



ITSO PRICING STRUCTURE 2011/12

1. ITSO Membership

- 1.1** Any individual or organisation with an interest in the development of interoperable smartcard solutions is welcomed as a member of ITSO. Members have access to the ITSO website and advance technical information along with a forum for members to attend. Members are actively able to contribute to the future developments of interoperability through ITSO.
- 1.2** Any individual, or organisation wishing to participate in an interoperable scheme, must be an ITSO member and hold an ITSO Operating Licence. This ensures that the security and reputational quality of interoperable schemes is maintained.
- 1.3** ITSO joining and membership fees are set at levels to cover the non operational costs of ITSO and are banded according to the size of the business turnover. In the case of an organisation, which is part of a larger company or group, it is the total worldwide turnover of the group, which will determine its membership category.
- 1.4** Any member wishing to terminate their ITSO membership must do so in writing. Should a Member or Registered Supplier hold certificates displayed on the ITSO website the certificate will remain on the website until its expiration or withdrawal irrespective of membership status.

SCHEDULE ONE

Schedule of Membership Fees and Votes 2011/12 (effective from 1st April 2011)				
SECTOR	Fee scale	Joining Fee	Membership Fee	Number of Votes
		£	£	
		Note 1	Note 2	
1) Transport Operating Sector				
- Bus and Light Rail Members				
turnover p.a.				
- less than £1m	1A	383	574	1
- £1m - £4.99m	1B	766	1,149	1
- £5m - £9.99m	1C	1,527	2,291	2
- £10m - £99.99m	1D	4,200	6,300	3
- over £100m	1E	7,630	11,445	6
- ATOC	1F		68,644	30
2) Public Sector				
Local Authorities				
population				
- less than 250,000	2A	383	574	1
- 250,001 - 499,999	2B	766	1,149	1
- 500,000 - 999,999	2C	1,527	2,291	2
- over 1 million	2D	3,095	4,642	2
PTEs - Each PTE	2E	4,200	6,300	3
TFL/Scottish Executive/Welsh Assembly	2F		11,445	6
DfT	2G		30,515	0
3) Suppliers Sector				
turnover p.a.				
- less than £1m	3A	383	574	1
- £1m - £9.99m	3B	1,527	2,291	2
- £10m - £99.99m	3C	4,200	6,300	3
- over £100 million	3D	7,630	11,445	6
NOTES				
1. All amounts are exclusive of VAT. Fees are payable for membership applications between 1st April 2011 and 31st March 2012. Applications are processed according to the information provided by the applicant member, which ITSO trust is correct. Upon receipt of a membership invoice the member is responsible for checking that fees relate the annual turn over unless ITSO requests verification of the figures provided.				
2. The amount payable by new members will be calculated on a pro rata basis related to the date of membership application				
3. Affiliated membership and the associated fees are at the discretion of the Board.				
4. For the purposes of membership fees, in the case of an organisation which is part of a larger company or group, it is the total worldwide turnover of the group which will determine its membership category.				



2. ITSO Operating Licence

(Schedule Two)

2.1 An annual operating licence fee will be payable by ITSO members operating as one or more of the following:-

- ITSO shell owner
- ITSO shell retailer
- ITSO product owner
- ITSO Product retailer
- Service operator
- Collection & Forwarding

2.2 Licence fees will be calculated as a percentage of the member's eligible turnover derived from ITSO related business, as detailed in 2.2.1.

2.2.1 Product Owner:

The gross sales value of their own IPEs.

Where a product is a multi-operator product, one organisation will be required to take the role of ITSO product owner and be the licensee for such products. The eligible turnover attributable to a Local Authority Concessionary Travel Scheme will be the value of all concessionary fares paid by concessionary passengers (including any single or multi operator concessionary products) plus the concessionary support payments to the operators. The value of any single or multi operator concessionary products will not be regarded as eligible turnover of the operator(s). This is applicable for all Concessionary Travel irrespective of whether collected via "Smart" means or not.

Shell owner:

Any income derived from the sales or use of the shell.

Product Retailer

Operating income (usually commission) derived from the sale of IPEs.

Service Operator

An operator which does not have any products of its own, their membership of ITSO is likely to be on the basis of enabling them to participate in a Concessionary Travel Scheme, or a joint ticketing scheme. In such scenarios, the turnover of the IPEs will be attributable to another ITSO licensee and no licence fee will thus be required from the service operator.

