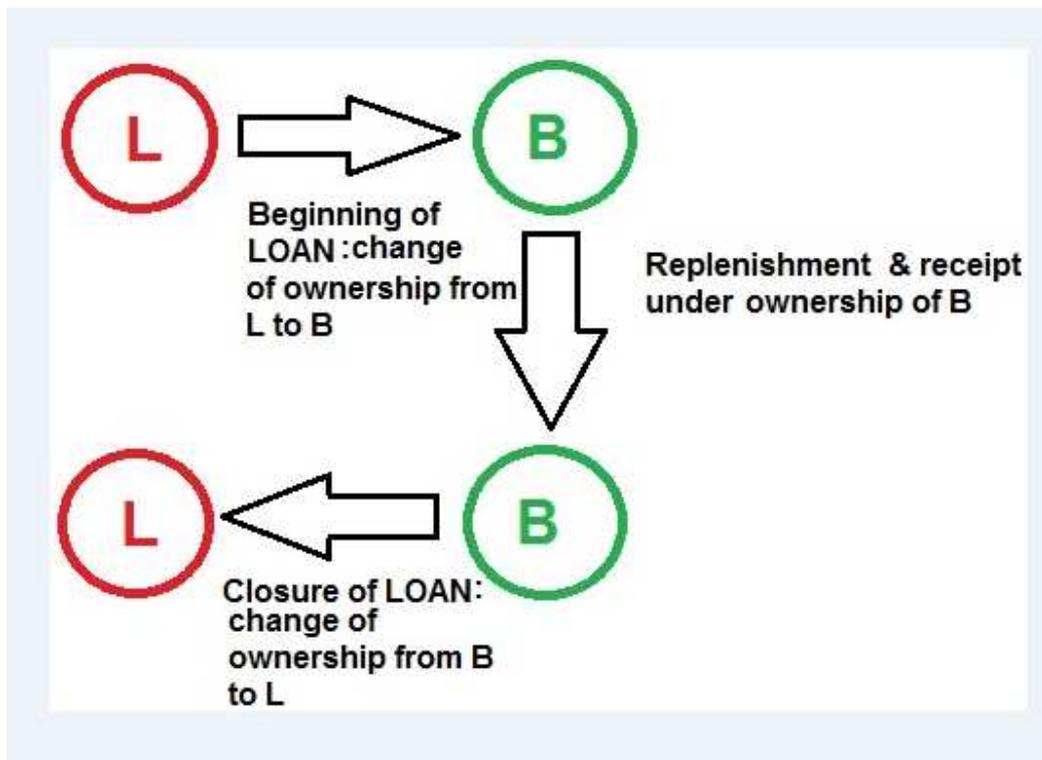


LOANS and BORROWING

The concepts on which is based the loan and borrowing process are described in Chapter 5 of the [UNHRD SOPs](#):

Users are allowed loan, sell or exchange stocks with other users, subject to a bilateral agreement between parties. These are considered shared stocks. The most common way to access another Users' stocks is through a sale, e.g. "User A" may buy items which are part of "User B"s" stocks and takes possession of them upon issuance by "User B" of a releasing authority (see par. 5.3 below). Upon request from the lending/selling User, UNHRD may take care of the procurement for the replenishment of the sold stock; alternatively the User may replenish its own stock. The access documentation is the responsibility of the Users. The HRD managers will ensure that the manifest of the discharge is duly recorded and available for review by either party.

The process is graphically described in the picture below where Partner L represents the Lender and Partner B the Borrower:



NOTE: in case the material requested by the borrower is available in the WHITE STOCK balances, direct procurement has to be performed without any transfer of stock between owners. This is possible since access to WHITE STOCK balances is open to all UNHRD Partners.

The Loans & Borrowing process is started when a [Loan Form](#) duly filled in and [formal approval from Lender](#) are provided. Upon request, the Support Office releases the agreement number (e.g. AEHDNFI00000002) which is a progressive number at hub level that is uniquely applied on each request of loan that specify the Plant of the Hub where the loan will be started. The agreement

number should be recorded in all the WINGS transactions that are posted with regards to the Loans & Borrowing process (e.g. SO header text, PR header, PO text line, GR header etc.).

