



8-Digit BINs: The Time Has Arrived. Are You Ready?

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Agenda topics

1

Current State

2

Merchant Impacts
and Planning

3

PCI considerations

4

Resources and
Action Steps





Key learnings

Important points to take away from the presentation

- The payment card industry has made changes to accommodate 8-digit BIN, while still keeping the Primary Account Number (PAN) length the same
- Be aware of the implications of Visa's 8-digit BIN program in support of this industry change
- BIN table information should only come from reliable sources such as your acquirer or registered entities that receive information directly from Visa (i.e., VBASS service)
- Merchants who are not able to properly process 8-digit BINs may experience transaction issues, disruptions, unnecessary declines and complications with fraud detection and management
- Payment Card Industry DSS (PCI) has been updated to accommodate 8-digit BINs
- Changes must be coordinated with your acquirer, processor and other partners as soon as possible

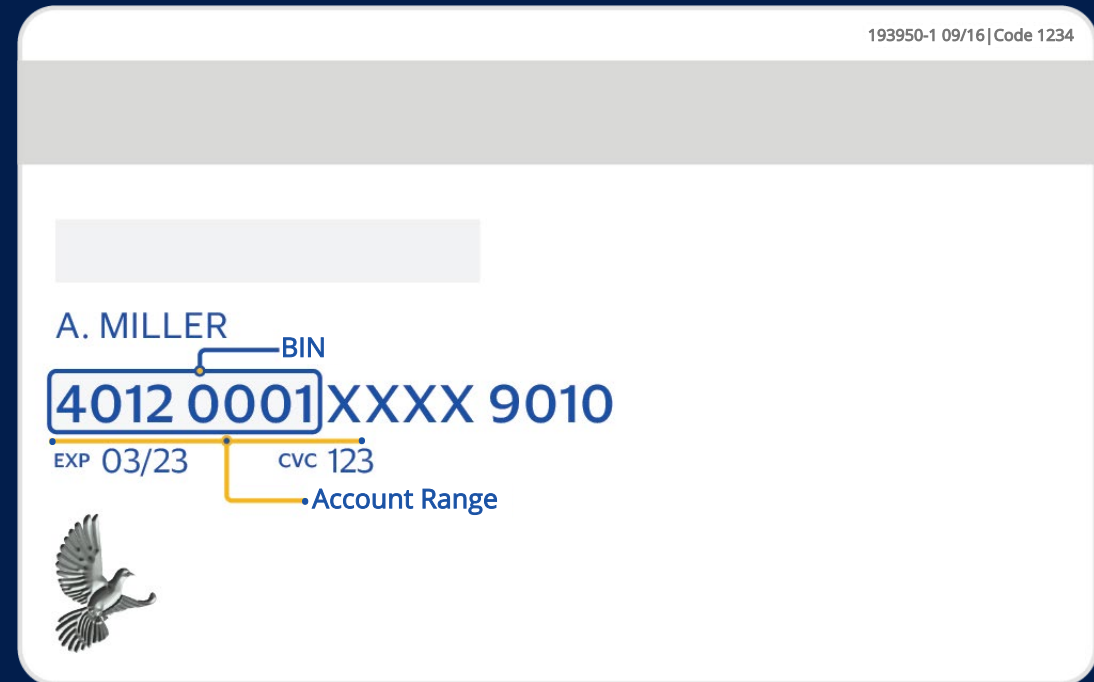
Current State



Bank Identification Number (BIN)

Definition:

A numeric assigned by ISO to Visa, licensed by Visa to our clients and that makes up the first 6- or 8-digits of the PAN (Primary Account Number)



Account Range

No change
9 digits

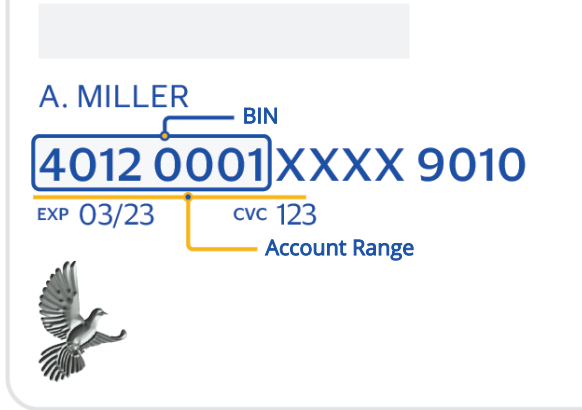
PAN

No change
16 or 19 digits



Key Visa program elements

New Industry Standard announced by ISO in 2017; global effective date went into effect April 2022



