INTRODUCTION & OVERVIEW

The routing number, devised by the American Bankers Association (ABA) in 1910 and adopted by the industry in 1911, serves to identify the specific financial institution which is responsible for the payment of a negotiable instrument.

In June 1985, the Routing Number Administrative Board (the Board) was created to administer the policy and procedures associated with routing numbers. The Board reports to the ABA Executive Committee.

Over the years both the purpose and structure of the routing number have changed, accommodating such things as the Federal Reserve System, the advent of MICR, electronic funds transfer, implementation of the Expedited Funds Availability Act, interstate banking and the use of routing numbers for provision of cash management services.

In 1973, a joint task force of the American Bankers Association and the Federal Reserve System formed to formally define the purpose of the routing number, the eligibility criteria for obtaining a routing number, and to develop a logical approach as to how many numbers a bank could and should have. The work of this task force culminated with the publication in 1976 of a policy statement and a set of guidelines for assigning and administering routing numbers. Prior to the publication of this current Policy, the most recent Policy was last revised in 2016.

This Routing Number Policy is approved by both the Routing Number Administrative Board and the ABA Executive Committee. Membership of the Routing Number Administrative Board is comprised of representatives from the following organizations:

**Voting Members**
- American Bankers Association (member banks)
- National Automated Clearing House Association (NACHA)
- Credit Union National Association (CUNA)
- The Clearing House
- EPCOR
- Viewpointe LLC

**Associate Members**
- ECCHO
- Federal Reserve Bank
- Official Registrar of Routing Numbers (currently LexisNexis Risk Solutions - risk.lexisnexis.com)

The transition to interstate banking as well as the consolidation within the financial service industry may lead paying banks to seek operating efficiencies through the consolidation of their payment processing operations and associated check presentments into a single or a few centralized locations. However, paying banks must act responsibly when planning presentment point changes and ensure that these changes do not either significantly increase collection costs or delay collection of a significant number of items or dollars. If these consolidation efforts result in a substantial reduction in access to local presentment points, creating increased cost for banks and their customers, the Routing Number Administrative Board will pursue corrective action.

Paying banks are reminded that, consistent with the purpose of the routing number as defined in this Policy, Federal Reserve Bank operating circulars require that the name of the paying bank and a city and state address of a location of the paying bank must be printed on the face of the check in order for that check to qualify as a cash item.

TERMINOLOGY

**Bank:** The word “bank” will be used to refer to any organization engaged in the business of banking, which is authorized to access Federal Reserve provided payment services or act as a paying bank. This includes chartered financial service providers such as commercial banks, saving banks and credit unions as well as U.S. agencies or offices of foreign banks or foreign governments or central banks, and units of Federal or State Government. A bank's eligibility to be issued a routing number is determined by the criteria specified in Section II of the Policy.

**Checks, Warrants and Drafts, Cash Items, Items:** the words “checks”, “warrants and drafts”, “cash items” and “items” should be considered synonymous and interchangeable. When used, these terms will refer not only to the physical paper original, but also to any electronic representation created from the paper original and intended to act as either a temporary or permanent substitute for the original paper check or draft.

**Electronic Transactions:** This term will be used to refer to wire transfers, Automated Clearing House (ACH) debit and credit entries, book-entry securities or similar electronically originated transactions.

**Federal Reserve District:** One of the twelve geographic areas assigned to a Federal Reserve Bank main office. All of the United States and its territories fall into one of these twelve districts.

**Federal Reserve Territory:** A geographic area served by an office of a Federal Reserve Bank. That part of a district served by the main office is also referred to as a territory.

**Presentment Point:** A physical or electronic address at which a bank accepts delivery, either directly or through an authorized third party, of a check or electronic transaction and incurs the obligation to make settlement. A presentment point need not be an office of the bank identified by the routing number.

**Principal Office:** The location of the bank's principal place of business for Federal Reserve membership or account maintenance purposes. It will be the location of the bank as identified in the bank's charter unless the bank designates some other location as its principal place of business.
PURPOSE AND SCOPE OF POLICY

The purpose and scope of the Routing Number Policy is to define procedures for the management and use of routing numbers which will best contribute to the collective needs of banks and their customers for efficient clearing and settlement of payment transactions while minimizing risk and float in the payment system.