Shell Retailer

Operating income derived from the production/loading of ITSO shells.

Collection & Forwarding

The operating income from all activity related to the operation/support of ITSO-compliant schemes.

Where a member undertakes more than one of the above roles their licence fee will be based on the turnover derived from all the individual roles.

2.3 Members will be required to estimate their eligible turnover for the year ahead, and to declare their actual eligible turnover on an annual return, which will be certified by the member's external auditors.

SCHEDULE TWO

ITS O Operators Licence Fees

Eligible Turnover	Annual operating licence fee
Up to £2.50m	£500
£2.50m to £4.99m	£1,000
£5m and above	0.025% of turnover, examples given below:
£5m	£1,250
£10m	£2,500
£25m	£6,250
£50m	£12,500
£100m	£25,000

The above amounts exclude VAT.

Licence fees will be payable annually in advance. Members will be required to estimate their eligible turnover for the year ahead, and subsequently to declare their actual eligible turnover on an annual return certified by the member's external auditors. The licence fee payable for the year will be adjusted to reflect the member's actual eligible turnover.



3. Operator Identity Numbers (OIDs)

(Schedule Three)

3.1 The ITSO specification identifies those involved in creating and accepting ITSO shells and products by using OIDs. For this purpose they are divided into three groups, which match the different roles that members can perform:-

- a) ITSO shell owner
- b) ITSO product owner
- c) Service provider – i.e. service operator, product retailer or shell retailer

3.2 There are three types of OID, which match the above roles. They are summarised below.

	Assignment Fees are detailed in schedule Three	Roles Permitted
ITSO Shell owner's OID		a + b + c
ITSO Product owner's OID		b + c
ITSO Service provider's OID		c

3.3 Should a member who initially obtained a Product owner OID wish to become an ITSO shell owner, then they will need to obtain and pay for a Shell owner OID. Similarly, if a Service provider wishes to become either a Product owner, or a Shell owner, they too will need to obtain the appropriate OID.

3.4 Should any other form of change be needed to an OID registration, a fee will be payable.

3.5 One off fees are payable upon registration with ITSO. Annual fees are applicable on the annual anniversary and thereafter.

3.6 Every AMS will require a Primary HSAM, this is created by the Registrar for each Licensed Member upon receipt of ISAMs and appropriate application form.



4. ITSO Security Management Service (ISMS)

4.1 ITSO will provide via a trusted third party a central ISAM registration and key management service in the UK, the ISMS.

4.2 The ISMS is likely only to have a direct interface with the following ITSO roles:-

- ITSO Product Owners
- ITSO Shell Owners
- Operators/Retailers
- Collection and forwarding agents

Links to the ISMS by any of the other roles will probably need to be through one or other of the above, although in practice the interface to the above will be via an organisation carrying out an asset managing function.

4.3 The charges for the ISMS will therefore be made to one or other of the above roles. The commercial relationship between the respective parties will determine which organisation is actually charged by ITSO. This will need to be established at the time the ITSO Registrar is notified of a request for the initial creation of each set of keys.

4.4 The charges for the ISMS comprise:-

- a) An asset management set-up fee payable by a member defined in 4.2 above, who will be receiving keys/messages and sending acknowledgements that they have been received directly from/to the ISMS, with a subsequent annual maintenance fee.
- b) A one-off ITSO Product Account registration fee with a subsequent annual licence fee.
- c) For changes to an ITSO Product Account, a fee is payable per change
- d) An annual ISAM connection fee is payable per ISAM.