- Visa is now only assigning 8-digit BINs after April 2022
- Issuers can set their own timeline to convert existing 6-digit BINs; pricing and programs are being used to encourage adoption
- Visa is seeing a consistent uplift in 8-digit adoption, globally
- Beginning April 2023, Visa will begin assigning 8-digit BINs with the same 6-digit prefix from previously assigned and returned BINs

Current status

- 1** Most acquirers and processors are ready to support 8-digit BINs
- 2** Additional development may be required for some merchants, terminal providers and other partners
- 3** We are seeing an increase in issuer adoption of 8-digit BINs in all regions, which increases the urgency of merchant readiness



Account Ranges include key information on program set up

A. MILLER

4012 0001XXXX 9010

EXP 03/23

CVC 123

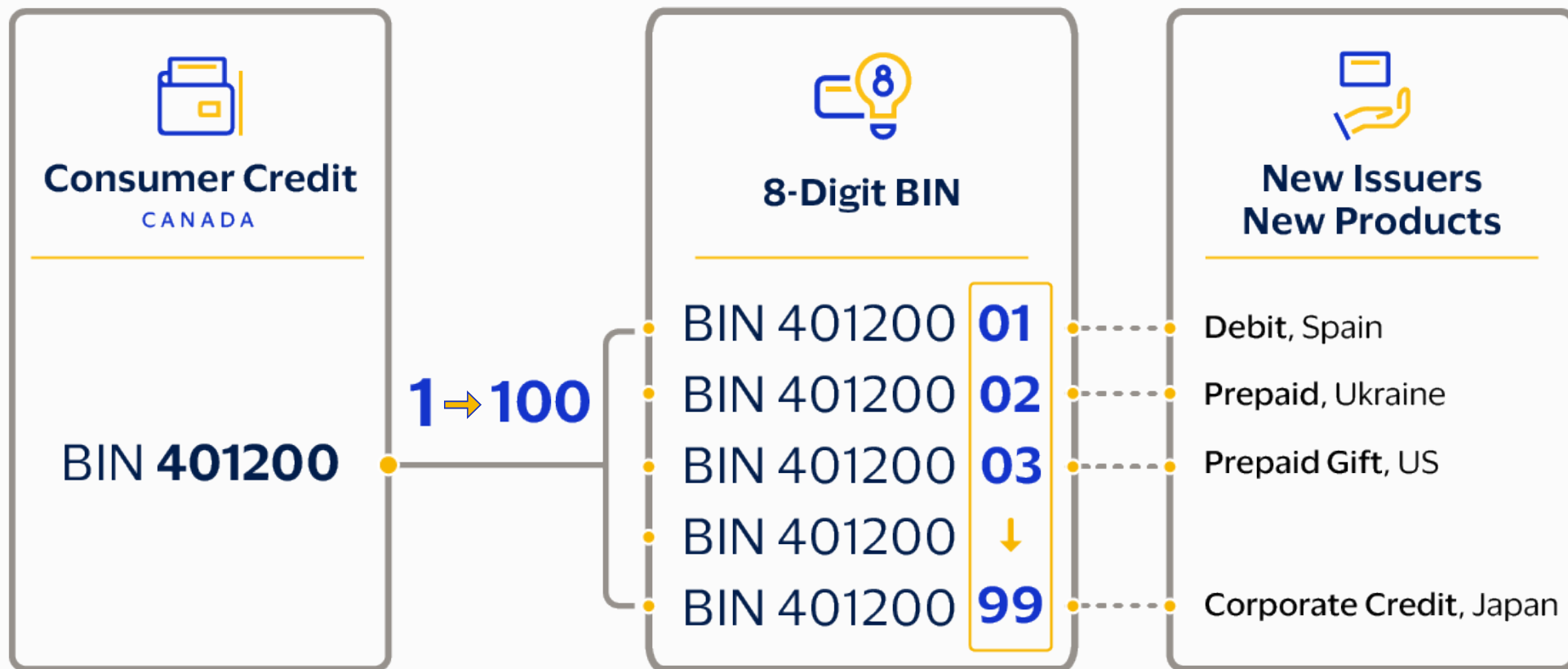
Account Range

Account Range
9 Digits

BIN 40120001: Consumer Credit Program from Europe

Activated Account Ranges	Product ID	Country	Currency
1	Visa Classic	Germany	EUR
2	Visa Signature	France	EUR
3	Visa Infinite	Sweden	SWE KRONA
4 ...	-- Uninstalled --		

Why does it matter for my business?



Merchant Impacts and Planning



Why Is Prompt Action Required?

The changes required to your operations may require extended timelines and must be coordinated with your partners.

Deloitte Consulting



How can Visa support your planning?