In principle, the Inquiry, Quotation and Sales Order are posted by following the standard process and foreseeing the Borrower as Sold-to-Party and adopting its WBS element on the service lines that will regard the replenishment process. Material codes can be added at this stage too, by adopting Borrower's WBS element, but it is not recommended to perform the availability check are the items requested for the loan are not available since the below actions are performed.

When the Loan Form and the approval from Lender are made available, the following steps have to be performed:

1) START OF LOAN - WAREHOUSE staff at requesting hub:

To start the loan process it is required to move the items in the Storage Location dedicated to the Loans & Borrowing area. Start the transfer posting (transaction MIGO with Mov. Type 309, to remove the items from the Storage Location 0002 for 'HRD unpacked mat' in to the Loan Storage Location 0003 for 'L&B Transfer'.

Go to transaction MIGO and select Transfer Posting in the selection menu and select Mov. Type 309:

Transfer Posting Other - Nadia Parisi

Show Overview | Hold | Check | Post | Help

Transfer Posting | Other | TF tfr ps.mat.to mat | 309 Q

Additional WFP Field | COMPAS Fields

10.2014 | Material Slip | []

10.2014 | Doc.Header Text | []

with ... | GR/GI Slip No. | []

Material | Quantity | Where

Enter the information in the fields circled below:

From | Dest

Material | Water tank, collapsible, 1000lt w/ramp | Water tank, collapsible, 1000lt w/ramp

B36959201 | B36959201

Plant | WFP UNHRD - Subang | MYHD | WFP UNHRD - Subang | MYHD

Stor. Loc. | HRD unpacked mat | 0002 | L&B Transfer | 0003

Batch | 1000008375 | 1000008375

Val. Type | NOWFP NFI | NOWFP NFI

Spec. Stock | Q Project stock | Q Project stock

S.0001.4.02.002 | S.0001.4.02.002

Qty in UnE | 1 | EA

Save the Transfer posting and process the required TO.

NOTE: it is important to adopt the same WBS elements in both the FROM and DEST sections.

By performing this action, the items are not any longer visible in the warehouse management (e.g. they are not listed in the Bin Status Report –transaction LX03- or in the WM Stock list – transaction LX02-) but they remain available in the Inventory Management (e.g. they are listed in the Display Warehouse Stocks of Material –transaction MB52- under Storage Location 0003). To check the effects of this posting run transaction MB52 and adopt the restrictions below:

The system returns the below information:

Material	Material Description	Plnt Name 1
SLoc S V Special	stock number Batch	SL Unrestricted Unit Trans
		Total Value Crpy T
B36959201	Water tank, collapsible, 1000lt,w/ramp	MYHD WFP UNHRD - Subang
0003 Q M S.0001.4.02.002	NOWFP NFI	1 EA
		697.42 USD

2) POST OF LOAN - Support Office:

Based on the values and specifications as results of action in step 1), Support Office posts the document to change the ownership from the Lender to the Borrower by adopting the appropriate movement types. The document posted creates a GI from Storage Location 0003 (from borrower’s WBS element) and a GR to Storage Location 0003:

Material	Material Description	Plnt Name 1
MVT S	Mat. Doc. Item Doc. Date PO	Quantity EUn WBS Element Amount LC Doc.Header Text Batch Reference SLoc
B36959201	Water tank, collapsible, 1000lt,w/ramp	MYHD WFP UNHRD - Subang
953 Q L&B NW Rep. Issue	4902319336 04.08.2011	1- EA S.0001.4.02.002 2,156.92- MYHDNFI00000016 1000003985 0003
955 Q L&B NW Rep. Recpt	4902319336 04.08.2011	1 EA S.0001.4.02.004 2,156.92 MYHDNFI00000016 1000003482 0003

3) COMPLETE THE LOAN POST - WAREHOUSE staff at requesting hub:

In order to move back the items under the Warehouse Management and make them available for the Sales Order and consequent Outbound Delivery, start another transfer posting (transaction MIGO with Mov. Type 309), and enter Storage Location 0003 in the FROM section for ‘L&B Transfer’ and Storage Location 0002 in the DEST section for ‘HRD unpacked mat’:

From	Dest
Material: Water tank collapsible, 1000lt w/ramp B36959201	Material: Water tank collapsible, 1000lt w/ramp B36959201
Plant: WFP UNHRD - Subang MYHD	Plant: WFP UNHRD - Subang MYHD
Stor. Loc.: L&B Transfer 0003	Stor. Loc.: HRD unpacked mat 0002
Batch: 1000008375	Batch: 1000008375
Val. Type: NOWFP NFI	Val. Type: NOWFP NFI
Spec.Stock: 0 Project stock S.0001.4.02.004	Spec.Stock: 0 Project stock S.0001.4.02.004
Qty in UnE: 1 EA	

Save the Transfer posting and process the required TO.