The authority of a bank to provide financial or payment services is governed by the charter granted by the national or state regulatory authority. The assignment of a routing number to a bank does not expand the powers of that bank beyond those specified in the organization’s charter, articles of association or rules and regulations of the chartering agency.

Assignment of a routing number conveys no rights of ownership of the number to the bank to which it is assigned. A routing number is not an asset of the bank and it may not be transferred or reassigned except as provided for in this Policy.

I. THE PRIMARY PURPOSE OF THE ROUTING NUMBER

The primary purpose of the routing number to identify the bank which is responsible to either pay or give credit or is entitled to receive payment or credit for a check or electronic transaction.

The Routing Number is intended primarily to serve the needs of sending or collecting institutions by providing the capability for check and electronic transactions to be transmitted and delivered for settlement in an efficient and timely manner with minimal processing and float costs to sending or collecting banks and payment system participants in general. In certain cases, special classes of routing numbers have been defined to facilitate either the presentation or processing of certain payment transactions.

Receiving or paying banks may use the routing number to enhance the efficiency of their payment processing operations or services provided to their customers as long as these enhancements do not significantly increase payments clearing and settlement costs or delay clearing and settlement of a significant number of items/transactions or dollar amounts. Since the routing number identifies the receiving or paying bank for check and electronic transactions, that bank must be capable of processing and settling these types of transactions at the point designated for the routing number or arrange to have these transactions properly delivered to their service provider as appropriate.

II. ELIGIBILITY CRITERIA FOR OBTAINING A ROUTING NUMBER

Routing numbers are classified into three categories, with each category having specific eligibility requirements.

A. Regular Routing Numbers

"Regular" routing numbers are to be used for transmission, processing, clearing or presentment of paper-based transactions (checks and drafts) and electronic transactions (wire transfers, ACH or equivalent). In these transactions, the regular routing numbers identify the originating or collecting banks and the receiving or paying banks. To be eligible for a Regular Routing Number, a bank must be eligible to maintain an account at a Federal Reserve Bank. Other entities eligible for a routing number include:

1. A unit of the U.S. federal government (including federal banks), or
2. A unit of a state government.

All banks and units of federal and state governments within the United States, which are determined to be eligible for regular routing numbers, may be issued such a number whether or not they choose to use the Federal Reserve System for the transmission or presentment of their payment transactions.

B. Electronic Transaction Identifiers

Electronic Transaction Identifiers (ETIs) are special purpose numbers designated for use as electronic addresses of organizations which are not banks but process payment transactions on behalf of banks. Assignment of an ETI allows these organizations to receive or transmit electronic files, consisting of one or more payment transaction messages, on behalf of the financial institution for which the processing service is being provided.

An ETI does not identify the bank obligated to settle for the transaction and cannot be used to identify a party to be debited or credited in a financial transaction. ETIs may not appear on checks or drafts.

Assignment of an ETI is subject to confirmation by a Federal Reserve Bank that it has agreed to receive or transmit payment transactions to the applicant organization based on the use of an ETI and that the applicant has been designated by one or more banks as its processor.

Eligible organizations include:

- Non-bank subsidiaries of banks or bank holding companies,
- Clearinghouses, and
- Independent non-bank affiliated processors.

C. Traveler’s Check Identifiers

Traveler’s Check Identifiers are special purpose routing numbers intended for use on paper items issued by payors of traveler’s checks which pay more than 500,000 traveler’s checks per month. A Traveler’s Check Identifier may be used in an electronic check file, but cannot be used for wire transfers, ACH, or other electronic payments. Traveler’s checks must be denominated in whole dollar amounts and must employ an algorithm in the MICR line “on-us” field which allows for the verification of the amount of the item. Information on this algorithm may be obtained from the traveler’s check issuers.

III. THE NUMBER OF ROUTING NUMBERS A BANK MAY HAVE

A. Regular Routing Numbers

1. Principal Office Number

All banks defined as eligible for assignment of regular routing numbers (see Policy Section II.A.) are entitled to at least one such routing number to identify the bank. This routing number shall be associated with the Federal Reserve district and territory in which the office, designated by the bank as its principal office, is located.

Relocation of the charter does not require assignment of a new principal office routing number.

2. Assignment of Additional Routing Numbers

In addition to the principal office routing number, an institution is eligible to be assigned nine additional routing numbers. Additional routing numbers will be assigned according to the principal office location, unless otherwise requested by the applicant institution.