1 Where do you use the issuing BIN?

2 What challenges do you face?

3 What are your steps to readiness?





Potential Risks of Not Being Prepared

- Reduced efficiency and potential interruptions to processing capabilities
- Unnecessary declines, rejections or misrouting
- Gaps in fraud management defenses
- Inconsistencies in reporting
- Errors in dispute handling
- Increased reconciliation costs



Scenario 1: Risks for Lost Revenue & Inefficiencies

Use of 6-digit BIN to assess
issuer country or type of
product causes disruption at
point of transaction



SCENARIO 1

Issuer A:

Existing Eastern Europe Issuer converts
its 6-digit BIN into an 8-digit BIN

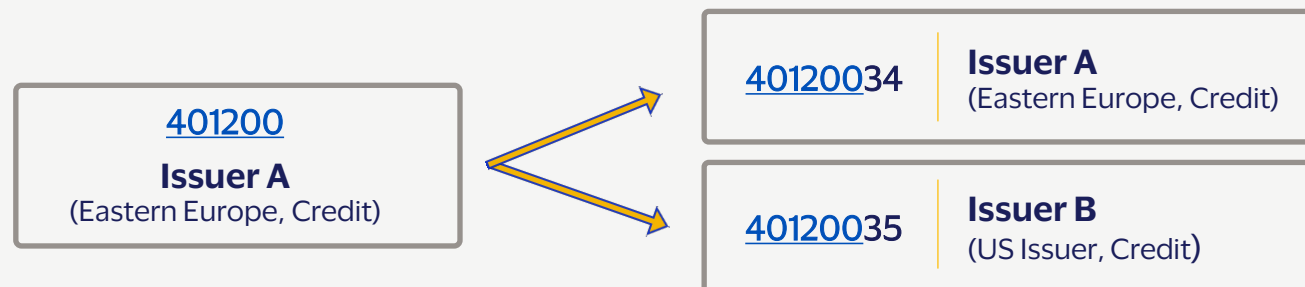
Issuer B:

New US Issuer receives a one of
the returned 8-digit BIN

- Over 1000 **Issuer B** transactions are declined at a large US merchant in one week.
- **Issuer B** is unable to explain why this is happening for their new credit program.
- The **Acquirer** and **Visa** are unable to explain why as they are not seeing the transaction.
- Further investigation reveals the **Merchant** was using old 6-digit BIN table and the BIN was on the merchant's "do not accept" fraud management list.
- All the **Issuer B** transactions were recognized as **Issuer A** transactions.



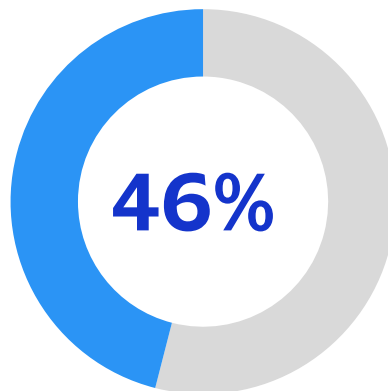
RISK: Lost sales and ill will from potential (or previous) customers.



