

IBM Financial Transaction Manager

Deliver a fast and agile
payments infrastructure

**Watson
Financial
Services**



Highlights

- Match today’s industry needs and enable progressive modernization with the IBM Financial Transaction Manager family of offerings
- Keep pace with evolving regulatory and compliance mandates for banks and financial institutions
- Establish a payments infrastructure to support today’s requirements and be positioned to embrace emerging new services and technologies – and retain or replace legacy systems where required
- Add business value including speed to market, agility, transparency and reduced costs
- Accelerate the adoption of immediate payment services founded on ISO 20022

IBM Financial Transaction Manager drives payments modernization

Marketplace demands and consumer behavior shifts are reshaping the global payments landscape. Institutions and individuals alike now expect simpler, more transparent payment experiences. Banks need to keep pace with changing regulatory and compliance obligations. Non-traditional entrants offering mobile payments and e-wallets threaten the traditional base of banking services. All these factors drive the need for greater agility including modernized payment systems, improved operational efficiency and reduced costs.

In response, banks are quickly transforming their payments platforms and operating models to deliver more real-time services. In doing so, they face operational challenges and non-functional requirements including:

- Managing complex regulatory and technology changes
- Delivering faster response time for clearing and settlements
- Providing exceptional security and continuous availability
- Improving operations and influencing the development of new services
- Scaling vertically and horizontally to match unpredictable work load peaks
- Anticipating and meeting transaction growth with uninterrupted services

IBM® Financial Transaction Manager (FTM) is a family of production-proven offerings that helps banks and financial institutions drive agility and modernization. Payment schemes are converged onto a unified, simpler platform with a highly intuitive interface which eliminates the need to write new code to change process flows. This improves processing consistency, reduces complexity and helps cut an institutions total cost of operations. There are seven offerings in the FTM suite. In addition, Financial Transaction Manager Enterprise is an option which bundles six payments schemes to deliver a 38% price discount. FTM focuses on rules-based processing, high availability (24x7x365) and extensive scalability, enabling third-party extensions and a partner ecosystem. It can be implemented in an AIX®, Linux (x86 or IBM Z®) or z/OS® operating environment. For more software requirements, please [click here](#).

