

IBM Payments Pricing Solution for z/OS, V1.1 delivers a new per-payment pricing option for deployments of IBM Financial Transaction Manager for z/OS workloads

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Overview

The banking industry continues to undergo significant changes, particularly in the area of payments. Driven by the value that can be offered to their clients, there is an increasing adoption of instant payment systems. For the transaction to be truly instant, banks are required to make a dramatic shift in their payment processing, which includes inter-bank clearing and settlement, from batch to real-time transactions. These instant payment systems require:

- Fast, predictable response time
- Seamless scalability to accommodate unpredictable spikes in demand
- Continuous availability
- Highest levels of security

In addition to implementing Instant Payments, clients look to transform their overall payments architecture, with changes, such as a payments hub that are introduced, and also as replacement of existing payments engines. IBM^(R) Z hardware and the IBM zTM/OS operating system are built to satisfy all these client demands.

IBM Payments Pricing Solution for z/OS^(R) provides pricing flexibility for payments workloads on z/OS environments. This solution provides a new per-payment pricing option for deployments of programs running in support of IBM Financial Transaction Manager for z/OS (FTM). Payments Pricing Solution for z/OS enables operational cost to be tied directly to business value by basing the price of the solution on the number of production payments that are processed, rather than capacity that is used to process them.

This announcement partially satisfies the statement of direction for a software only per-payment solution that was made in Software Announcement [217-368](#), dated July 17, 2017.

Key prerequisites

Payments Pricing Solution for z/OS, V1.1 requires:

- FTM for z/OS
- One of the following IBM Z servers:
 - z14

- z13™
- z13s

For additional details, refer to the [Technical Information](#) section.

Planned availability date

September 8, 2017

Description

Payments Pricing Solution for z/OS provides a new per-payment pricing model for deployments of FTM. This new pricing model allows clients to utilize the strengths of IBM Z hardware and at the same time, pay on a monthly basis for the actual number of production payments processed. It does not replace the existing pricing for FTM and associated software programs, but provides an additional commercial model to be utilized.

Payments Pricing Solution for z/OS enables the per-payment pricing model on the z/OS operating system and requires an upfront client purchase of a license for FTM. Clients are invoiced monthly for the number of production payments that are processed by FTM. The per-payment price provides the usage entitlement for the following z/OS software stack when used in conjunction with FTM, are now referred to as the Solution Stack within this announcement:

- z/OS, V2.1, or later
- IBM MQ for z/OS, V9.0, or later
- IBM DB2^(R) for z/OS, V11.1, or later
- IBM Operational Decision Manager Standard for z/OS, V8.9, or later

With the per-payment pricing model, clients have the choice of co-locating FTM for z/OS in the same LPAR with other z/OS workloads or in a separate LPAR. There is no, or negligible, impact to the cost of existing z/OS workloads. Restrictions may apply for the co-location option.

For hardware considerations and restrictions for co-location, see your IBM representative or IBM Business Partner for more information.

Cumulative tiered pricing structure

Payments Pricing Solution for z/OS charging is subject to the following cumulative usage tiers:

Tier	Production payments - Volumes in thousands per month
Level 0	0
Level 1	1-4999
Level 2	5000-24999
Level 3	25000-99999
Level 4	100000-199999
Level 5	200000 or more

The Level 0 tier has a zero charge and is to be used when first licensing the Payments Pricing Solution for z/OS in a pre-production environment. Once a client begins to process production payments (as defined by FTM) then the monthly per-payment charge appropriate to that number of production payments will be billed.

Note: Production payments are charged by volume in thousands.

Examples

- Example 1: Client's installation of FTM in conjunction with the Payments Pricing Solution for z/OS processed 1,379,824 payments in one monthly Reporting Period. The MLC charge for that month would be 1379 times the Level-1 tier price.
- Example 2: Client's installation of FTM in conjunction with the Payments Pricing Solution for z/OS processed 32,465,718 payments in one monthly Reporting Period. The MLC charge for that month, which represents a total of 32,465 production payments in thousands, would be 4999 times the Level-1 tier price plus 20,000 times the Level-2 tier price plus 7466 times the Level-3 tier price.

Reporting and charging for production payments

Monthly submission of FTM usage reports that are created by the IBM FTM Usage Report Tool is required. FTM usage data must be collected during a monthly Reporting Period starting at the beginning of the second day of the month through the end of the first day of the following month in order to qualify for per payment charges.

The FTM usage reports containing data for a Reporting Period must be submitted to IBM during the monthly Submission Period that is not earlier than the second, but not later than the ninth, calendar day of the month immediately following the Reporting Period. Production payments reported on a client's FTM usage reports for all machines within a country will be aggregated by IBM for billing purposes.

Charges for the Payments Pricing Solution for z/OS for a Reporting Period will be effective the first of the month following the Submission Period. For example, production payments processed by FTM from May 2 through June 1 will be billed July 1 based upon the FTM usage report submitted between June 2 and June 9.

When the FTM usage report indicates that fewer than 1000 production payments were processed during a Reporting Period then the Level 0 tier with a zero charge will be applied to the Payments Pricing Solution for z/OS. When the FTM usage report indicates that 1000 or more production payments were processed during a Reporting Period then the appropriate cumulative tiered charge will be applied to the Payments Pricing Solution for z/OS.

Late submission of FTM usage reports may result in termination of the Payments Pricing Solution for z/OS. Failure to submit valid FTM usage reports, or termination of the Payments Pricing Solution for z/OS, will cause billing of the Solution Stack programs to revert to the standard licensing charges for those programs that are applicable at that time.