SCHEDULE THREE

ITSO Service Charges (effective from 1st April 2011)

	Notes	One-off fee (£)	Annual Fee (£)
<u>ITSO Operator ID (OID) assignment fee</u>	1		
OID Change Fee	2	£62	N/A
Product owner	3	£618	£123
Shell owner	3	£1,230	£246
Service provider		£246	£62
<u>ITSO SMS Operational Fees</u>			
Asset Management Set Up	3 & 4	£933	£185
Primary HSAM Creation	5	£1572	N/A
IPE Change (per change)		£123	N/A
ISAM connection fee (per ISAM)			£12.31
IPE registration		£618	£123

NOTES

1. The ITSO Operator ID (OID) is used to identify the individual entities involved in creating and accepting ITSO shells and products, with the associated costs varying according to the role being performed by the member. If a member wishes to 'trade up' to perform either a product owner or a shell issuer role, they will need to acquire an additional OID for that role.
2. Fee payable in respect of any change to an OID requiring input from the ISMS.
3. The ISMS Operator, under the banking regulations, is required to carry out 'Know your Customer' checks on individuals from whom it will be receiving instructions. In the ITSO environment this will apply to Shell owners, Product owners and any organisation which will be receiving keys directly from the ISMS. There is a cost per authorised signatory, which ITSO will recharge to the relevant member.
4. The Asset Management set up fee is payable by organisations which will be receiving keys/messages and sending acknowledgements that they have been received and actioned directly from/to the ISMS.
5. The Primary HSAM Creation is completed by the Registrar upon receipt of ISAMs and application forms from the Licenced Member.
6. The above prices do not include VAT, delivery charges, etc.



5. ITSO Secure Application Module (ISAM) (Schedule Four)

5.1 The ISAM has been developed to operate within the security architecture specified by ITSO in order to ensure that access to the ITSO shell and products is secure and that loss-less end to end transactions are supported in any scheme complying with the ITSO Specification. It must be present in all ITSO compliant equipment installed in the UK.

5.2 ISAMs will initially be sold by ITSO Limited at the prices detailed under **Schedule Four**.

SCHEDULE FOUR

ITSO ISAM Prices – Effective from 3 June 2011

	Notes	Quantities	Unit Price
ITSO Secure Application Module (ISAM)	1	Up to 50 V2	£89.45
		51 – 499 V2	£71.53
		500 plus V2	£59.63
		1 I2F	£277.72

- 1. The ITSO Secure Application Module will be supplied initially by ITSO Limited. Maximum quantity prices are applicable for cumulative purchases.**
- 2. The above prices do not include VAT, delivery, etc.**



6. Testing and Certification

(Schedule Five)

- 6.1** The testing and certification of the various elements of an interoperable scheme will initially be carried out on behalf of ITSO by Clear2Pay, a company based in Belgium.
- 6.2** ITSO has taken the approach that it will not be necessary for an organisation to be an ITSO member in order for it to be able to obtain certification for their products/services. The fees payable for testing and certification will however be 15% higher for non-members than for members, and non-members will be required to pay a one off supplier registration fee.
- 6.3** The costs of certification and testing are largely based around daily rates (see **Schedule Five**). Upon successful completion of testing, a certificate will be issued, for which a certificate issue fee is payable. Any subsequent re-testing will be carried out at the day rates applicable and there will be a reduced certificate fee payable upon successful completion of the re-test. Fees for testing are invoiced directly by the testing provider Integri, while fees for certificates issued upon the completion of testing are invoiced by ITSO Ltd.
- 6.4** In addition to performing the actual tests themselves, Integri will also supply the Test Tools and Test Environments to suppliers, which will enable suppliers to test their equipment, etc in-house as it is being developed thereby reducing the likelihood of any difficulties when they eventually submit to Clear2Pay for testing. Prices for Test Tools or their hire are shown in **Schedule Five** and these are purchased directly from Integri.

SCHEDULE FIVE

ITSO Testing and Certification Fees

Fees do not include VAT, delivery, etc.	Notes	One-off fees	
		Members	Non-Members
Supplier Registration Fee	1	£0	£2,025
ITSO Testing & Certification Fees	2		
Test session set-up (per session)	3	£2,275	£2,620
Equipment Testing (per day)	4	£1,935	£2,225
Use of Testing warehouse (per day)		£490	£560
ITSO Certificate Award	5	£1,140	£1,310
ITSO Re-Test Certificate Award		£860	£990
Other Technical Support provided		£145 (per hour)	£170 (per hour)

- Suppliers who are not ITSO members and wish to manufacture and/or supply equipment or systems compliant with the ITSO Specification will pay a one-off Supplier Registration Fee of £2,025. Registered Suppliers that subsequently decide to join ITSO as Members will have their Supplier Registration fee allowed against their ITSO Joining/Membership Fee.

