

IBM i Business Transformation FAQ

Last updated March 25, 2024

Latest revisions:

- 3/25: minor corrections in green
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The purpose of this FAQ is to answer questions about the move of IBM i to subscription term licenses which is a step in the IBM i Business Transformation. It is our intention to continue to update this document and add answers as questions arise. Send additional questions to Linda Hirsch at LLHIRSCH@us.ibm.com.

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Definitions

“**IBM i Subscription Term**” or “**IBM i Subscription**” means the IBM i operating system Subscription Term licenses.

“**IBM i non-expiring**” means the IBM i operating system non-expiring, also called perpetual licenses or one-time charge licenses.

Introduction and Background

IBM began the IBM i Business Transformation in 2022.

- **May 2022**
 - [IBM i offers subscription term pricing for IBM Power S914 four-core processor](#)
- **February 2023**
 - [All IBM i software tiers \(P05/P10/P20/P30\) available as subscription term](#)
 - [Merlin \(IBM i Modernization Engine for Lifecycle Integration\)](#)
- **May 2023**
 - [Rational Development Studio \(RDS\) available as subscription term](#)
 - Rational Developer for i (RDi) available as subscription term
- **August 2023**

- [Licensed software feature withdrawal of selected non-expiring IBM i license offerings as IBM transforms the IBM i business](#)
- **January 2024**
 - [Backup, Recovery and Media Services \(BRMS\) \(5770-BR2\) available as subscription term](#)
 - [Cloud Storage Solutions for i \(5733-ICC\) available as subscription term](#)
- **February 2024**
 - [Revised withdrawal from marketing date: IBM i software feature withdrawal for IBM i business transformation changed from 3/26/2024 to 5/07/2024](#)
- **March 12, 2024**
 - [Withdraw the ability to transfer non-expiring IBM i entitlements to specific IBM Power10 processor-based server models](#)
 - [Revised IBM i Processor and User Transfer offering: conversion of IBM i non-expiring entitlements to IBM i Subscription Term licenses for specific IBM Power10 processor-based server models](#)
 - [Change IBM i Subscription P05 software tier from blocks of 5 users to blocks of 10 users](#)

Subscription Availability

Q: For which releases of IBM i are subscription term licenses available?

A: IBM i 7.3, IBM i 7.4, IBM i 7.5. IBM i 7.2 is valid for IBM i but not for all LPPs.

Q: On which Power servers are IBM i subscription term licenses available?

A: The following servers support ordering of IBM i Subscription Term licenses:

Power10 processor-based servers:

- IBM Power S1014 (9105-41B) (P05 and P10 software tiers)
- IBM Power S1022 (9105-22A) (P10 software tier)
- IBM Power S1022s (9105-22B) (P10 software tier)
- Power S1024 (9105-42A) (P20 and P30 software tiers)
- Power E1080 (9080-HEX) (P30 software tier)

Power9 processor-based servers:

- Power S914 (9009-41G) (P05 and P10 software tiers)
- Power S922 (9009-22G) (P05 (1 core) and P10 software tier)
- Power S924 (9009-42G) (P20 software tier)
- Power E980 (9080-M9S)

Conversions and Transfers of IBM i Non-expiring Licenses

Q: When will conversion pricing be available?

A: IBM announced a [statement of general direction in August of 2023](#) "IBM intends to offer IBM i customers a lower priced subscription term option to convert from an IBM i non-expiring license which has associated active Software Maintenance to an IBM i subscription term license."

While IBM's plans may change without notice, IBM intends to announce the conversion pricing features early in April 2024.

Q: Starting May 7, a client will buy (or lease) a new Power10 P05 or P10 software tier machine. Can the customer transfer IBM i non-expiring entitlements to the new machine?

A: Starting May 7, if a client is purchasing or leasing a new machine of one of the following types:

- IBM Power S1014 (9105-41B) 4-core processor (P05 software tier)
- IBM Power S1014 (9105-41B) 8-core processor (P10 software tier)
- IBM Power S1022 (9105-22A) (P10 software tier)
- IBM Power S1022s (9105-22B) (P10 software tier)

the two choices for IBM i entitlement are...

1) buy new IBM i Subscription Term, or
2) convert IBM i non-expiring license to IBM i Subscription Term at a lower-priced Subscription Term option. Note for order placers: specifically, this is the NEWSYS path in e-config.

