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News Release

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CUSIP Re Approved as U.S. Standard for Securities Identification, Building on 50 Years of Support for Transparent and Efficient Markets

WASHINGTON — Today the American Bankers Association (ABA) and Accredited Standards Committee X9 Inc. (X9) announced the approval of the updated ANSI X9.6 (CUSIP) standard for unique securities identifiers. The approval followed an extensive review of the market by ANSI's Accredited Standards Committee X9 as part of the customary five-year maintenance cycle. The action ensures that financial market participants in the US and around the world can continue to place their trust and confidence in the CUSIP system.

Since CUSIP's launch in 1968, the standard has been relied upon to provide globally accepted identifiers for financial instruments issued by corporations, municipalities and government agencies in the U.S. and dozens of other jurisdictions. The CUSIP system is administered by CUSIP Global Services (CGS) on behalf of ABA. In their role, CGS not only assigns nine-character identifiers; it also methodically scrutinizes offering documents before individual securities are taken to market, expands CUSIP coverage into new asset classes as markets grow, and continuously adjusts and updates CUSIP elements and systems as security issuers merge, split, change names, or as new market needs are identified. More than 62.8 million CUSIPs have been issued across a broad range of instruments, with at least 9.4 million identifiers active today.

“The X9 review and approval ensures that the CUSIP identifier will continue to serve as the universally recognized standard for unique security identification in the Americas,” said Rob Nichols, ABA president and CEO. “Sustained innovation and investment have been the key to CUSIP's success for over 50 years and will allow it to continue powering efficient capital markets through the unique identification of securities across countless asset classes going forward.”

ABA, with guidance from the leading financial institutions at the time, created CUSIP to address the major market inefficiencies during the trading surge of the late 1960s. At the time, backlogs and failures were so frequent that trading had to be limited to four days, with Wednesdays closed for back offices to catch up. By developing a standard method of uniquely identifying securities, CUSIP became the fundamental building block of the industry's automation – the first step toward the highly efficient and reliable securities industry enjoyed worldwide today.

As the industry modernized, ABA also recognized the need for an organization entirely dedicated to developing and reviewing standards for the US financial services industry. In 1974, X9 was established (originally within ABA) and, in 1976, CUSIP was among the first standards to be ratified by the new body. The most recent five-year update is part of CUSIP's 45-year-long history as an X9 and ANSI standard. “Our extensive review and the update to the CUSIP standard confirms its continued role as the established choice for market participants who put a premium on transparency and efficiency,” said Steve Stevens, ASC X9 executive director. “U.S. clearing corporations, regulators, and market authorities continue to recognize the tremendous value and reliability of the CUSIP system.”

Globally, CUSIP is a fundamental component of the International Securities Identification Number (ISIN) for securities issued in the US and in other areas where designated or appointed. Similar to CUSIP, ISIN is a unique global code that identifies instruments to facilitate cross-border trading. To date, most countries have adopted the ISIN either as a primary or secondary securities identifier for trading, settlement, reconciliation and/or reporting. The standard gained accelerated global use in 1989, when the G30 countries recommended its adoption. Today, ISIN is used in more than 200 jurisdictions worldwide and approximately 120 global stock exchanges, securities depositories, and national numbering agencies rely and support ISIN as the single cross-border ISO instrument identification standard. In the United States, Depository Trust and Clearing Corp recognizes and uses ISINs and CUSIPs for various critical functions.

“For 50 years, CUSIP has been essential to the efficient operation and accurate processing and settlement of trades throughout the world,” said Michael Manbeck, vice President of Institutional Data Governance and Strategy for Fidelity Investments and chairman of the CUSIP Board of Trustees. “The re-issuing of CUSIP by X9 is a testament to its enduring viability as a critical financial services standard that helps keep our markets moving.”

With as many as 2,000 identifiers and related data created daily, ABA and CGS have and will continue to modernize the CUSIP system to bring reliability and efficiency to all sectors of the global financial markets. The creativity and innovation that resulted in the creation of CUSIP decades ago continues to deliver on the changing needs of issuers and market participants.

About the Accredited Standards Committee X9

The Accredited Standards Committee X9 Inc. is a non-profit organization accredited by the American National Standards Institute (ANSI) to develop and maintain national and – through ISO – international standards for the financial services industry. The subjects of X9's standards include: data security; retail, mobile and business payments; corporate treasury functions; block chain technology; processing of electronic legal orders issued to financial institutions; tracking of financial transactions and instruments; financial transaction messaging (ISO 8583 and 20022); quantum computing; PKI; checks; cloud; data breach notification and more.

X9 acts as the U.S. Technical Advisory Group (TAG) for ISO TC68 (Financial), TC321 (ECommerce) and TC322 (Sustainable Finance) and performs the secretariat functions for ISO TC68. Please visit our website (www.x9.org) for more information.

About The American Bankers Association

The American Bankers Association is the voice of the nation's \$21.2 trillion banking industry, which is composed of small, regional and large banks that together employ more than 2 million people, safeguard \$17 trillion in deposits and extend nearly \$11 trillion in loans.

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