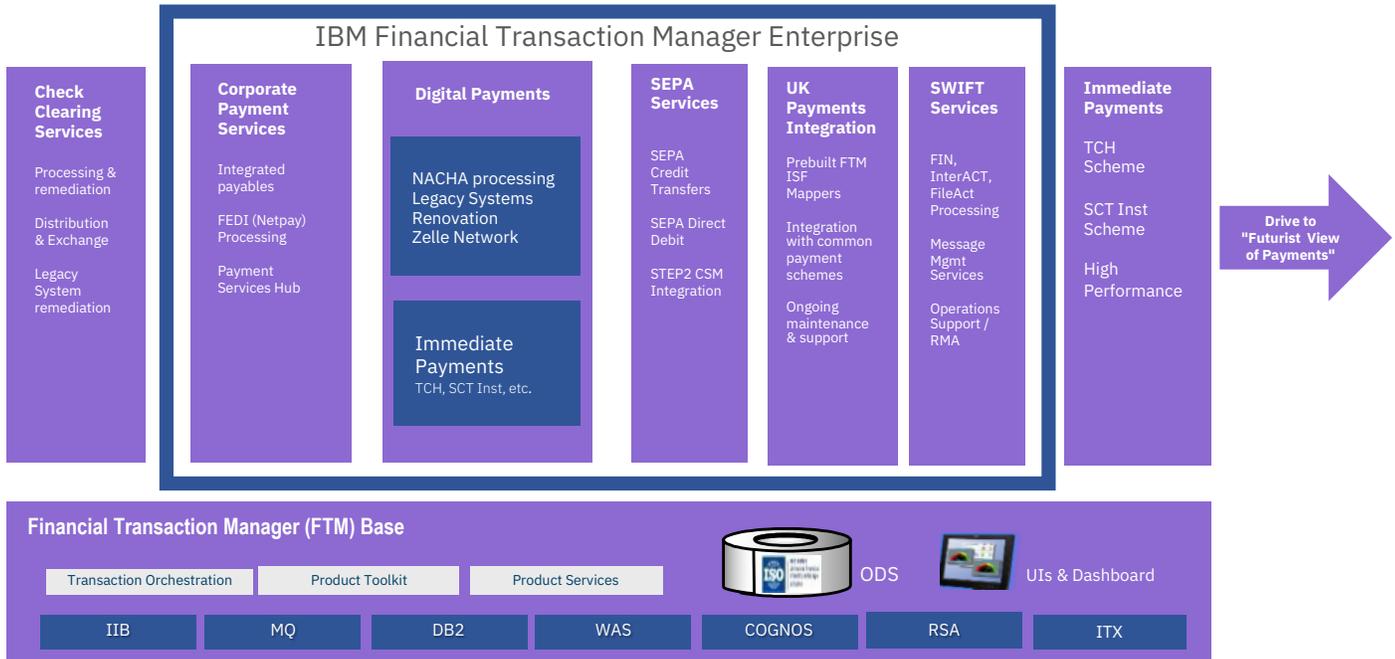


Figure 1: IBM FTM- a modular service oriented architecture with a robust payment services integration layer

A robust foundation for growth and service

The IBM approach is to help banks establish a payments infrastructure that can support today’s requirements and be properly positioned to embrace new services and technologies. Financial Transaction Manager is a unified payments hub for monitoring and processing multiple payment and currency types. It offers a path to payments modernization to match the business needs, while retaining legacy systems where required.

Along with orchestrating and monitoring financial transactions, IBM FTM provides the functionality to create and collect the state of financial transactions while delivering integration features, including common data and message models based on ISO 20022. Prebuilt capabilities are included with optional complementary products for Immediate Payments, SWIFT, ACH, SEPA, check processing and corporate payment services.

Service oriented architecture with a payment services layer

Featuring a service oriented architecture (SOA) with an integrated payment services layer, the FTM single, extensible platform converges payments processing and standardizes operations, while reusing existing capabilities. Figure 1 illustrates the FTM SOA.

Add speed to market, agility, transparency, reduced costs and new value

FTM helps financial services organizations achieve faster time to market for new services. Adherence to industry standards eases integration with new and existing systems. Faster deployment of new services can drive new fee revenue sources more quickly. This solution helps clients add capabilities without increasing complexity. Expand scalability, flexibility and control and eliminate duplication of services. Features and benefits include:

- Selective outsourcing is enabled by common interfaces. Agility is improved through optimal product and service selection support.
- Shortened application and integration testing accelerates implementation.
- Increased transparency on transaction status, direct to customer. Better visibility for customers into payments and reporting across bank lifts satisfaction.
- Enhanced monitoring across enterprise processing reduces cost with fewer technical interfaces, business transactions types and message types. Reusable tools support message types and business services.
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IBM FTM suite

Highlights for each offering and the FTM Enterprise bundle are shown in the following chart.