- Active SWMA is required on the donor IBM i non-expiring licenses in order to take advantage of the conversion pricing.
- Conversion pricing is offered when acquiring 3-, 4-, or 5-year Subscription Terms.
- On the conversion, select any quantity of users, blocks of 10 or Unlimited User entitlement or Remote Access entitlement.

Therefore, for new Power10 P05 or P10 purchases for the machine types listed above, in the NEWSYS path starting May 7, non-expiring licenses cannot be transferred to the new machine.

Q: What happens to the IBM i entitlements when the conversion order is placed (i.e. once the order goes into "shipped" status)?

A: The following steps occur:

- The IBM i non-expiring entitlement on the donor is deleted.
- The IBM i entitlement is parked on the target.
- The customer must complete the steps to enter the reduced quantity keys on the donor system and send the validation to the Key Center (WWSWKEYS@dk.ibm.com).
- Once the validation is received by the Key Center, the Key Center will unpark the IBM i Subscription Term entitlement on the target.

Q: Starting May 7, I have an existing Power9 or Power10 machine at P05 or P10 software tier: can I transfer IBM i non-expiring licenses from a donor machine and use this existing Power9 or Power10 P05 or P10 software tier machine as a target?

A: Yes, i.e., starting May 7, the behavior is the same as before May 7. Specifically, in e-config, this is the "Software only Server" path, when you take "Transfer software from installed system to an existing system."

Any change to this policy in the future will be announced in an IBM announcement letter.

Q: Starting May 7, I have an existing Power9 or Power10 machine at P05 or P10 tier with IBM i non-expiring entitlement on it, can I purchase additional IBM i non-expiring processor or user quantities on the existing machine?

A: Yes, i.e., starting May 7, the behavior is the same as before May 7. E.g., add one or more additional IBM i processor entitlements and/or user entitlements.

Q: Starting May 7, I have an existing Power9 or Power10 machine at P05 or P10 tier, can I renew my IBM i group SWMA associated with IBM i non-expiring licenses?

A: Yes, i.e. starting May 7, the behavior is the same as before May 7. IBM is not withdrawing the ability to renew group SWMA for IBM i non-expiring licenses.

Q: Starting May 7, I have an existing Power9 or Power10 machine at P05 or P10 tier, am I required to convert my existing IBM i non-expiring licenses on this existing machine to Subscription Term licenses on or shortly after May 7?

A: No. Existing IBM i non-expiring licenses on existing machines can remain, and as mentioned, SWMA can be renewed.

Q: Starting May 7, I have an existing Power8 or earlier machine has IBM i non-expiring license on it, is IBM i Subscription supported, and if so, is conversion required?

A: IBM i Subscription Term licenses are only supported on Power9 and Power10 machines. Therefore, on Power8 or earlier machines, customers can ...

- transfer IBM i non-expiring licenses to the existing machine.
- purchase additional IBM i non-expiring processor or user quantities on the existing machine.
- renew IBM i group SWMA associated with IBM i non-expiring licenses.

Payment

Q: When a customer buys a Subscription Term, is the payment amortized over the duration of the terms? E.g., can the customer pay on a monthly basis?

A: No. When ordering Subscription Term in e-config, the payment options are not changed: payment is made up front.

Virtual Serial Numbers, Combining IBM i Subscription and IBM i non-expiring, and Power Enterprise Pools 2.0

Q: Can I order IBM i Subscription and Subscription LPPs on a Virtual Serial Number (VSN)?

A: Yes.

Q: Can I combine IBM i Subscription and IBM i non-expiring on one Serial Number?

A: No, you cannot combine the two license types on one Serial Number. I.e., on a given physical Serial Number or Virtual Serial Number (VSN), you could have either IBM i Subscription or IBM i non-expiring, but not both. You could have a physical Serial Number with IBM i non-expiring entitlements, and a VSN assigned to a partition on that machine which has IBM i Subscription Term entitlements since the physical and Virtual Serial Numbers are completely independent.

Q: Can I combine IBM i Subscription Term and IBM i non-expiring in one Power Enterprise Pool (PEP) 2.0?