Additional numbers, beyond the number provided for in this Policy, will not be assigned without the approval of the Routing Number Administrative Board.

3. Information in Support of Applications for Multiple Numbers

A bank submitting an application for additional routing numbers, which would require approval by the Routing Number Administrative Board, should support its application with information the bank considers relevant, or that the Board may request, demonstrating the use of the additional number(s):

(a) would not delay the collection of a significant number of items or dollars drawn on the new number or drawn on other numbers issued to the bank.
(b) would not significantly increase costs for collecting banks.
(c) is the only reasonable way that the bank's business need can be satisfied.

1 To be eligible to maintain an account at a Federal Reserve Bank, an organization must be a U.S. based federal or state chartered depository institution as defined in Section 19(b) of the Federal Reserve Act or a U.S. branch or agency of a foreign bank which is deemed by the Federal Reserve to be subject to comprehensive supervision or regulation in its home country.
B. Electronic Transaction Identifiers

Assignment of multiple ETIs (see Policy Section II.B.) will be at the discretion of the Board. The Board will take into consideration the degree to which such an assignment will facilitate the automated processing of electronic transactions to the benefit of the overall payment system and participants in the payment system.

C. Traveler's Check Identifiers

Payors of traveler's checks that meet the eligibility requirements (see Policy Section II.C.) may be assigned a single traveler's check identifier. The Board may authorize assignment of additional numbers if it determines that assignment is warranted based on volume of items and benefit to collecting banks and the payment system.

IV. ROUTING NUMBER STRUCTURE

The Routing Number is a 9-digit number consisting of three components as shown below:

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 XXXX  YYYY  C
 Federal Reserve ABA Institution Check Digit
 Routing Symbol Identifier
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The first two digits of the Federal Reserve Routing Symbols have been allocated as follows:

- **00 Series**: Checks and drafts of the U.S. Government and its agencies (except federal banks).
- **01-12 Series**: All checks and electronic transactions of banks, Federal Reserve Banks, Federal Home Loan Banks, Federal Land Banks, Federal Intermediate Credit Banks, Farm Credit Banks, and state government units.
- **13-20 Series**: Reserved for future use.
- **21-32 Series**: Checks, drafts and electronic transactions of thrift institutions. (Discontinued assignment in 1985. Since that date thrift institutions are assigned routing numbers in the 01-12 series.)
- **33-39 Series**: Reserved for future use.
- **40-49 Series**: Reserved for future use.
- **50-59 Series**: Reserved for internal process control purposes by banks, Federal Reserve Banks, and other entities.
- **60 Series**: Reserved for future use.
- **61-72 Series**: Electronic Transaction Identifiers.
- **73-79 Series**: Reserved for future use.
- **80 Series**: Travelers Checks.
- **81-92 Series**: Reserved for future use. (Numbers in the 90-91 series were originally used to identify non-par items. Such usage is now obsolete.)
- **93-99 Series**: Reserved for future use.

NOTE: The use of numbers in series designated "Reserved for future use" will be determined by the Board.

A more complete description of the Routing Number and explanation of its use can be found in the User Instructions of the ABA Key to Routing Numbers.

V. ADMINISTRATION

A. Routing Number Administrative Board

The Routing Number Administrative Board is responsible for the administration of the Policy and all procedures developed pursuant to the Routing Number Policy. Specific responsibilities include:

1. To develop and maintain procedures in support of the Policy.
2. To oversee the activities of the Registrar in the day-to-day administration of the Policy and the issuance and retirement of routing numbers.
3. To interpret the Policy on specific applications involving issuance, compliance, retirement, and other issues related to routing numbers, and to issue final decisions on appeals from decisions made by the Registrar.
4. To coordinate with the Federal Reserve System on all Policy issues and procedures.
5. To coordinate with related industry groups to ensure the routing number policy and procedures are supportive of the financial services industry.
6. To recommend revisions of the Policy to the ABA Executive Committee for approval.

B. Routing Number Registrar

The Routing Numbers Registrar (Registrar) is responsible for accepting and processing applications for assignment or transfer of routing numbers in accordance with the provisions of this Policy, maintaining the Routing Number database, publishing the ABA Key to Routing Numbers and related informational products, and performing other duties as instructed by the Board.