Supplier Registration is free to Members and will under normal circumstances remain valid upon termination of Membership. It is a Supplier's responsibility to ensure that they register correctly with ITSO before submitting equipment or making an application to use the testing service. An "Introduction to ITSO Testing & Certification" information/support pack and initial support from Integri is included in the Supplier Registration Fee.
- The Testing & Certification prices on this list are those which will be payable by ITSO Members. Prices for non-ITSO members will be 15% higher.
- The testing session set-up fee will be levied at the start of every distinct testing session for each piece of equipment.
- For test sessions carried out at locations other than the ITSO test warehouse, travel and accommodation expenses etc will be charged at cost.
- Certificates remain displayed upon the ITSO website until its expiration or withdrawal irrespective of membership status.



Testing Tool Licence Fees	INQ Licence (logger and pass-through)	INQ Licence (all ITSO test modes)	STAR175 Card reader	STAR3150 Hardware Adapter	MP300-CL2 c'less card reader	Total (in GBP)
	£7,300	£10,525	£1,275	£4,850	£5,425	
Individual Test tools						
ISAM Logger and Fault Injector	1		1	1		£13,425
ITSO Card Data Generator And Test Tool		1	1		1	£17,225
POST/HOPS Messaging Test Tool and Data Generator		1	1			£11,800
Integrated Test Environments						
HOPS Producer Test Environment	1	1	1	1		£23,950
POST Producer Test Environment	1	1	1	1	1	£29,375
CARD Producer Test Environment		1	1		1	£17,225

Annual Maintenance fee	15% on Licence Price					
HOPS Producer Test Environment includes:	ISAM Logger and Fault Injector + POST/HOPS Messaging Test Tool and Data Generator+ STAR175 card reader+ STAR3150 Hardware Adapter					
POST Producer Test Environment includes:	ISAM Logger and Fault Injector + ITSO Card Data Generator and Test Tool + POST/HOPS Messaging Test Tool and Data Generator + STAR175 card reader+ STAR3150 Hardware Adapter + MP300-CL2 contactless card reader.					
CARD Producer Test Environment includes:	ITSO Card Data Generator And Test Tool+ STAR175 card reader+ MP300-CL2 contactless card reader.					

Renting of 1 INQ Licence (all ITSO test modes)

Rental during initial 24 weeks				Rental from 25 th week onwards	
1 st period (6 weeks)	2 nd period (6 weeks)	3 rd period (6 weeks)	4 th period (6 weeks)	From 5 th period (6 weeks)	
£ 2,000	£ 1,750	£ 1,500	£ 1,250	£ 1,000	
Rental period is segments of 6 weeks, with decrementing price for continued rental until minimum price (after 24 weeks) as shown above. Any breaks in the rental period means that any subsequent rental will commence with 1 st 6 week-period pricing.					
Renting does NOT include Hardware. (Micropross Reader can be bought from Clear2Pay; ACG Dual ISO reader can be bought from ACG.)					

The above fees do not include VAT, delivery etc.

7. Card Validation Service

(Schedule Six)

- 7.1** This is a service provided by ITSO that verifies that CMD's have been encoded in accordance with the declared parameters submitted for use to the ITSO Specification.
- 7.2** An ITSO Member (or a Transport Concessionary Authority who has Cards registered via ITSO Services Ltd.) can send CMD's along with the details of the encoding requirement to ITSO and they will be validated to see that they have been produced in accordance to the encoding requirement.
- 7.3** This service does not replace CMD Certification.
- 7.4** Circumstances when this service might be used are:
- When a parameter has been changed
 - When a new Card Management System is introduced
 - When new Products (IPE's) have been added to a CMD
 - When the card encoding production is changed.

SCHEDULE SIX

ITSO Card validation Service

Number of CMD's	Cost
Up to 10	£262
11 to 20	£524
21 to 30	£786
31 or more	£786 + £26 per additional CMD (over 30)

The above prices do not include VAT, delivery, etc.

8. Summary

- 8.1** ITSO is a member based organisation, and intends to provide the various services necessary to sustain interoperable schemes at the minimum pricing level consistent with maintaining a sound financial footing.
- 8.2** It is important however that members appreciate the difficulties in establishing a set of charges for what is in effect a start-up operation in a market where lead times for developments can be very difficult to forecast.