

IBM Financial Transaction Manager

Instant payments in a real-time world.

A number of key factors are reshaping the global payments landscape including regulatory mandates such as PSD2 and GDPR. In parallel, there is immense pressure on banks to deliver improved instant payments services to remain attractive to savvy, digitally-connected customers. Additionally, competition from non-traditional operators who offer mobile payments and e-wallets are further eroding a bank's traditional margin. In response, banks need to quickly transform their payments platforms and operating models owing to several operational challenges and non-functional requirements like -

- Managing complex regulatory and technology evolution
- Delivering sub-second response time for clearing and settlements
- Providing bulletproof security and continuous availability
- Improving operations and influencing the development of new services
- Scaling vertically and horizontally to match unpredictable work load peaks and anticipating transaction growth without interrupting services

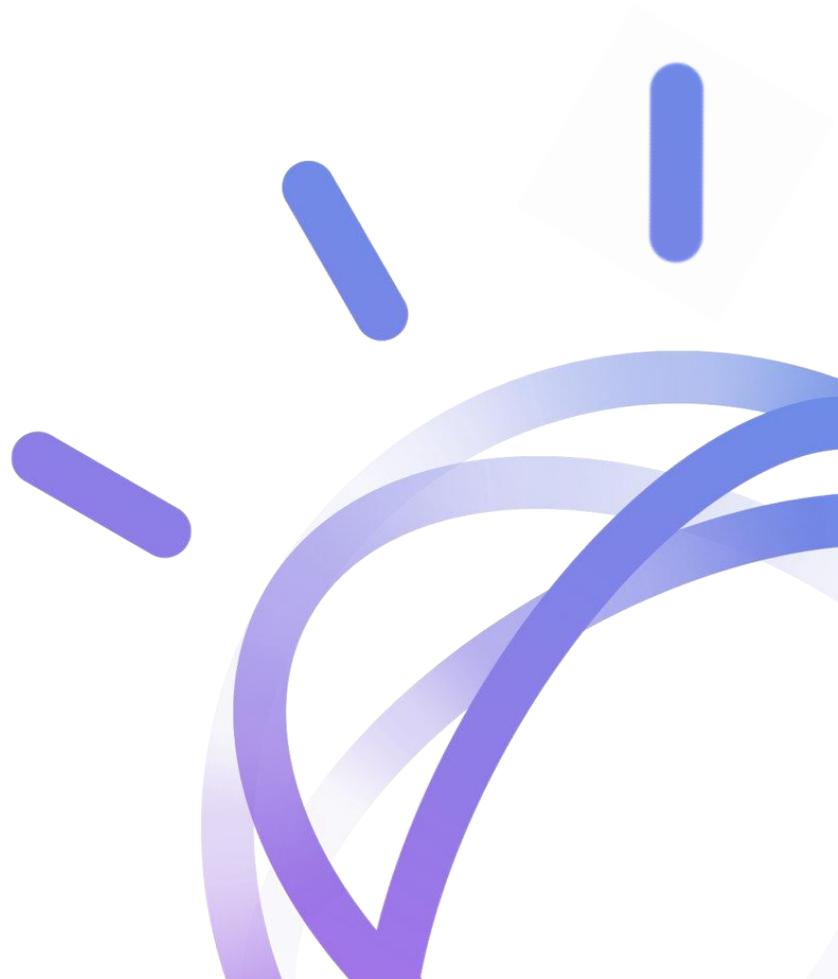
The challenge is balancing the imperatives of operational efficiency and lower operational costs with the need to step up their efforts to progressively renovate their payment operations.

IBM Financial Transaction Manager (FTM) is a proven, high-performance payments processing solution that supports a wide range of payment types; ranging from the latest immediate payment schemes to traditional payment types including ACH, SEPA, SWIFT, and Check. It is based on a common ISO20022-compliant internal standard format and offers a robust set of pre-built services designed to support processing of multiple payment types within a single payments-processing solution. In addition, FTM provides a modular, service oriented architecture so institutions can modernize operations to match their business needs, while retaining legacy systems where needed. Its value includes:

Minimizing operational risk of changes to the environment by taking a modular approach to adding a new payment rails via a progressive modernization approach.

Providing superior customer payment experiences with a real-time capable payments hub which allows faster deployment of new products using common monitoring and reporting across payments rails.

Delivering improved risk mitigation and compliance by easily uncovering payment status using pattern recognition that provides greater insight into the payment.