A: Yes, as long as you do not combine IBM i Subscription Term entitlement and IBM i non-expiring on one machine Serial Number, you can have machines with both types in one pool. E.g., in one PEP 2.0, one machine has 10 IBM i Subscription Term entitlements ending in two years, a second machine has 2 IBM i non-expiring entitlements, a third machine has 2 IBM i non-expiring entitlements. There are 14 IBM i entitlements of Base Capacity. If the IBM i Subscription Term is not renewed in two years, upon expiration of the two-year term, this PEP 2.0 will have 4 IBM i entitlements of Base Capacity.

Transfer of IBM i Subscription Term licenses

Q: Once I have IBM i Subscription on a machine, can I transfer it to another machine?

A: IBM intends to support IBM i Subscription transfers from machine to machine.

Example:

- Client has a Power9 with 2 years of IBM i Subscription Term remaining.
- Client purchases a replacement Power10 and transfers the remaining IBM i Subscription Term to the new Power10.

Capacity Backup (CBU)

Q: In a production-CBU pairing, can the production machine have IBM i non-expiring licenses, and the CBU have IBM i Subscription licenses, or vice versa?

A: For both production and CBU, the IBM i requirement can be fulfilled with either IBM i non-expiring or IBM i Subscription. E.g. IBM i non-expiring licenses may be on the production and IBM i Subscription on the CBU, or the opposite situation with IBM i Subscription on the production and IBM i non-expiring on the CBU.

On a given machine, the license must be all non-expiring or all Subscription: you cannot combine non-expiring and Subscription on one Serial Number.

If a CBU has Subscription licenses, any eligible temporary keys for LPPs will be generated to align with the Subscription Term of IBM i.

Software License Keys

Q: For IBM i Subscription Term licenses, will expiring keys be issued?

A: Yes. The key duration will match the term of the license purchased, plus IBM will add a 60-day buffer. Adding the buffer will allow time for orders to fulfill and so forth. Specifically, the entitlement and key are created based on the ship date of the order, then 60 days is added.

- Example: one-year term for 5770-SS1 processor quantity = 1, users = 10, ship date = May 1, 2024
 - Key expiration = one year (May 1, 2025) + 60 days, therefore approx. June 30, 2025

Any change to this 60-day policy in the future will be announced in an IBM announcement letter.

Q: When will my IBM i Subscription Term keys be available in ESS?

A: Once the IBM i Subscription entitlement is activated in ESS. Note that the key expiration date is not related to the activation date of the IBM i Subscription entitlement. Instead, as mentioned in the question above, the key duration will be set based on the ship date of the order plus 60 days. Example: my key expiration is set at July 24, 2025. I activate my Subscription Term license on November 30, 2024, and retrieve my keys. The key expiration is as originally set, July 24, 2025, until I renew my term.

Q: What happens when the license keys for my IBM i operating system subscription term expire?

A: There is no change to IBM i implementation for expiring or expired keys:

For the IBM i 5770-SS1 features 5050 (base feature), 5051 (processor entitlement), 5052 (user entitlement), 5053 (application server entitlement) warning messages will be issued 14 days prior to the expiration date.

- When the IBM i base feature 5770-SS1 5050 key is expired, the next time the system is rebooted (IPL'd) after expiration, the IPL will stop until a valid key is installed. If a client needs a 5770-SS1 5050 interim key while the renewal order is being placed, use the "Interim Key" function on the [Entitled Systems Support \(ESS\)](#) portal ("My Entitled Software" and "IBM i Software Keys").
- Once the IBM i processor feature (5770-SS1 5051) is expired, out-of-compliance messages are issued every hour.

Q: For what duration are warning messages issued prior to expiration of software keys?

A: There is no change to the implementation for warning messages for expiring keys for the IBM i operating system. Warning messages for expiring keys start 14 days prior to the expiration date.

Licensed Program Products (LPPs)

Q: With IBM i Subscription Term licenses, which Licensed Program Products (LPPs) **are not included** when IBM i Subscription Term is ordered?

