Cost Rule

Return to Terms and Definitions

Discussion

A Cost Rule provides the basis for calculating, classifying, or allocating economic treatment for governed work. It supports consistent cost attribution, compensation claims, chargebacks, reimbursements, settlement instructions, provider comparison, and audit activity in the Cost Recovery, Compensation, and Settlement Plane.

A Cost Rule uses cost-relevant information such as work type, qualification status, policy obligation, evidence reference, data-volume band, retention duration, service-level result, jurisdictional category, or settlement context. It does not require routine access to full transaction payloads, detailed compliance findings, regulated data, or confidential business content.

A Cost Rule also supports competitive substitution by enabling qualified providers to compare equivalent governed functions using common cost criteria.

Definition

rule that determines economic treatment for governed work

Source

FX Demo Reference Architecture, Part 6: Cost Recovery, Compensation, and Settlement Plane

Note

A Cost Rule differs from a commercial price. A commercial price expresses a business term. A Cost Rule expresses the architectural basis for calculating, classifying, or allocating cost-relevant work.

A Cost Rule also differs from a policy obligation. A policy obligation identifies required governed work. A Cost Rule determines economic treatment for that work.

Example

A persistence Node retains evidence for a required period. A Cost Rule uses the work type, data-volume band, retention duration, and evidence reference to calculate the chargeback context for the retained evidence.