

What Merchants Need to Know to Prepare for 8-Digit BINs

Webinar
October 2021



Presenters



Vanessa Sierra-Monteiro,
Client Readiness



Marcus Vendruscolo,
*Merchant Sales & Solutions -
Americas*

Highlights



Primary Account Number



8-digit BIN – Issuers



Use of 6-digit BIN?



Use authorized tables from Acquirer



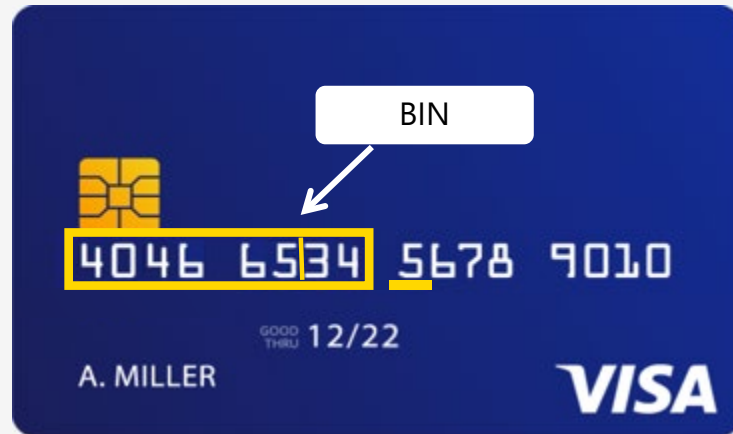
Visa Routing



PCI Impact

Bank Identification Number (BIN)

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



Account Range: 9 Digits, Not determined by BIN length

PAN: Not determined by BIN length

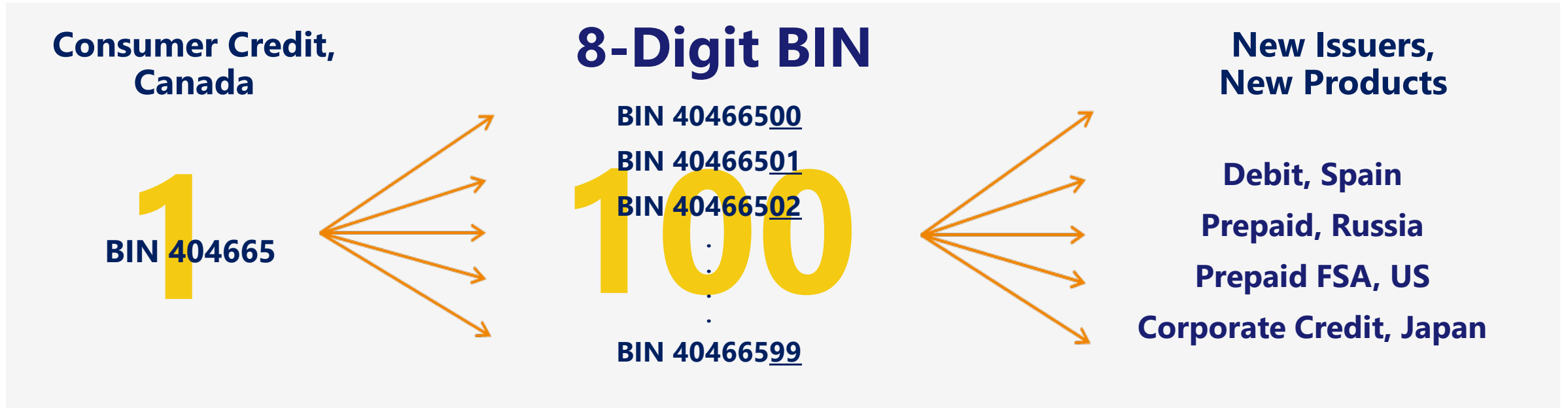
Bank Identification Number (BIN)

New Industry Standard announced by ISO in 2017; global effective date set for April 2022

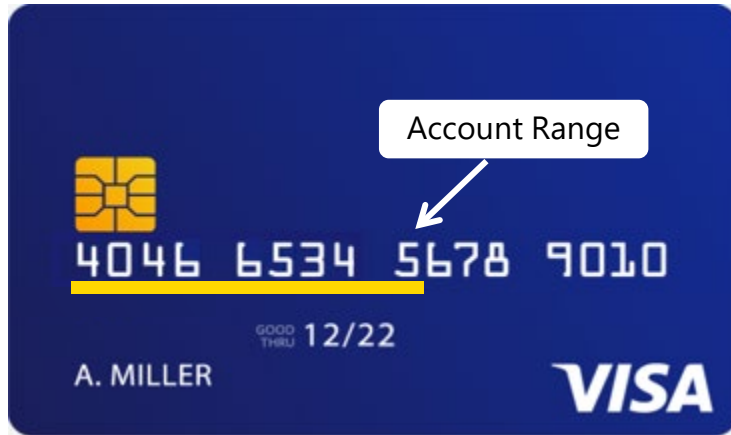


- Visa will only assign 8-digit BINs after April 2022
- Issuers can set their own timeline to convert existing 6-digit BINs; pricing and programs are being used to encourage adoption
- Visa and other payment schemes are already assigning 8-digit BINs

Why does it matter for my business?



Account Ranges include key information on program set up



Account Range: 9 Digits,
Not determined by BIN length

BIN 404665: 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
4Uninstalled.....		

