

Revision history:

2/15/2025: revisions are in blue.

The purpose of this FAQ is to answer frequent questions about the move of IBM i to subscription term licenses. For planning purposes, we have informed IBM i clients, partners and IBMers as early as possible. However, this means that not all outstanding required activities are completed. There are questions that have been asked and included in this document for which we do not yet have an answer. It is our intent to continue to update this document and add answers as decisions are made. Please let us know if there are additional questions and answers you think need to be added.

Thank you.

Background:

IBM began the IBM i Business Transformation in 2022.

- **May 2022**
 - Alternate way to acquire the IBM i Operating System for the P05 software tier
 - 1 to 5 year committed terms
 - For IBM i 7.2, 7.3, 7.4, 7.5
 - Statement of Direction to add subscription term licensing for LPPs
- **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

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 versions of Power servers are IBM i subscription term licenses available?

A: Power9, Power10

Q: When will IBM i non-expiring licenses no longer be available?

A: The ability to acquire new IBM i non-expiring licenses for the P05 and P10 software tiers will be withdrawn on March 26th, 2024. While it is our intent to move to subscription term licensing for all software tiers, there is no plan for P20 or P30 software tiers at this time.

Q: Will IBM i subscription term licenses be available for IBM Power Virtual Server ([Power VS](#)) and other clouds?

A: Power Virtual Server is a consumption-based model. Customers sign up and are billed for what they use. For other clouds, it will be dependent on the service provider and their business model.

Q: Which IBM i LPPs are available as a subscription term today?

A: Today, the following 3 LPPs are available as subscription term licenses:

- Modernization Engine for Lifecycle Integration (Merlin)
 - Through Passport Advantage (PPA)
- Rational Developer for i (RDi)
 - Through Passport Advantage (PPA)
- Rational Development Studio
 - Through AAS/e-Config

IBM has published a Statement of Direction (SoD) stating that IBM will offer subscription term licenses for all eight LPPs for IBM i (which are those that have a charge associated with them).

Key Management

Q: Do I need to renew my software license keys with IBM i subscription term?

A: Yes. The software license key duration aligns with the subscription term. As part of the subscription roadmap, we are looking at providing an auto-renewal capability, such that if auto-renewal of the subscription term is turned on, the term is renewed, and software licenses keys would automatically be available on the Entitled System Support (ESS) portal once the subscription term has renewed. At present, we do not have specifics regarding the implementation.

Q: Will IBM i subscription term license keys be managed and applied to servers like traditional IBM i non-expiring licenses?

A: Yes. IBM i subscription term keys expire when the term expires, whereas non-expiring licenses generally have permanent keys (a few exceptions apply for specific offerings).

Q: Are security patches and PTFs automatically applied to my IBM i subscription term entitlements or do these need to be applied manually like with traditional non-expiring licenses?

A: Security patches and PTFs are manually applied to IBM i and the LPPs whether the license is acquired via subscription term or via non-expiring licenses.

Warning Messages and Hard Compliance

Q: Will I receive warnings before my IBM i subscription term has ended?

A: IBM i provides warning messages to alert you when your keys will expire.

Q: If my IBM i subscription term is not renewed, will my source code and applications stop working?

A: The IBM i and LPP software license keys expiration will affect the ability to run the operating system and LPPs, and therefore may affect the applications running on the operating system and/or using the LPPs.

Q: How will I be warned that my IBM i subscription term is coming to an end?

A: IBM i provides warning messages to alert you when your keys will expire.

Q: If my subscription is not paid for and is turned off, how soon can it be turned on again once it is paid?

A: The details regarding auto renewal and ordering renewals will be provided at a future date.

Auto Renewal

Q: Will my IBM i Subscription Term Licenses automatically renew?

A: As part of the subscription roadmap, we are looking at providing an auto-renewal capability, such that if auto-renewal of the subscription term is turned on, the term is renewed, and software licenses keys would automatically be available on the Entitled System Support (ESS) portal once the subscription term has renewed. At present, we do not have specifics regarding the implementation.

Q: How do I enable or disable auto renewal for IBM i Subscription Term Licenses?

A: At present, we do not have specifics regarding the implementation.

Q: Do my IBM i Subscription Term Licenses automatically renew for just one year or for the original length of the term?

A: At present, we do not have specifics regarding what renewal terms can be selected.

Q: Does every IBM i license need to be renewed per server or is there a way to renew my entire IBM i environment with one click?

A: It is our intent to renew software license keys using an auto-renewal capability. At present, we do not have specifics regarding the implementation.

Q: If auto renewal is turned on and a new release is available, will my IBM i Subscription Term License also automatically update to the newest release?

A: While the upgrade paths are not finalized, generally, we expect that customers will upgrade their IBM i entitlements to a new release in the same way they upgrade their non-expiring entitlements.

License Conversion (Trade-In)

Q: Can I trade in my IBM i non-expiring licenses for IBM i Subscription Term Licenses?

A: IBM has provided a SoD stating that a conversion offering will be available. At present, we do not have specifics regarding the implementation.

Q: What value will I get for my existing IBM i non-expiring licenses to convert them into subscription term licenses?

A: At present, we do not have specifics regarding the implementation of the transition offering.

Q: Will trading in IBM i non-expiring licenses for subscription term licenses result in any downtime for my business?

A: In general, changing the licensing in IBM's records will not affect the software that is running on your Power system.

Q: Do I need to trade in my IBM i non-expiring licenses directly to IBM or can this be done through my Business Partner?