A: The following LPPs are ordered separately and **are not included** when IBM i Subscription Term licenses are ordered:

- Backup, Recovery, and Media Services (BRMS) (non-expiring 5770-BR1, or Subscription 5770-BR2)
- Rational Development Studio for i (5770-WDS)
- PowerHA SystemMirror for i (5770-HAS)
- Cloud Storage Solutions for i (5733-ICC)
- Db2 Mirror for i (5770-DBM)
- Rational Developer for i (ordered via Power channel (5733-RDW) or Passport Advantage)
- ARCAD Observer for IBM i (5733-AO1)
- ARCAD RPG Converter for IBM i (5733-AC1)
- IBM i Modernization Engine for Lifecycle Integration ("Merlin", ordered via Passport Advantage)

Ordered and priced at zero:

- Web Enablement: includes selected versions of WebSphere Application Server (5733-WE3, 5722-WE2)
- Cryptographic Device Manager (5733-CY3)
- OmniFind Text Search Server for DB2 for i (5733-OMF)

Q: With IBM i Subscription Term licenses, which Licensed Program Products (LPPs) and IBM i features **are included** with orders of IBM i Subscription Term?

A: The following LPPs and IBM i features **are included** with IBM i Subscription Term licenses:

NOTE: Refer to [IBM i Portfolio Simplification](#) for information regarding the required PTFs to remove license checking, and thereby remove the need for software license keys, for the IBM i features and LPPs which formerly required keys.

The following IBM i (5770-SS1) features are included with IBM i Subscription Term:

- All are included except for Db2 Data Mirroring, Option 48 (provided with Db2 Mirror, 5770-DBM)

The following LPPs are included with IBM i Subscription Term:

- Rational Application Management Toolset (5770-AMT)
- Administration Runtime Expert (also called Application Runtime Expert) (5733-ARE)
- AFP Font Collection (5733-B45)
- Advanced DBCS Printer Support (5761-AP1)
- Communications Utilities (5761-CM1)
- CICS® Transaction Server (5770-DFH)
- HTTP Server (5770-DG1)
- Facsimile Support for i (5798-FAX)
- AFP DBCS Fonts (5769-FN1)
- AFP Fonts (5769-FNT)
- InfoPrint Server (5722-IP1)
- Advanced Job Scheduler (5770-JS1)
- Developer Kit for Java (5770-JV1)
- Managed System Services (5770-MG1)
- Network Authentication Enablement (5770-NAE)
- Performance Tools (5770-PT1)
- Query for i (5770-QU1)
- System Manager (5770-SM1)
- Db2 Query Manager & SQL Dev Kit (5770-ST1)
- TCP/IP Connectivity Utilities (5770-TC1)
- Transform Services (5770-TS1)
- Universal Manageability Enablement (5770-UME)
- XML Toolkit (5733-XT2)
- IBM i Access Family (5770-XW1)

Q: When I order IBM i Subscription Term licenses, are Subscription LPPs also required?

A: IBM will allow IBM i Subscription Term licenses and either non-expiring or Subscription LPPs on one system. Note that today, ordering IBM i Subscription Term with non-expiring LPPs will take two orders:

Currently, when IBM i Subscription Term is selected on the initial order or NEWSYS order, when IBM i Subscription is selected, for those LPPs which have both Subscription and non-expiring offerings (i.e., BRMS, Rational Development Studio, Cloud Storage Solutions for i), e-config will only allow selection of the Subscription LPP offerings. In the case where you want to add non-expiring LPPs instead, place a second software-only order, and add the non-expiring LPPs. In this second software-only step, you must indicate that the IBM i operating system is non-expiring (even though you do not order IBM i OS) in order to get the selection of the non-expiring LPPs.

IBM is in process of changing the initial order and NEWSYS path so that whether IBM i Subscription or IBM i non-expiring is selected on the order, either Subscription LPPs (for those available as Subscription) or non-expiring LPPs can be selected. This FAQ will be updated with the expected e-config support date.

In addition to order new non-expiring LPPs or Subscription LPPs (for those LPPs which are available as Subscription), clients can transfer existing LPPs to this machine which has IBM i Subscription. Transfer existing LPPs using the [Entitled Systems Support \(ESS\) portal](#).

Q: When I have IBM i non-expiring licenses, can I order Subscription LPPs?

A: Like the situation in the Q&A directly above, today, this takes two orders: specifying IBM i non-expiring on the initial order, and then in a second software-only order. IBM is in process of changing the initial order and NEWSYS path so that whether IBM i Subscription or IBM i non-expiring is selected on the order, either Subscription LPPs (for those available as Subscription) or non-expiring LPPs can be selected. This FAQ will be updated with the expected e-config support date.

