Exchange has not solicited or received written comments on the proposed rule change.

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

Because the foregoing rule change constitutes a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule, it has become effective pursuant to Section 19(b)(3)(A)(i) of the Act [6] and subparagraph (f)(1) of rule 19b–4 [7] thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.[8]

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–0609. 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 in 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of the NYSE. All submissions should refer to the File No. SR–NYSE–00–04 and should be submitted by March 17, 2000.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[9]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 00–4382 Filed 2–24–00; 8:45 am]

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[4] 15 U.S.C. 78f(b).

[5] 15 U.S.C. 78f(b)(5).

[6] 15 U.S.C. 78s(b)(3)(A)(i).

[7] 17 CFR 240.19b–4(f)(1).

[8] In reviewing this proposal, the Commission has considered its impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

[9] 17 CFR 200.30–3(a)(12).

SOCIAL SECURITY ADMINISTRATION

Social Security Ruling, SSR 00–2p.—Titles II and XVI: Evaluation of Claims Involving the Issue of ''Similar Fault'' in the Providing of Evidence

AGENCY: Social Security Administration.

ACTION: Notice of Social Security Ruling.

SUMMARY: In accordance with 20 CFR 402.35(b)(1), the Commissioner of Social Security gives notice of Social Security Ruling, SSR 00–2p. This Ruling sets forth the standards that we will apply at all levels of the administrative review process in determining whether there is reason to believe that ''similar fault'' was involved in providing evidence in connection with a claim for benefits. The Ruling sets forth the standards we will apply at all levels of adjudication pursuant to provisions of The Social Security Independence and Program Improvements Act of 1994 (Public Law 103–296), which amended sections 205 and 1631 of the Social Security Act (the Act). This Ruling applies to all claims for benefits under title II and title XVI of the Act; *i.e.,* claims for old-age and survivors benefits and disability benefits under title II of the Act, and claims for Supplemental Security Income benefits for the aged, blind, and disabled under title XVI.

EFFECTIVE DATE: February 25, 2000.

FOR FURTHER INFORMATION CONTACT: Len McMahon, Office of Disability, Division of Disability Process Policy, Social Security Administration, 6401 Security Boulevard, Baltimore, MD 21235, (410) 965–9051.

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 402.35(b)(1).

Social Security Rulings make available to the public precedential decisions 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 policy interpretations of the law and regulations.

Although Social Security Rulings do not have the same force and effect as the statute or regulations, they are binding on all components of the Social Security Administration, in accordance with 20 CFR 402.35(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, Programs 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)

February 2, 2000.

Kenneth S. Apfel,

Commissioner of Social Security.

Policy Interpretation Ruling—Titles II and XVI: Evaluation of Claims Involving the Issue of ''Similar Fault'' in the Providing of Evidence

Purpose: To explain the rules that govern the evaluation and adjudication of claims when there is reason to believe that ''similar fault'' was involved in the providing of evidence in support of the claim.

Citations (authority): Sections 205(u) and 1631(e)(7) of the Social Security Act, as amended; Regulations No. 4, sections 404.704, 404.708, 404.1512, 404.1520, and 404.1527; Regulations No. 16, sections 416.912, 416.920 416.924, and 416.927; and Regulations No. 22, section 422.130(b).

Introduction: The Social Security Independence and Program Improvements Act of 1994, Public Law 103–296, amended the Social Security