IBM FTM offering	Capabilities highlights
IBM Financial Transaction Manager Payment hub base	<ul style="list-style-type: none">- A modular, service oriented architecture, bundled IBM middleware, multiple operating systems and robust browser support.
IBM FTM for Check Services Renovate or replace legacy check processing systems	<ul style="list-style-type: none">- Services for day one processing for payment settlements and adjustments as associated with image item processing.- Includes payment presentment and settlement, payment repair, duplicate detect, automated adjustments, transaction correction, and reconciliation.
IBM FTM for Corporate Payment Services Multi-purpose payment engine for use by Treasury Services departments	<ul style="list-style-type: none">- Processes payments on behalf of commercial businesses of all sizes.– Streamlined and transparent regulatory reporting- Offers corporate clients and small businesses alike the ability to send one file of payment instructions to all payees.- Enables financial institutions to originate payments via the most appropriate payment channel, i.e., ACH and Wire.
IBM FTM for Digital Payments for Multiplatforms NACHA ACH transactions processing, legacy system renovation and Immediate Payment processing schemes	<ul style="list-style-type: none">- Formerly known as IBM FTM for ACH Services for Multiplatforms.- Offers with enhanced views of messages and nonpayment transactions.- Processes SEPA Instant Credit Transfer (SCT Inst) immediate payments and messages, along with enhanced abilities to process The Clearing House (TCH) Real-time Payments and messages.- Supports sending and receiving payments and messages through the Zelle payments network.- Strengthens risk management and assist with customers' compliance obligations through improved visibility to payment transactions across multiple payment channels.
FTM for Immediate Payments Payments compliance solution for various global real-time payment initiatives	<ul style="list-style-type: none">- Payments and messages can be processed for The Clearing House Real-Time Payments (TCH RTP).- Pan-European schemes include Single Euro Payments Area (SEPA) Instant Credit Transfer (SCT Inst), and other country-specific or regional immediate payment schemes.- APIs are provided to support many legacy payment applications and services for other payment types.- Provides Rulebook compliance for SCT Inst and TCH RTP.
IBM FTM for SEPA Services Bank-ready– rulebooks implementation	<ul style="list-style-type: none">- Leverages the FTM foundation so that clients can scale and manage expected increases in volume of traffic.- Bank-ready implementation of the EPC SEPA Credit Transfer (SCT) and SEPA Direct Debit (SDD) rulebooks.
IBM FTM for UK Payments Integration Pre-built payment scheme mappers	<ul style="list-style-type: none">- Pre-built United Kingdom Payment Schemes mappers to and from the IBM FTM internal standard format.- Reduces operating costs and enhances reconciliation services as the United Kingdom Payment Schemes, BACS (UK ACH), CHAPS (UK Real Time Gross Settlement), FPS (UK Faster Payments) are invoked from a central hub and linked to ISO 20022.
FTM for SWIFT Services SWIFT-certified single window interface to SWIFTNet FIN, InterAct and FileAct services	<ul style="list-style-type: none">- Enhances the IBM Financial Transaction Manager hub value with a SWIFT-certified single window interface to SWIFTNet FIN, InterAct and FileAct services.- Processes high volumes of financial messages reliably.- Provides a logical succession path for users of IBM WebSphere® business integration for financial networks, IBM message entry and routing with interfaces to various applications (MERVA), and other legacy SWIFT solutions.- SWIFT services are consolidated into a common set of capabilities to help organizations eliminate parallel software implementations.- Includes message entry and repair, print support, Sequential Data Facility, routing support, relationship management, Administration and operations GUI.
FTM Enterprise Single solution offering which bundles payment schemes	<ul style="list-style-type: none">- Provides an immediate 38% cost savings.- Bundles six key payment schemes banks consider when expanding their consolidated modern payment hub: ACH, SWIFT, SEPA and Corporate Payments services along with UK Payments Integration and Immediate Payments (in support of Zelle, TCH RTP and SEPA Inst schemes).- Offered for multiplatform or IBM Z customers. For Z customers, further costs reduction can be realized when incorporating payment pricing.

Why IBM Financial Transaction Manager

Supporting global and regional payments processing across 20 countries for over five decades, IBM has been helping clients accelerate the adoption of Immediate Payments services, effectively modernize payment operations and deliver greater value to the business.

For example, the European Business Process Institute (EBPI) implemented FTM for SWIFT Services on IBM LinuxOne Rockhopper™ to reach a new market for SWIFT payment processing service. In another instance a North American bank reaped a 33% reduction in total cost of ownership and a 22% productivity gain, along with shortening the time to market for new services.

To support this evolving, frictionless financial economy, IBM has a holistic view to improving the payments ecosystem. Beyond a robust payment hub to drive new payment schemes, these faster payments mean a rise in fraud risk exposure. Assessing risk and establishing counter measures today must occur in milli-seconds. Coupling FTM with other value-added services, such as IBM Safer Payments for payment fraud prevention, helps deliver the speed, security and accuracy necessary for complete transaction processing. Additional innovation can come from incorporating IBM with open banking, APIs, blockchain and voice technologies.

About IBM Watson Financial Services

IBM commercial payments offerings are part of IBM Watson Financial Services. Watson™ Financial Services works with organizations across the financial services industry to use IBM Cloud™, machine learning, big data, RegTech and blockchain technology to address their business challenges. Watson Financial Services merges the cognitive capabilities of IBM Watson® with industry expertise offered by the Promontory Financial Group, an IBM company, to help payments, risk, compliance and financial crime professionals make better informed risk and operational management decisions and adhere to regulatory mandates.

For more information

To learn more about IBM commercial payments offerings visit us at ibm.com/ibm-ftm.

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