Revised 9/20

C. Applications for Assignment or Transfer of Routing Numbers

Applications for a new routing number or transfer of an existing number should be submitted to the Registrar using the approved application form. An application for transfer of a number should be submitted by the bank to which the number will be issued if the transfer is approved. The Registrar will issue or transfer a routing number if, upon its review of the application, it confirms that the bank is eligible for the number under the provision of this policy. As part of its review of the application, the Registrar may consult with the representatives of the appropriate Federal Reserve Bank and the applicant's chartering agency to confirm the applicant's eligibility. The Registrar may request additional information from the applicant regarding its eligibility for the routing number.

D. Retirement of Routing Numbers

A routing number will automatically be retired if the bank is no longer eligible for the number. A routing number can also be retired if the bank has no further need for the number. When designated as a retired number, the routing number is eligible for reassignment.

To retire a routing number, a bank must complete the routing number retirement form and forward to the Registrar. To be retired the routing number must meet the following criteria:

1. The routing number is removed from the Federal Reserve Bank’s FedACH and Fedwire systems.
2. The routing number is no longer used on checks

Note: The Federal Reserve will not handle any cash item that identifies the paying bank’s routing number as retired. The item will be returned to the bank of first deposit. (Please refer to Federal Reserve Operating Circular 3, Section 3.)

After verification the routing number meets this criteria, the Registrar will designate the number as retired. The routing number will then be eligible for reassignment. Any check or electronic item (as defined in Regulation J) bearing a retired routing number, as designated by the Registrar, is subject to being rejected or returned upon receipt by a collecting or paying bank.

E. Reorganizations, Consolidations, Mergers or Business Termination

1. Business Termination

A bank which relinquishes its charter and ceases to exist as a legally chartered bank, except as a result of a merger, consolidation, or acquisition (see paragraph 3 below), is no longer eligible for a regular routing number and must relinquish any number assigned to it.

2. Merger, Consolidation or Acquisition among Banks

The surviving bank of a merger, consolidation, or acquisition is responsible for all of the routing numbers assigned to the banks involved and achieving compliance with Section III.A. of this Policy.

By the effective date of the merger, consolidation or acquisition, the surviving bank must select one of the principal office routing numbers of the banks involved as its primary routing number. The surviving bank must also designate the office which will serve as the principal office of the surviving bank responsible for managing that routing number, and advise the Registrar of this decision. (See Policy Section III.A.)

No more than one year after the effective date of the merger, consolidation or acquisition, the surviving bank should advise the Registrar of its plans to consolidate and/or retire routing numbers as necessary to comply with the provisions of the Policy Section III.A. However, a bank will not be required to retire a routing number if the retirement of that number would significantly increase collection costs or delay collection of a significant number of items or dollars. Additionally, retention of the number must continue to be supported by evidence of a business need.

No more than three years after the required date for providing this plan to the Registrar, the bank's use of its routing number(s) for payment operations will be expected to conform with this policy. The Board should be notified promptly if the bank determines that it will be unable to comply with this deadline.
F. Use of Routing Numbers Not in Compliance With the Policy

If a bank is found to be using routing numbers not in compliance with the Policy, the Registrar will notify the bank in writing. The bank will be instructed to either bring the numbers into compliance with the Policy or completely discontinue use of any number listed.

G. Violations of the Routing Number Policy

If a bank appears to be violating the Policy, the Board will serve notice in writing to the assigned bank representative stating the Board’s intent to discontinue the bank’s use of the routing number in question. If no response is received within the below referenced timeframe, notice will be served to the Executive Officer of the bank, with a copy to the responsible officer.

The bank will have sixty (60) days to submit a petition in writing to the Board to present arguments that the bank’s use of the number is not in violation of the Policy. The bank should address the following in their petition:

1. Volume of transactions and/or customers that will be affected.
2. Economic impact to the bank or community that would result if use of the number is discontinued.
3. The effect on the efficiency of the payments system that would result if use of the number is discontinued.
4. Extenuating operational issues that justify continued use.
5. Any other relevant information.

Representatives designated by the bank have the right to present clarification of the petition to the Board for a final decision. A bank may request that the decision of the Board be submitted to the American Arbitration Association for review under that group’s Commercial Arbitration Rules.