Termination of the Payments Pricing Solution by the client

Clients are required to notify IBM in writing if they want to discontinue the Payments Pricing Solution for z/OS. Client is responsible for charges for the production payments processed by FTM through the requested discontinuance date, either through a final FTM usage report submission, or through the replacement of the Payments Pricing Solution for z/OS by standard licensing charges for the Solution Stack programs for the month following the requested discontinuance date.

Section 508 of the US Rehabilitation Act

Not applicable.

Reference information

For information on the Financial Transaction Manager for z/OS, V3.0, see Software Announcement [214-508](#), dated December 9, 2014.

For information on the IBM z/OS operating system, see Software Announcements:

- Version 2.3: [217-246](#), dated July 17, 2017

- Version 2.2: [215-267](#), dated July 28, 2015
- Version 2.1: [213-292](#), dated July 23, 2013

For information on IBM MQ for z/OS, V9, see Software Announcement [216-161](#), dated April 19, 2016.

For information on IBM DB2^(R) for z/OS, V12, see Software Announcement [216-378](#), dated October 4, 2016.

For information on IBM ODM for z/OS, V8.9, see Software Announcement [217-077](#), dated February 21, 2017.

Program number

Program number	VRM	Program name
5615-PPS	1.1.0	IBM Payments Pricing Solution for z/OS

Business Partner information

If you are a Direct Reseller - System Reseller acquiring products from IBM, you may link directly to [BP Attachment for Announcement Letter 217-292](#) for this announcement. A PartnerWorld ID and password are required (use IBMid).

Technical information

Specified operating environment

Hardware requirements

Payments Pricing Solution for z/OS, V1.1 is available with the following IBM Z servers:

- z14
- z13
- z13s

Software requirements

The per-payment pricing model available with the Payments Pricing Solution for z/OS, V1.1 requires FTM.

Licenses for each of the software programs in the Solution Stack in the Payments Pricing Solution for z/OS, V1.1 are also required to apply the per-payment pricing model to those programs. The Solution Stack programs are not delivered by the Payments Pricing Solution for z/OS itself. The Payments Pricing Solution for z/OS only delivers the per-payment pricing for the Solution Stack.

Clients who already have licenses for the programs in the Solution Stack may deploy additional copies for use in support of FTM without placing another order for licenses for those programs. The order of the Payments Pricing Solution for z/OS by clients without a license for a program in the Solution Stack will generate an additional order for the missing program, but this program license will not be charged separately since license charges for it will be included in the per-payment charge for the Payments Pricing Solution for z/OS. Service for any program in the Solution Stack must be ordered against the individual program, not against the Payments Pricing Solution for z/OS program id.

Additional software may be required to support FTM and the Payments Pricing Solution for z/OS Software Stack. Software programs not listed in the Solution Stack

are not eligible for per-payment pricing. For details, see the individual Software Announcements in the [Reference information](#) section.

Security, auditability, and control

The announced program uses the security and auditability features of the host operating system software.

The customer is responsible for evaluation, selection, and implementation of security features, administrative procedures, and appropriate controls in application systems and communication facilities.

Ordering information

Billable supply information

Entitlement Identifier	Description	License option/Pricing metric
S0187WJ	Payments Pricing Solution for z/OS	Basic License Monthly Charge Production Payment Cumulative Tiered Per Use - 5L
	Payments Pricing Solution for z/OS	Payment Registration No Charge Production Payment Cumulative Tiered Per Use - 5L

Documentation

IBM Payments Pricing Solution for z/OS, V1.1 documentation is available in [Knowledge Center](#).

An IBM White Paper for *Deploying the Price-Per-Payment Commercial Offering* is available from the [IBM Offering Information](#) website.

Terms and conditions

The client's agreement to IBM Payments Pricing Solution for z/OS terms and conditions is required for the receipt of per payment pricing benefits. Client must have a valid license to FTM installed on an eligible IBM Z server that has implemented the IBM Payments Pricing Solution for z/OS. All terms and conditions associated with IBM Payments Pricing Solution for z/OS and the IBM Client Agreement (or equivalent) apply. Agreement to the terms of the Attachment for IBM Payments Pricing Solution for z/OS (Z126-7823) is required.

Agreement

IBM Customer Agreement or IBM Customer Relationship Agreement

Educational allowance available

Yes, 15% education allowance applies to qualified education institution customers.

Volume orders

Not applicable.

Statement of good security practices

IT system security involves protecting systems and information through prevention, detection, and response to improper access from within and outside your enterprise. Improper access can result in information being altered, destroyed, or misappropriated or can result in misuse of your systems to attack others. Without a comprehensive approach to security, no IT system or product should be considered completely secure and no single product or security measure can be completely effective in preventing improper access. IBM systems and products are designed to be part of a lawful, comprehensive security approach, which will necessarily involve additional operational procedures, and may require other systems, products, or services to be most effective.

Important: IBM does not warrant that any systems, products, or services are immune from, or will make your enterprise immune from, the malicious or illegal conduct of any party.

Prices

For additional information and current prices, contact your local IBM representative or IBM Business Partner.

Order now

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Phone: 800-IBM-CALL (426-2255)

Fax: 800-2IBM-FAX (242-6329)

For IBM representative: askibm@ca.ibm.com

For IBM Business Partner: pwcs@us.ibm.com

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Corrections

(Corrected on October 3, 2017)

The Terms and conditions section is revised.