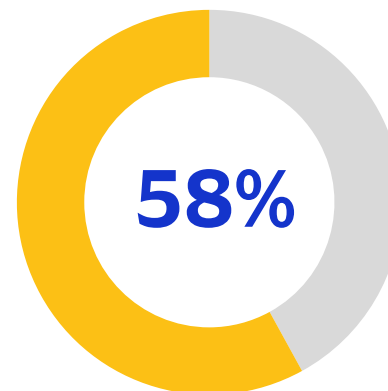


Risks to Transaction Processing

Misrouted, suspended or rejected transactions during processing



Identified POS terminals with hardcoded logic based on issuing BIN



Expect an impact to BIN tables loaded to terminal referenced via terminal management system



Risks to Compliance and Fraud processes

Screening error if blocking
“bad” BINs



Client-reported use cases of issuing BIN

Pre-validation of transactions against specific fraud parameters (including issuing BIN)

Reporting and analytics on fraudulent transaction activity at the BIN level

Blocks on specific BINs for authorization processing, such as OFAC sanctions





Risks to Merchant Services and Dispute Management

Errors in merchant portal and/or dispute processing



Client-reported use cases of issuing BIN

Issuing BIN are used for configuration tables, search features, reporting, reconciliations, Issuer identification for dispute resolution





Scenario 2: Risks for Lost Revenue & Inefficiencies with Industry Change

Use of first 6-digits to assess
product type or country will
spark disruption between
buyer and seller



SCENARIO 2

Issuer A:

Canadian Issuer converts its 6-digit Gift Card BIN into 8-digit format and returns 85 BINs

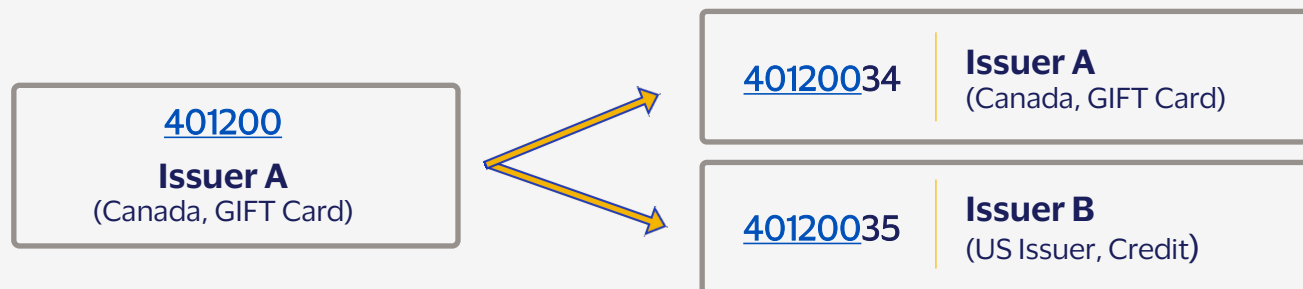
Issuer B:

US Issuer receives one of the returned 8-digit BINs for their credit program

- **New Cardholder** tries to register their card to register a recurring monthly subscription to a new movie streaming channel and are declined with a notification that this card type is not allowed for recurring payment
- **Issuer B** is unable to explain why this is happening, since the cardholder is in good standing.
- The **Acquirer** and **Visa** are unable to explain why as they are not seeing the declines.
- The **Merchant** advises they use 6-digit BIN to identify whether the card can be accepted for one time or recurring purchases. They are using an unauthorized BIN file, which still reflects the BIN as a 6-digit gift program, leading to mis-prompting the customer and not allowing them to register it for their recurring subscription.



RISK: Lost business opportunity and customer ill will; Recurring payments and subscription services business estimated at \$473 billion¹ in 2021.



¹: Mercator Advisory Group - U.S. Recurring Payments Market Forecast, 2017-2021

What happens if a merchant does nothing?