FREQUENTLY ASKED QUESTIONS

Q1: Is my bank eligible for more routing numbers other than the principal office routing number?

A1: Yes, a bank may have up to nine additional routing numbers beyond the principal office number. (See Policy Section III. A.) Requests for additional numbers, beyond the ten, must be approved by the Routing Number Administrative Board. (See Policy IIIA.4.)

Q2: My bank plans to enter into a new line of business. Can I have a separate routing number to facilitate this business?

A2: Remember, a bank may have up to nine additional routing numbers beyond the principal office number. (See Policy Section III. A.) Requests for additional numbers, beyond the ten, must be approved by the Routing Number Administrative Board. (See Policy IIIA.4.)

Q3: My bank has recently been chartered as an industrial bank, but I was told by the Routing Number Registrar that my bank did not qualify for a regular routing number. However, I am aware of an industrial bank in another state that did qualify. Why?

A3: The type of bank is not a determining factor because the powers granted by a charter can vary from state to state. The key consideration for assignment of a regular routing number is whether your bank is eligible to maintain an account at a Federal Reserve Bank. (See Policy Section II.A)

Q4: I have an account number which was issued to me by my local Federal Reserve Bank. This number is not listed in the ABA Key to Routing Numbers. Why not?

A4: The Federal Reserve has internal account numbers which often appear to be the same as routing numbers. However, they are not routing numbers and cannot be used on checks, drafts, or ACH items. Only the official Registrar for Routing Numbers (designated by the American Bankers Association) can issue the ABA routing numbers which appear in the publication ABA Key to Routing Numbers. The current Registrar is LexisNexis Risk Solutions. (risk.lexisnexis.com)

Q5: My bank captures data from checks at my processing center but posts the data at another location. Which location does the routing number identify?

A5: The routing number identifies the financial institution responsible for payment independent of the location.

Q6: My bank will be consolidated with several other banks in our holding company to form a single bank with branches in multiple states and Federal Reserve districts and territories. We currently have a routing number which identifies our operations center as the presentment point. Can we use this number on all items drawn on the consolidated bank regardless of branch location?

A6: Yes, you could use the routing number associated with your operations center on all checks drawn on the consolidated bank.

Q7: My bank is acquiring branches from another bank. We wish to provide the customers of those branches with checks printed with our bank name and the local branch city and state address. Can we get a new routing number for use by these branches?

A7: You may be eligible for an additional routing number for use by these branches, provided that your institution is within the number of numbers provided for in Section III. A. of this Policy.

Q8: Several of the banks in our holding company are being merged into a single bank. The executive offices and management of the surviving bank will be housed in the former headquarters building of one of the merged banks located in one Federal Reserve territory and all the affairs of the bank will be managed out of this location including the management of the bank’s Federal Reserve account. The charter of the surviving bank will list a location in another Federal Reserve territory as the address of the bank, although the office at that location will function primarily as a branch. We currently have a routing number for each location. Which location becomes our principal office for routing number purposes?

A8: A key determinant of a bank’s principal office is the location from which the bank’s Federal Reserve account will be managed, therefore your principal office will be the location you describe as the former headquarters of one of the merged banks and your principal office number will be assigned to this location.

Q9: Although my bank’s paper items are processed by my principal office, we want our electronic transactions delivered to a service provider in another Federal Reserve District. Are we eligible for another routing number for electronic transactions?

A9: A bank may have up to nine additional routing numbers beyond the principal office number. (See Policy Section III. A.) Requests for additional numbers, beyond the ten, must be approved by the Routing Number Administrative Board. (See Policy IIIA.4.)

Q10: According to the Policy, my bank has several numbers which should be retired. However, it will take us more than three years to retire all the numbers. What will happen to those items after three years?

A10: The purpose of retiring routing numbers is to improve the efficiency of the payments system by keeping the total number of routing numbers to as few as possible. The Board recognizes that there may be unusual circumstances which will require a conversion period longer than three years. Immediately upon recognition that your bank will not be able to make the three year deadline, you should notify the Registrar.

Q11: My institution is merging with another institution and will have greater than 10 routing numbers. Are we required to retire routing numbers to get down to 10 numbers?

A11: No, not if retirement of numbers will significantly increase collection costs or delay collection of a significant number of items or dollars. (See Policy Section E.2.)