NOTE: it is important to adopt the same WBS elements in both the FROM and DEST sections.

4) OUTBOUND DELIVERY - WAREHOUSE staff at requesting hub:

From this point standard process can be started to start the outbound flow. Perform the availability check at the SO level and generate the Outbound Delivery from it. Follow the standard procedure for Outbound flow to create the TO and post the GI.

5) REPLENISHMENT - UCS at requesting hub /Procurement :

Create the PR in line with Sales Order specifications (foreseeing Borrower's WBS element and reporting the Agreement number adopted for the loan in the PR header text). Enter Storage Location 0003 for the items that will be replenished to close the loans where the borrower is Internal Partner. Also check that same Storage Location is adopted in the PONF that will be issued as consequence of the PR for loans where the borrower is Internal Partner. In case the borrower is External Partner, issue the POWM as soon as the PONF is issued and adopt 0003 as Storage location.

Adopting Storage Location 0003 minimizes the actions required to close the loans as the items will be received in a 'non-WMS' location named 'L&B Transfer', thereof once GR is posted against the PONF/POWM the Transfer Order is not required.

NOTE: replenishment of items taken on loan can foresee any other hub as delivery plant. Therefore, a different plant for replenishment of items taken on loan might facilitate strategic move of stock balances of the lender: for this reason the lender might be more enticed to release the items as it results as a stock repositioning to other HRD hub at zero cost.

6) CLORUSE OF LOAN - SUPPORT OFFICE:

Once the GR is posted against the PONF/POWM, the SUPPORT OFFICE closes the loan that are made available under Storage Location 0003 by applying the proper movement types. In case GR is posted against Storage Location 0002, a further Transfer Posting has to be posted by warehouse staff to move the items under Storage Location 0003.

The document posted to close the loan creates a GI from Storage Location 0003 (from borrower's WBS element) and a GR to Storage Location 0003 (to lender's WBS element)

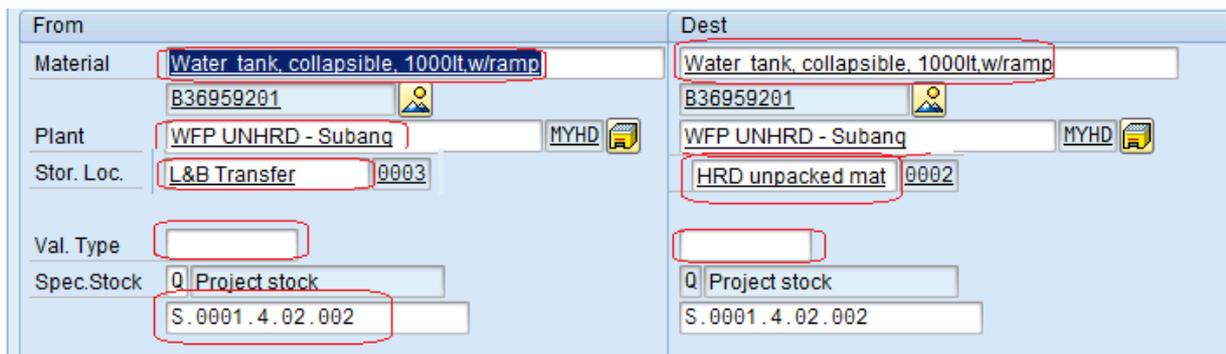
1) WAREHOUSE staff at requesting hub:

Start the transfer posting (transaction MIGO with Mov. Type 309), to insert the items in WMS from the Loan Storage Location 0003 for 'L&B Transfer' to Storage Location 0002 for 'HRD unpacked mat':

Go to transaction MIGO and select Transfer Posting in the selection menu and select Mov. Type 309



Enter the information in the fields circled below:



Save the Transfer posting.

NOTE: it is important to adopt the same WBS elements in both the FROM and DEST sections.

Process the required TO to complete the putaway of the material received.