IBM Watson Financial Services

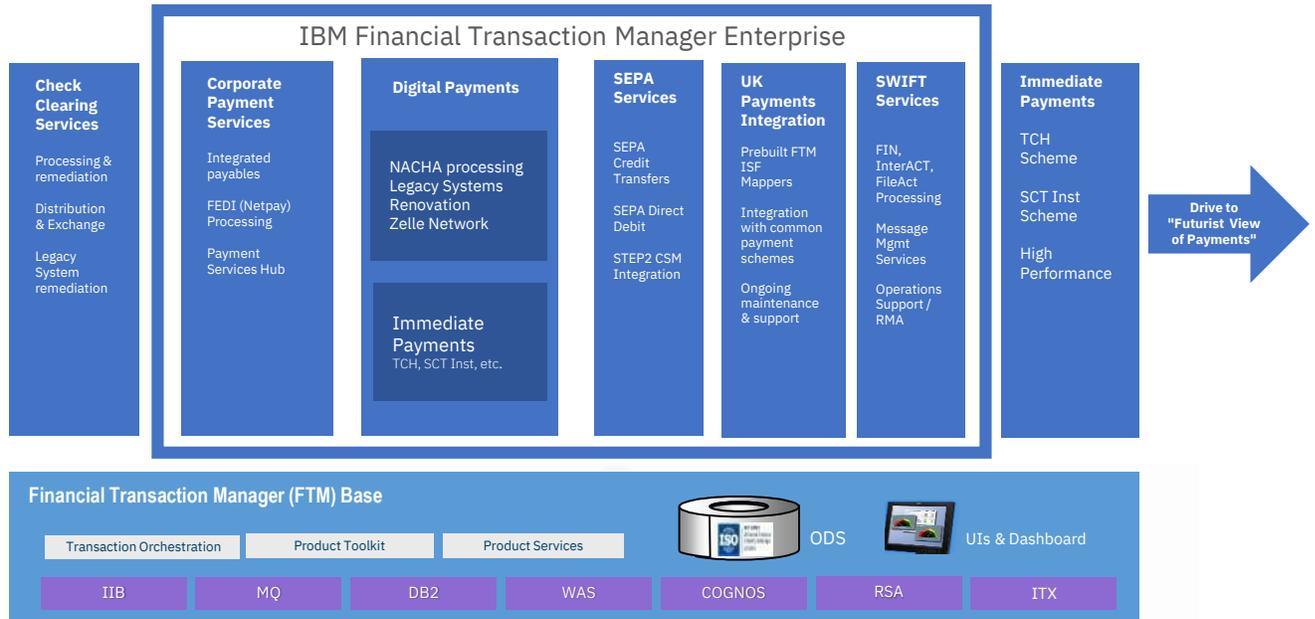


Figure 1: IBM FTM - a modular service oriented architecture with a robust payment services integration layer

IBM Financial Transaction Manager helps process payments and financial transactions with built-for-purpose payments processing capabilities, while leveraging proven IBM software products. It provides deeper understanding of payment trends, patterns and customer experiences with dynamic visibility into analytic dashboards. With an open architecture design it is suited to meet requirements of global real-time processing payment schemes (e.g. The Clearing House (TCH), SEPA Instant Credit Transfer (SCT Inst) which demands <5 sec response times. It also helps drive down the processing window to meet or exceed scheme requirements, freeing time for Debtor or Creditor Financial Institution services, the settlement scheme and the network infrastructure.

Recent enhancements to the FTM family include:

- **FTM for Immediate Payments V3.2 for Z and Multiplatforms:** process SCT Inst immediate payments and messages, along with enhanced abilities to process TCH Real-Time Payments and messages.
- **FTM for Digital Payments 3.2 for Multiplatforms:** process SCT Inst immediate payments and messages, along with TCH Real-Time Payments and messages. AND, it now supports the sending and receiving payments and messages through the [Zelle payments network](#).
- **FTM for Swift Services:** a flexible gateway to take control over the ever increasing requirements for security, resiliency and performance in your SWIFT payments flows.
- **Payment Pricing Solution for z/OS:** a per-payment pricing option for z/OS payment workloads, which makes z/OS pricing more predictable by eliminating spikes and tying pricing more closely to business value. It is available with either FTM Enterprise or individual FTM offerings.

- **FTM Enterprise for Z and Multiplatform:** a single solution bundling 6 vital payment schemes while providing an immediate 38% cost reduction.
- **LinuxONE for Payments:** a premier platform to deploy IBM Financial Transaction Manager in today's digital world. It provides 100% encryption with Pervasive Encryption, near zero down time, integrated Blockchain technologies and on-demand personalized insights which drive lower costs, new revenue streams and improved customer satisfaction for the Banking Industry.

Outcomes:

- Improved payment services with support for multiple processing rules, settlement rules, immediate payments and same day settlement
- Increased regulatory compliance with better KYC / AML via business rules and reporting
- Reduced cost redundancies from multiple infrastructure solutions
- Deliver faster customer on-boarding with less staff time
- Positions the bank for industry initiatives and mandates

Installed in 7 of the top 10 US banks, IBM FTM also has a global reach with over 75 client installations in 20 countries and working with 20 payment networks.

For more information please visit:
www.ibm.com/ibm-ftm or talk to an IBM FTM representative today.