- *Risks of negative consequences will increase as more issuers adopt 8-digit BINs*
- *It will no longer be possible to rely on the first 6 digits of the PAN for transaction processing or in downstream systems.*
- *Failure points and severity will vary depending on the specific usage of the issuing BIN, set up of the supporting technology, dependencies across service providers and downstream process flows and associated outputs.*
- *Visa will not be able to protect its clients from these consequences as they will not be visible in VisaNet.*

[Numerics Initiative: Acquiring and Issuing Impacts, Discovery Interview Findings \(visa.com\)](#)



Immediate action required

- Visa advises all stakeholders to conduct an internal assessment to identify how their processing and downstream systems currently use BINS and Visa processing identifiers and implement their plan to address necessary changes immediately.
- Visa has published a document “*Acquiring and Issuing Impacts – Discovery Interview Findings*” and highly recommends clients make use of this resource, as well as the companion planning Questionnaire, as part of their own impact assessment.

Some consequences of inaction



Data warehousing & reporting

- Errors in data searches and reporting, including Financial reporting, if issuing BIN field is only set up for 6 digits
- Failure or truncation of incoming data feeds or APIs
- Difficulties with downstream impacts to reports or data files provided to vendors and clients



Fraud management

- Cannot set fraud monitoring or alerts
- Failure or incorrect outcome for Risk rule processing when 6-digit issuing BIN is used as a parameter; e.g., wrong country or product type



Transaction processing

- Unable to validate submitted BIN range
- Cannot confirm account-funding source (i.e., debit, credit or prepaid), country or product ID
- Failure or incorrect outcome for Risk rule processing when 6-digit issuing BIN is used as a parameter
- Delays in correct routing if not directing to Visa
- Unable to correct identify International transactions
- Unable to correctly identify transactions eligible for Merchant Discount Rate Identification
- Errors in Accounting & Reconciliations processes including Interchange posting and fee calculations
- Recognizing cards belonging to issuer and their product-specific benefits programs

This information is a non-exhaustive representative sample list of potential issues. Specific failure points and severity will vary depending on the specific usage of the issuing BIN, set up of the supporting technology and systems used by Visa clients and their service providers, processors or merchants.

As provided in the Visa Rules, each Visa member is solely responsible for its issuance of Visa products and acquiring of merchants to accept Visa, including compliance with the Visa Charter Documents and the Visa Core Rules and Visa Product and Service Rules, and ensuring that their Visa programs comply with all applicable industry standards, legal and regulatory requirement.

Some consequences of inaction (Cont'd)



Regulatory

- Erroneously accept transactions from a BIN blocked due to regulatory restrictions such as OFAC sanctions
- May incorrectly route domestic BIN over international network despite country rules



Merchant Point Of Sale (POS)

- Unable to identify participants for loyalty and proprietary benefit programs resulting in negative cardholder impacts
- Errors in determining PIN bypass eligibility
- Unable to manage dual-branded BIN
- Delays in correct routing if not directing to Visa



Merchant servicing and disputes

- Merchant reports missing transactions for 8-digit BIN PANs or incorrectly displays an 8-digit BIN as a 6-digit BIN
- Cannot identify issuer for 8-digit BIN for dispute resolution
- Failures to dispute management searches and reporting

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Merchant readiness must also include processor, partner, vendor and other entities that participate in transaction processing on behalf of the merchant.

It is imperative that merchants receive confirmation of 8-digit BIN readiness from all connected parties.





If nothing else...

BIN table information should only come from reliable sources such as your acquirer or registered entities that receive information directly from Visa (i.e., VBASS service)

PCI considerations



PCI DSS

Any changes to how a client is protecting their data should be reviewed by a Qualified Security Assessor (QSA) prior to implementation to ensure compliance with PCI Data Security Standards

Unchanged



Data Presented on Screen and Reports (Masking)

- A documented business justification for seeing more digits can be approved by management, and available for an assessor to review as part of the PCI DSS assessment.