Account Range Usage

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
- ⌨ Increased reconciliation costs

Risks for Lost Revenue & Inefficiencies with Industry Change

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

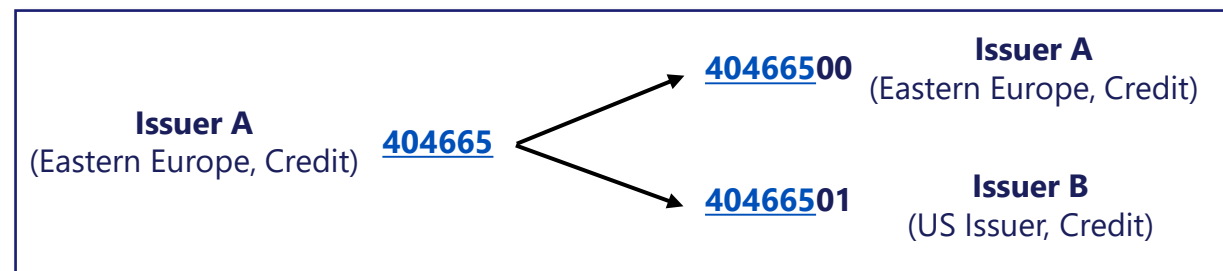
Scenario 1

Issuer A: Existing Eastern Europe Issuer converts its 6-digit BIN in an 8-digit BIN
Issuer B: New US Issuer receives a brand new released 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.



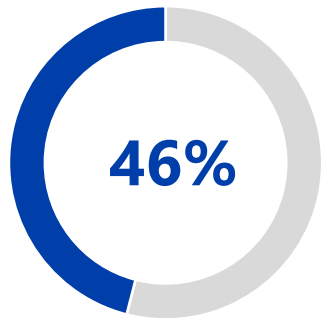
How can Visa support your planning?

- 1** Where do you use the issuing BIN
- 2** What challenges do you face?
- 3** What are your steps to readiness?

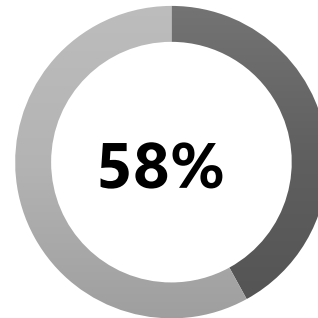


Risks to Transaction Processing

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)”

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

“Reporting and analytics on fraudulent transaction activity at the BIN level”

Risks to Merchant Services and Dispute Management

Errors in merchant portal and/or dispute processing

Client reported use cases of issuing BIN



"Issuing BIN or first-six / last-four are used to perform searches"

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

PCI DSS Standards

Exposing the full 8-digit BIN as well as any four digits for data at rest may not require changes



Data Presented on Screen and Reports

- PAN Masking



Data at Rest

- PAN Truncation
- PAN Encryption

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

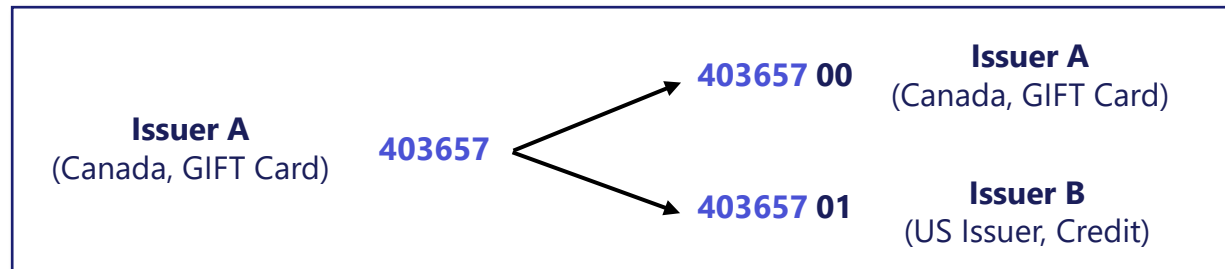
Issuer A: Canadian Issuer converts its 6-digit Gift Card BIN into 8-digit format and releases 85 BINs

Issuer B: US Issuer receives one of the released 8-digit BINs for their credit program



- **New Cardholder** attempts to register card at a bill pay merchant, but it is repeatedly declined.
- **New Cardholder** then tries to register card to pay for their new movie streaming channel. Not successful.
- **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.
- In each case, the **Merchants** advise they are unable to accept the card as their processes are based on reading 6-digit BINs for product type, they see this credit program as connected to a non-reloadable prepaid card.

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



Why Is Prompt Action Required?

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

Deloitte Consulting

If nothing else...



Use authorized tables
from Acquirer

What You Should be Doing Now



Conduct impact
assessment



Create a plan



Implement & test

Visa 8-digit Planning Resources



Questionnaire
Merchant Action Sheet
Overview presentation
Discovery interview findings

Checklist
FAQs
Webinars with live Q & A



[Numerics Initiative Page on Visa.com](#)



Reach out to your Acquirer or Processor
Contact your Visa Account Executive or Account Manager
If you still have questions, e-mail NumericsSupport@visa.com

Recap



Primary Account Number

Remain 16-digits; unchanged



8-digit BIN – Issuers

No deadline for 6-digit conversion



Use 6-digit BIN?

You will be impacted; start impact analysis now



Use authorized tables from Acquirer

Do NOT purchase from unauthorized sources



Visa Routing

Not based on issuing BIN



PCI Impact

Receipt requirements remain unchanged

Questions?



Submit your questions through the Q&A panel
- lower right-hand corner -

Thank You



Visa 8-digit Planning Resources



Questionnaire

Discovery interview findings

Merchant Action Sheet

Overview presentation

Checklist

FAQs

Webinars with live Q & A



[Numerics Initiative Page on Visa.com](#)



Reach out to your Acquirer or Processor

Contact your Visa Account Executive or Account Manager

If you still have questions, e-mail NumericsSupport@visa.com