Q: Are the perpetual LPPs 5770-WDS and 5770-BR1, which are covered under IBM i Group SWMA for IBM i non-expiring licenses, covered with the IBM i Subscription Term license?

A: Yes, the perpetual LPPs 5770-WDS and 5770-BR1 will be covered under IBM i Subscription for the time being. Any change to this policy will be announced in an IBM Announcement Letter.

Q: Is conversion pricing available for converting non-expiring LPPs to Subscription LPPs.

A: No. There is no conversion pricing available for converting non-expiring LPPs to Subscription LPPs. Any change to this will be announced in an IBM Announcement Letter.

Renewing and adding to IBM i Subscription Term

Q: A client's Subscription Term is ending. What are the options to renew the term?

A: Options:

- 1) Order another Subscription Term using e-config.
- 2) IBM Technology Lifecycle Services (TLS) is in process of creating extensions for the IBM i and AIX Subscription Term offerings. Once the TLS offerings are available, then quote renewal using the TLS offerings in Conga.

Q: Subscription Term is available for up to 5 years. What if a client needs the Subscription Term for 5 years plus 3 months (as an example)?

A: The maximum Subscription Term than can be ordered via e-config is 5 years.

IBM Technology Lifecycle Services (TLS) is in process of creating extensions for the IBM i and AIX Subscription Term offerings. Once the TLS offerings are available, then quote additional duration beyond 5 years using the TLS offerings in Conga.

Q: If a client ordered a 5-year term initially, are they required to renew a 5-year term?

A: No. The client is not required to renew their original term duration.

Q: Once I have IBM i Subscription on a machine, can I add additional IBM i Subscription entitlement to it?

A: Yes. An example scenario:

- Order IBM i Subscription Term for 1 processor license for 2 years, expiring March 14, 2026.
Result: 5770-SS1 quantity = 1, expiration 03/14/2026
- On January 1, 2025, order 1 more processor license on this machine for a 1-year term.
Result: 5770-SS1 quantity =2, expiration 12/31/2025
- Upon the 12/31/2025 expiration, a new key is generated:
Result: 5770-SS1 quantity =1, expiration 03/14/2026

IBM i Temporary Licensing and Migrations

Q: Can a client use IBM i Temporary Licensing (5733-ITL) in conjunction with IBM i Subscription?

A: Yes. Example use case:

- The client has Subscription Term for 1 core, and temporarily need another core for 3 months.
 - Start with IBM i Sub 1 core, term ends 12/31/2025:
 - 5770-SS1 5051 qty = 1, expiration 12/31/2025
 - Buy ITL for 1 core for 3 months. Client starts their ITL and the key expiration is 7/31/2024:
 - 5770-SS1 5051 qty = 2, expiration 7/31/2024

- Upon the 7/31/2024 expiration, my key gets re-generated reflecting my current entitlement and term:
 - 5770-SS1 5051 qty = 1, expiration 12/31/2025

Q: A client is buying a new IBM Power S1014 (9105-41B) 8-core processor (P10 software tier) and will use the conversion offering to convert non-expiring IBM i to IBM i Subscription Term. If the client's migration will take longer than the standard allowed migration period of 30 days for P10 software tier, will the client need to acquire IBM i Temporary Licensing (5733-ITL)?

A: Scenarios:

- If the client converts their IBM i non-expiring to IBM i Subscription, then a client is using the conversion offering, and their migration period will exceed the standard 30-day migration period where concurrent license is allowed, then the client can acquire IBM i Temporary Licensing for the remaining migration period.
- If the scenario is that, rather than conversion non-expiring to Subscription, the client is buying net new IBM i Subscription entitlements on the target machine, then the client is licensed on both the donor and target machines and does not need IBM i Temporary Licensing for migration.

For Power Software's side-by-side migration policy, refer to [IBM Power Software Policies](#)

P20/P30 Plans

Q: Are P20 and P30 software tiers affected by this transformation?

A: IBM i P20 and P30 are not affected by the IBM i Business Transformation announcements to date. Therefore, P20 and P30 clients have the current options available when considering system replacements: i.e., acquiring new IBM i Subscription Term licenses, acquiring new IBM i non-expiring licenses, or transferring IBM i non-expiring to the new machine. Any change to this policy will be announced in an IBM announcement letter.