Changed



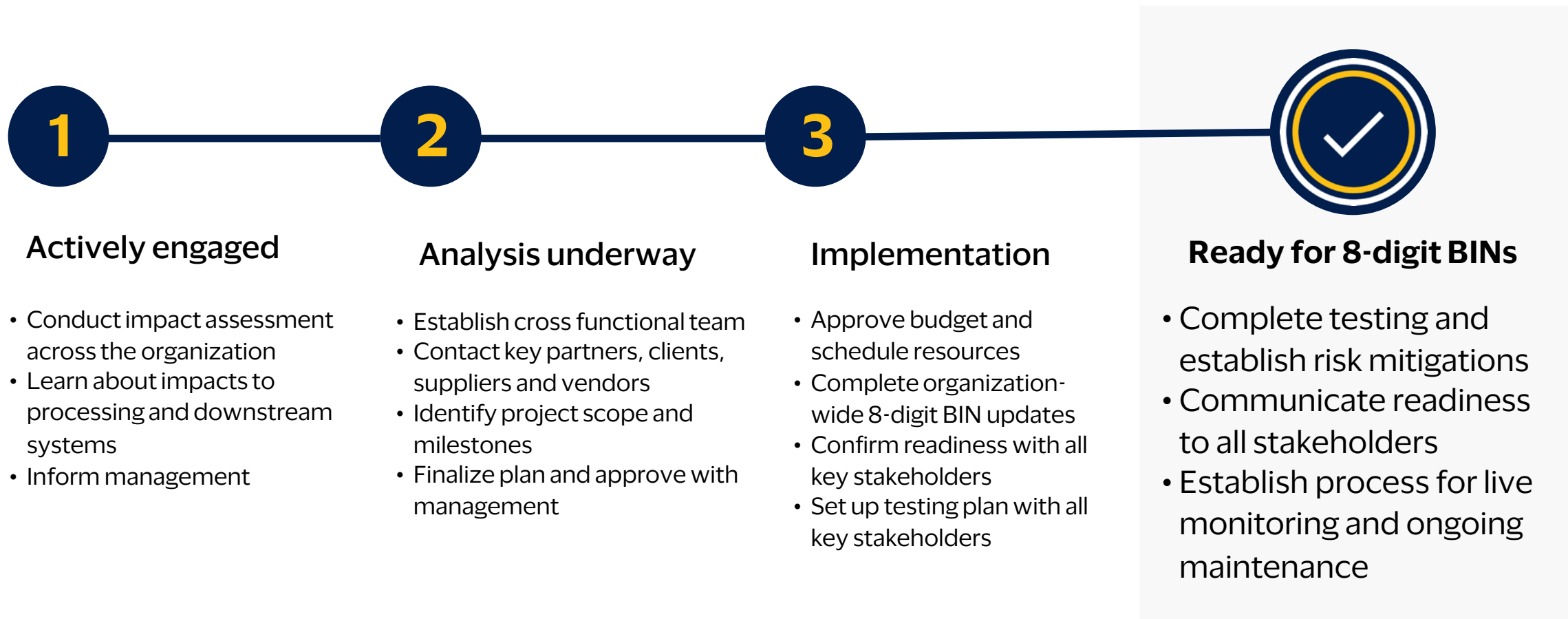
Data at Rest (Truncation and Encryption)

- Now allows exposure of up to, but no more than, first 8 digits and any other 4 digits in a 16-digit PAN
- Previously a maximum of first 6 digits and any other 4 digits

Resources and Action Steps

All merchants must be ready as 8-digit BIN adoption is growing

Potential impacts may occur after April 2023 and readiness is urgent



How is Visa helping you prepare?

	Quick Start Guide		Webinars
	Discovery Interview Findings		Checklist
	FAQs		Numerics Page on Visa.com/8digitbin



Key takeaways

Important points to take away from the presentation

- The payment card industry has made changes to accommodate 8-digit BIN, while still keeping the Primary Account Number (PAN) the same length
- Be aware of the implications of Visa's 8-digit BIN program in support of this industry change
- BIN table information should only come from reliable sources such as your acquirer or registered entities that receive information directly from Visa (i.e., VBASS service)
- Merchants who are not able to properly process 8-digit BINs may experience transaction issues, disruptions, unnecessary declines and complications with fraud detection and management
- PCI DSS requirements have remained unchanged; however, acceptable truncation formats have been updated to accommodate 8-digit BINs
- Changes must be coordinated with your acquirer, processor and other partners as soon as possible



How to contact us and additional resources



NumericsSupport@visa.com



NumericsSupportEU@visa.com



Reach out to your Acquirer, Processor or Visa representative



Numerics initiative page at Visa.com/8digitBIN

Note: Numerics Support Mailbox is available for a limited time only and expires after 9/30/23

