

Date: August 21, 2020
To: All Settlement Clients
Subject: Fall 2020 Interchange Rate, Qualification, and Fee Changes
Product: Visa, Mastercard, and PIN Debit
Action: Informational

This Product Marketing Bulletin provides a summary of rate, qualification, and fee changes from Visa; there were no changes to announce for the other card brands. These changes will be implemented with the Fall 2020 Compliance Release. Changes are effective October 16, 2020 unless otherwise noted.

Fall 2020 Interchange Rate, Qualification, and Fee Changes

Visa Fall 2020 Release Information

Enhancements to Business-to-Business Virtual Payments Product Offering

- Expanded to include New Deferred Debit and Prepaid options
- Introducing new B2B Program ID and rates that will apply to purchase and credit voucher transactions with valid B2B Program ID as follows:

B2B Program ID	B2B Program ID Description	Rates
A1	B2B Program 1	0.80%
A2	B2B Program 2	1.00%
A3	B2B Program 3	1.20%
A4	B2B Program 4	1.40%
A5	B2B Program 5	1.60%
A6	B2B Program 6	1.80%

- Acquirer B2B Virtual Service fee will replace all Visa Service, data processing, and cross-border fees for applicable Visa B2B Virtual Payment Product transactions
 - Rates will be reduced to 60bps on domestic transactions for CEMEA, LAC & U.S.
- Eligible Merchant Category Codes:
 - 3000-3350, 3351-3500, 3501-3999, 4112, 4131, 4411, 4511, 4582, 4722, 5962, 6513, 7011, 7012, 7032, 7033, 7298, 7512, 7513, 7519, 7991, 7997, 7999

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Introduction of New Rules and System Integrity Fees

- Tracking of authorization attempts will begin according to specific categories:
- Decline Code Management as follows:
 - Category 1 - Issuer will never approve (card blocked, never existed, etc.)
 - Category 2 - Issuer cannot approve at this time (system issue, lack of funds, etc.)
 - Category 3 - Issuer cannot approve with the following details (based on details provided in the transaction, such as in valid CVV, account number, etc.)
 - Category 4 - Generic response codes (many technical in nature)
- Effective **April 1, 2021**, all re-attempts on an authorization where the original authorization received a decline response in Category 1 will be prohibited.
- The following fees will be assessed for re-attempted transactions using the same authorization more than 15 times in a 30 day period.

Effective Date	Fee Description	Domestic Fee	Cross-Border Fee
April 2021	Declined Transactions in excess of the 15th re-attempt	\$.10 USD	\$.15 USD

- A Data Consistency fee will be assessed for manipulated authorization data in order to attempt to force an authorization through the system.

Effective Date	Fee Description	Domestic Fee	Cross-Border Fee
April 2021	Data Consistency	\$.10 USD	\$.15 USD

- Effective **April 1, 2022**, a fee will be assessed for each re-attempt authorization where the original authorization received a decline response in Category 1.

Effective Date	Fee Description	Domestic Fee	Cross-Border Fee
April 2022	Category 1 Decline	\$.10 USD	\$.15 USD

Mastercard and PIN Debit Fall 2020 Release Information

There are no changes to announce at this time.

Please contact Heartland with any questions.

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