A: At present, we do not have specifics regarding the implementation of the transition offering.

Q: Can I still trade in my IBM i non-expiring licenses if they are not actively on SWMA?

A: While we do not have the specifics of the conversion offering at this time, it is reasonable to expect that active SWMA will be pre-requisite to using the conversion offering.

Q: Can I trade in my IBM i non-expiring licenses if they are not a currently supported release?

A: At present, we do not have specifics regarding the implementation of the conversion offering.

Q: If I am trading in an IBM i non-expiring license that is not actively on SWMA for a subscription term license, does the SWMA reinstatement fee still apply?

A: While we do not have the specifics of the conversion offering at this time, it is reasonable to expect that active SWMA will be pre-requisite to using the conversion offering. Clients who do not have active SWMA will not be eligible for the lower-priced option.

Investment Protection

Q: What will happen to my IBM i non-expiring licenses that I've already purchased?

A: Existing IBM i non-expiring licenses will continue to run according to standard license agreement terms.

Q: Will my existing IBM i non-expiring licenses still be supported if I have active SWMA?

A: Existing IBM i non-expiring licenses will continue to run according to standard license agreement terms for both entitlements and SWMA.

Transfer Non-expiring

Q: Can I still transfer my IBM i non-expiring licenses between servers within my enterprise?

A: When a client buys a new Power10 at P05 and P10 tiers starting May 7, 2024, their IBM i licensing choices will be:

1. Buy new IBM i Subscription licenses, or
2. Convert IBM i non-expiring license to IBM i Subscription at a lower-priced Subscription option than buying new IBM i Subscription licenses.

Q: If I have an existing Power machine at P05 or P10 with existing IBM i entitlement on it, can I transfer my IBM i non-expiring licenses from a donor to this machine?

A: Yes. IBM i transfers of non-expiring entitlement to existing Power machines with non-expiring entitlement will be allowed after May 7, 2024.

Q: If I have an existing Power machine at P05 or P10 with existing IBM i entitlement on it, can I order additional IBM i non-expiring license quantities for processor and user entitlements after May 7, 2024?

A: Yes.

Q: Can I transfer an IBM i non-expiring license to a server with a subscription term license and vice versa?

A: IBM i non-expiring and subscription terms licenses cannot be mixed on the same system. Information regarding all transfer scenarios will be provided in the future.

Q: Where IBM i license transfers are eligible, will the IBM i license transfer fee remain the same?

A: Information regarding all transfer scenarios will be provided in the future. For non-expiring entitlements which are eligible to transfer, the standard IBM i entitlement transfer fee applies. For subscription term entitlements, at present, we do not have specifics regarding the implementation of a transfer offering.

Q: Are Movable IBM i licenses to IBM Power Virtual Server (Power VS) still available and will this be an option with subscription term licenses?

A: The Movable offering to leverage on-prem non-expiring licenses for lower-priced usage entitlements on Power Virtual Server remains. At present, we do not have specifics regarding the implementation of a transfer process to/from Power Virtual Server for subscription term entitlements.

Transfer Subscription

Q: Can I transfer IBM i Subscription Term Licenses between servers within my enterprise like with traditional non-expiring licenses?

A: Information regarding all transfer scenarios will be provided in the future.

Q: Will there be a license transfer fee with IBM i Subscription Term Licenses like there is with traditional non-expiring licenses?

A: Information regarding all transfer scenarios will be provided in the future.

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.

Service Extension

Q: Will service extensions for existing IBM i non-expiring licenses still be honored?

A: Yes. Clients running non-expiring entitlements of releases of IBM i for which there are Service Extensions will be able to continue to use the Service Extensions.

Q: How will Service Extensions work for IBM i Subscription Licenses?

A: At present, we do not have specifics regarding how Service Extensions will work.

Q: Can an IBM i non-expiring licenses currently in extended support be converted into a subscription term license?

A: At present, we do not have specifics regarding the implementation of the transition offering.

Service Provider Monthly

Q: Are the monthly IBM i licenses for service providers still available?

A: Yes, the Service Provider Monthly offering is still available.

Q: Will IBM i monthly licenses for service providers only be available as a subscription term licenses as well?

A: At this time, IBM has not determined whether there will be changes to the Service Provider Monthly program.

Q: Will IBM i monthly licenses for service providers need to be paid for annually as a subscription now?

A: At this time, IBM has not determined whether there will be changes to the Service Provider Monthly program.

Q: What are the terms for IBM i monthly licenses for service providers now?

A: Please look under the IBM i Service Provider topics on the [IBM i License Topics webpage](#).

Q: Can service providers trade in their monthly IBM i non-expiring licenses for subscription term licenses as well?

A: At this time, it is not determined whether there will be a transition offering for Service Providers to the Service Provider Monthly program.

P20 and P30 Software Tiers Roadmap

Q: Will IBM i P20 and P30 licenses only be available as a subscription term licenses as well in the future?

A: In the future, IBM intends to transition the IBM i business to subscription term licensing.

Q: Will IBM i P20 and P30 non-expiring licenses already purchased still work?

A: Existing IBM i non-expiring licenses will continue to run according to standard license agreement terms.

Q: Are IBM i P20 and P30 licenses also available to purchase as a subscription term licenses?

A: Yes. Subscription term licenses are available for all IBM i software tiers – P05/P10/P20/P30.

Other Topics to Still be Determined:

IBM Power Private Cloud with Shared Utility Capacity (Enterprise Pools 2.0)

Payment Other Than Pay Up Front

Virtual Serial Number

Solution Editions